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**REGISTERED COMPANY NUMBER: SC289379 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC042070**

**Report of the Trustees and  
Financial Statements for the Year Ended 31 December 2018  
for**

**TOLSTA COMMUNITY DEVELOPMENT LIMITED**

Mann Judd Gordon Ltd  
Statutory Auditors &  
Chartered Accountants  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF



# **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

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## **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

### **Report of the Trustees for the Year Ended 31 December 2018**

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 December 2018. 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 object is to promote the social, educational, cultural and environmental wellbeing of the people of the Western Isles and in particular the residents of the area known as Tolsta by all or any of the following means:-

- (i) the promotion of community development, including rural regeneration, following principles of sustainable development, where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs;
- (ii) the provision of assistance to people who are disadvantaged by reason of age, ill health, disability, financial or other disadvantage;
- (iii) the promotion of education including all forms of training for work and life skills;
- (iv) the advancement of arts, culture and heritage, including support for the Gaelic arts and protection of buildings and sites of architectural or historic importance;
- (v) the provision and support of recreational activities for the community, especially for disadvantaged or vulnerable groups, such as young people or the disabled; (vi) the protection and enhancement of the natural heritage and environment.

##### **Significant activities**

The community owned windfarm development has been generating electricity and generating profits for our wholly owned subsidiary - Tolsta Power Limited all year.

Donations have been received from Tolsta Power to the value of £238,000 (2017 : £350,695).

TCDL has this year continued to support local groups such as the Buth, Free Church Summer Club, Parent Council, Youth Club and Historical Society. Groups outwith the village who have benefitted include Crossroads, Enable and An Lanntair. Alzheimers Scotland Lewis and Harris branch received further support this year to continue with the monthly dementia friendly café in Tolsta which anyone in the community is welcome to attend. This is held in TCDL office premises which is also regularly used by various community groups for meetings, training, functions etc. Approximately £50,500 has been paid out in grant funding.

Learner drivers and students are continuing to get support - seven learner drivers took advantage of our scheme to reimburse the cost of three driving lessons. Twenty three students received a bursary during 2018.

The Minor Repairs Grant Scheme is continuing to be popular. The eligible age was reduced to 60. Approximately 28 households applied this year with £19,127 paid out.

Fuel poverty payments totalling £71,050 were paid to eligible households in the Tolsta area.

The minibus was well used this year with the marquee, soccarena and barbecue also proving popular.

The polytunnel continues to sell a variety of vegetables and plants to visitors and also to the Buth to then sell on to its customers.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The community owned wind turbine blades continue to turn, commencing the process of generating valuable income for the charity in order to allow us to further our charitable objectives over the life of the project.

## **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

### **Report of the Trustees for the Year Ended 31 December 2018**

#### **FINANCIAL REVIEW**

##### **Financial position**

As at the balance sheet date the charity had cash reserves of £275,860 to take forward into 2019 to support its charitable objectives (2017 : £345,589).

As at 31 December 2018 our wholly owned subsidiary Tolsta Power had retained profits of £419,690, for future distribution to Tolsta Community Development Limited in order to further our charitable objective (2017: £293,568).

##### **Reserves policy**

A reserves account has now been opened by the Board and a policy is to be put in place in the coming year.

#### **FUTURE PLANS**

The trustees continue to develop and pursue new avenues in which to promote the charities objectives for the benefit of the Tolsta community.

The Board is minded to approve £50k to PACT for the development of an all-weather sports facility on receipt of a formal application and business plan.

TCDL will continue with the bursary and grant schemes and will look at developing further schemes that will benefit the community.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Charity is a limited company, limited by guarantee as defined by the Companies Act 2006, and is governed by its memorandum and articles of association. In the event of the company being wound up members may be required to contribute an amount not exceeding £1 each.

##### **Recruitment and appointment of new trustees**

The Trustees of Tolsta Community Development Limited are appointed at every fourth Annual General Meeting. There are required to be a minimum of three trustees and a maximum of six. One third of the Trustees retire at every fourth AGM but are eligible for re-election at that time.

The Trustees are drawn, where possible, from the local community, or from those with strong connections to Tolsta.

