

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019
FOR
HEBRIDEAN CONNECTIONS

CIB Services
Chartered Accountants
63 Kenneth Street
Stornoway
Isle of Lewis
Western Isles
HS1 2DS

HEBRIDEAN CONNECTIONS
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 9

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's objects are to promote the advancement of education, arts, heritage and culture, and by the advancement of citizenship or community development, and any associated charitable purposes relative to the above, for the benefit of the community in the Hebrides and other areas with historical connections to the Hebrides that meet with the foregoing objects.

Significant activities

The charity will continue to manage the operation and development of the Hebridean Connections website.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity maintains and promotes the cultural heritage of the Hebrides through the Hebridean Connections website, a gateway to tens of thousands of freely available records about the people and places of the Western Isles.

FINANCIAL REVIEW

Reserves policy

The trustees consider that due to the funding commitments secured and the operational structure of the charity there is no requirement to hold significant levels of unrestricted reserves at the present time.

During the year the charity's resources expended exceeded incoming resources by £5,139 for the year (2018 £5,146). This represents a decrease of £639 in unrestricted funds (2018 - £646) and a decrease of £4,500 in restricted funds (2018 - £4,500 decrease).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 6 May 2011. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the directors are appointed at the Annual General Meeting. One third of the directors must retire by rotation at each Annual General Meeting.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC398993 (Scotland)

Registered Charity number

042503

Registered office

Ravenspoint
Kershader
Isle of Lewis
HS2 9QA

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2019

Trustees

D Morrison
I Macarthur
I Mackay
Mrs A Macsween

Company Secretary

Mrs A Macsween

Independent Examiner

CIB Services
Chartered Accountants
63 Kenneth Street
Stornoway
Isle of Lewis
Western Isles
HS1 2DS

Approved by order of the board of trustees on 24 February 2020 and signed on its behalf by:

D Morrison - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HEBRIDEAN CONNECTIONS

I report on the accounts for the year ended 31 May 2019 set out on pages four to nine.

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention :

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulationshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Calum Macdonald
Chartered Accountant (ICAS)
CIB Services
Chartered Accountants
63 Kenneth Street
Stornoway
Isle of Lewis
Western Isles
HS1 2DS

24 February 2020

HEBRIDEAN CONNECTIONS**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MAY 2019

	Notes	Unrestricted fund £	Restricted fund £	31.5.19 Total funds £	31.5.18 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		-	-	-	1
EXPENDITURE ON					
Charitable activities					
Local history		639	4,500	5,139	5,147
NET INCOME/(EXPENDITURE)		(639)	(4,500)	(5,139)	(5,146)
RECONCILIATION OF FUNDS					
Total funds brought forward		3,272	17,580	20,852	25,998
TOTAL FUNDS CARRIED FORWARD		<u>2,633</u>	<u>13,080</u>	<u>15,713</u>	<u>20,852</u>

The notes form part of these financial statements

HEBRIDEAN CONNECTIONS (REGISTERED NUMBER: SC398993)**BALANCE SHEET**
31 MAY 2019

	Notes	Unrestricted fund £	Restricted fund £	31.5.19 Total funds £	31.5.18 Total funds £
FIXED ASSETS					
Intangible assets	5	-	13,500	13,500	18,000
CURRENT ASSETS					
Cash at bank		2,633	-	2,633	3,272
CREDITORS					
Amounts falling due within one year	6	-	(420)	(420)	(420)
NET CURRENT ASSETS		2,633	(420)	2,213	2,852
TOTAL ASSETS LESS CURRENT LIABILITIES		2,633	13,080	15,713	20,852
NET ASSETS FUNDS		2,633	13,080	15,713	20,852
Unrestricted funds	7			2,633	3,272
Restricted funds				13,080	17,580
TOTAL FUNDS				15,713	20,852

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.
- (b)

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 24 February 2020 and were signed on its behalf by:

D Morrison - Trustee

HEBRIDEAN CONNECTIONS

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MAY 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.5.19	31.5.18
	£	£
Computer software amortisation	<u>4,500</u>	<u>4,500</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2019 nor for the year ended 31 May 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2019 nor for the year ended 31 May 2018.

HEBRIDEAN CONNECTIONS**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2019****4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1	-	1
EXPENDITURE ON			
Charitable activities			
Local history	647	4,500	5,147
NET INCOME/(EXPENDITURE)	<u>(646)</u>	<u>(4,500)</u>	<u>(5,146)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	3,918	22,080	25,998
TOTAL FUNDS CARRIED FORWARD	<u>3,272</u>	<u>17,580</u>	<u>20,852</u>

5. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 June 2018 and 31 May 2019	<u>45,000</u>
AMORTISATION	
At 1 June 2018	<u>27,000</u>
Charge for year	<u>4,500</u>
At 31 May 2019	<u>31,500</u>
NET BOOK VALUE	
At 31 May 2019	<u>13,500</u>
At 31 May 2018	<u>18,000</u>

HEBRIDEAN CONNECTIONS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2019**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.19	31.5.18
	£	£
Accrued expenses	<u>420</u>	<u>420</u>

7. MOVEMENT IN FUNDS

	At 1.6.18 £	Net movement in funds £	At 31.5.19 £
Unrestricted funds			
General fund	3,272	(639)	2,633
Restricted funds			
Restricted Fund	17,580	(4,500)	13,080
TOTAL FUNDS	<u>20,852</u>	<u>(5,139)</u>	<u>15,713</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	-	(639)	(639)
Restricted funds			
Restricted Fund	-	(4,500)	(4,500)
TOTAL FUNDS	<u>-</u>	<u>(5,139)</u>	<u>(5,139)</u>

Comparatives for movement in funds

	At 1.6.17 £	Net movement in funds £	At 31.5.18 £
Unrestricted funds			
General fund	3,918	(646)	3,272
Restricted funds			
Restricted Fund	22,080	(4,500)	17,580
TOTAL FUNDS	<u>25,998</u>	<u>(5,146)</u>	<u>20,852</u>

HEBRIDEAN CONNECTIONS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2019

7. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1	(647)	(646)
Restricted funds			
Restricted Fund	-	(4,500)	(4,500)
TOTAL FUNDS	<u>1</u>	<u>(5,147)</u>	<u>(5,146)</u>

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 May 2019.

9. RESTRICTED FUNDS

Restricted funds hold funding received to maintain the Hebridean Connections website and complementary IT support services.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.