##### **Related parties**

Trustees resident in Tolsta are eligible to apply for grant funding from Tolsta Community Development Ltd. Applications made by trustees are scrutinised by an independent member of the Tolsta community.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

SC289379 (Scotland)

##### **Registered Charity number**

SC042070

##### **Registered office**

Tigh Ceilidh  
Airith a'bhreide  
North Tolsta  
Isle of Lewis  
HS2 ONE

**TOLSTA COMMUNITY DEVELOPMENT LIMITED**

**Report of the Trustees  
for the Year Ended 31 December 2018**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Trustees**

D J Macritchie  
M Maciver  
M Maciver  
H Morrison  
W A Macritchie  
D A Morrison

**Company Secretary**

M Maciver

**Auditors**

Mann Judd Gordon Ltd  
Statutory Auditors &  
Chartered Accountants  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

**Solicitors**

Anderson Macarthur  
Old Bank of Scotland Buildings  
Stornoway  
Isle of Lewis  
HS1 2BG

**AUDITORS**

The auditors, Mann Judd Gordon Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 26 June 2019 and signed on its behalf by:



M Maciver - Trustee

## **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

### **Statement of Trustees Responsibilities for the Year Ended 31 December 2018**

The trustees (who are also the directors of Tolsta Community Development Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **Report of the Independent Auditors to the Trustees of Tolsta Community Development Limited**

### **Opinion**

We have audited the financial statements of Tolsta Community Development Limited (the 'charitable company') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 19 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Trustees of TOLSTA COMMUNITY DEVELOPMENT LIMITED**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

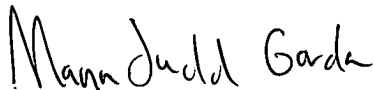
### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mann Judd Gordon Ltd  
Statutory Auditors &  
Chartered Accountants  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

26 June 2019



**TOLSTA COMMUNITY DEVELOPMENT LIMITED**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 December 2018**

		Unrestricted fund	Restricted funds	31.12.18 Total funds	31.12.17 Total funds
	Notes	£	£	£	as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	238,237	-	238,237	350,925
<b>Charitable activities</b>	6				
Charitable		-	-	-	100
Other trading activities	4	481	-	481	743
Investment income	5	6,767	4,877	11,644	13,789
Other income		<u>11,000</u>	<u>-</u>	<u>11,000</u>	<u>24,000</u>
<b>Total</b>		<b>256,485</b>	<b>4,877</b>	<b>261,362</b>	<b>389,557</b>
<b>EXPENDITURE ON</b>					
Raising funds		6,708	-	6,708	7,867
<b>Charitable activities</b>					
Charitable		238,981	5,769	244,750	228,192
Governance Costs		<u>5,070</u>	<u>-</u>	<u>5,070</u>	<u>2,500</u>
<b>Total</b>		<b>250,759</b>	<b>5,769</b>	<b>256,528</b>	<b>238,559</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>5,726</b>	<b>(892)</b>	<b>4,834</b>	<b>150,998</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>475,480</b>	<b>184,643</b>	<b>660,123</b>	<b>509,125</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>481,206</u></b>	<b><u>183,751</u></b>	<b><u>664,957</u></b>	<b><u>660,123</u></b>

The notes form part of these financial statements

**TOLSTA COMMUNITY DEVELOPMENT LIMITED**

**Balance Sheet  
At 31 December 2018**

		Unrestricted fund	Restricted funds	31.12.18 Total funds	31.12.17 Total funds as restated
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	12	99,131	59,517	158,648	101,654
Investments	13	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		99,133	59,517	158,650	101,656
<b>CURRENT ASSETS</b>					
Debtors	14	112,001	123,339	235,340	223,618
Cash at bank		<u>274,964</u>	<u>897</u>	<u>275,861</u>	<u>345,589</u>
		386,965	124,236	511,201	569,207
<b>CREDITORS</b>					
Amounts falling due within one year	15	<u>(4,892)</u>	<u>(2)</u>	<u>(4,894)</u>	<u>(10,740)</u>
<b>NET CURRENT ASSETS</b>		<u>382,073</u>	<u>124,234</u>	<u>506,307</u>	<u>558,467</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>481,206</u>	<u>183,751</u>	<u>664,957</u>	<u>660,123</u>
<b>NET ASSETS</b>		<u>481,206</u>	<u>183,751</u>	<u>664,957</u>	<u>660,123</u>
<b>FUNDS</b>	17				
Unrestricted funds:					
General fund				481,206	475,480
Restricted funds:					
Tolsta Community Owned Windfarm				121,376	116,499
Buth Tholastaidh				25,641	27,972
Tigh Ceilidh				34,190	36,699
Accordion Tuition				185	185
Skills development project				1,118	1,118
Polytunnel project				<u>1,241</u>	<u>2,170</u>
				<u>183,751</u>	<u>184,643</u>
<b>TOTAL FUNDS</b>				<u>664,957</u>	<u>660,123</u>

The notes form part of these financial statements

**TOLSTA COMMUNITY DEVELOPMENT LIMITED**

**Balance Sheet - continued  
At 31 December 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

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
- (b) 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.

These financial statements have been audited under the requirements of Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 26 June 2019 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M. Maciver'.

M Maciver -Trustee

The notes form part of these financial statements

## **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2018**

#### **1. STATUTORY INFORMATION**

Tolsta Community Development Limited is a private company, limited by guarantee, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

#### **2. 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 with the exception of investments which are included at market value.

The presentation currency of the accounts is Pound sterling (£).

The accounts are rounded to the nearest £1.

##### **Going Concern**

The Charity is a going concern and there are no material uncertainties casting significant doubt over its ability to continue as a going concern.

##### **Financial reporting standard 102 - reduced disclosure exemptions**

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

##### **Critical accounting judgements and key sources of estimation uncertainty**

Fixed asset net book value and depreciation charges are the areas of the accounts which are affected by significant judgements and estimates. The trustees exercise judgement in determining both the useful economic life and the likely residual value of the charity's assets. This judgement affects the rates of and charge for depreciation as well as grant release in the accounts for the year. It also therefore affects the net book value of the assets in the balance sheet.

##### **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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

## TOLSTA COMMUNITY DEVELOPMENT LIMITED

### Notes to the Financial Statements - continued for the Year Ended 31 December 2018

#### 2. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 5% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

##### **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.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Debtors and creditors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### 3. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	31.12.18 Total funds	31.12.17 Total funds as restated
	£	£	£	£
Donations	<u>238,237</u>	<u>-</u>	<u>238,237</u>	<u>350,925</u>

**TOLSTA COMMUNITY DEVELOPMENT LIMITED**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018**

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds	Restricted funds	31.12.18 Total funds	31.12.17 Total funds as restated
	£	£	£	£
Plant sales	<u>481</u>	<u>-</u>	<u>481</u>	<u>743</u>

**5. INVESTMENT INCOME**

	Unrestricted funds	Restricted funds	31.12.18 Total funds	31.12.17 Total funds as restated
	£	£	£	£
Rents received - Tolsta Power	6,708	-	6,708	7,867
Rent Received Other	-	-	-	800
Deposit account interest	59	-	59	72
Subsidiary loan interest	<u>-</u>	<u>4,877</u>	<u>4,877</u>	<u>5,050</u>
	<u>6,767</u>	<u>4,877</u>	<u>11,644</u>	<u>13,789</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31.12.18	31.12.17 as restated
	Charitable	£	£
Grants		<u>-</u>	<u>100</u>

Grants received, included in the above, are as follows:

	31.12.18	31.12.17 as restated
	£	£
Tolsta Community Council	<u>-</u>	<u>100</u>

**7. GRANTS PAYABLE**

	31.12.18	31.12.17 as restated
	£	£
Charitable	<u>169,708</u>	<u>151,335</u>

# **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

## **Notes to the Financial Statements - continued for the Year Ended 31 December 2018**

### **7. GRANTS PAYABLE - continued**

The total grants paid to institutions during the year was as follows:

	31.12.18	31.12.17 as restated
	£	£
Buth Tholastaidh	13,000	13,034
P.A.C.T	-	4,266
Tolsta Community groups/events	-	1,000
Enable	2,000	2,000
Crossroads	10,000	-
Free Church of Scotland	1,600	1,000
Community Energy Scotland	-	300
Tolsta Historical Society	3,275	17,000
Hebrides Alpha	-	2,000
Western Isles Scouts	825	-
Parent Council	-	800
Alzheimer Scotland Lewis and Harris	-	2,115
Providence Christian School	-	650
North Tolsta Youth Club	4,400	2,100
North Tolsta Community Council	-	750
North Tolsta Cemetery Trust	-	3,000
Lucky to be Here	-	500
An Lanntair	5,000	-
Tolsta Primary School	3,307	-
Lewis and Harris Youth Concert Band	2,400	-
1st Back Brownies	300	-
	<u>46,107</u>	<u>50,515</u>

### **8. NET INCOME/(EXPENDITURE)**

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

	31.12.18	31.12.17 as restated
	£	£
Auditors' remuneration	3,500	2,730
Auditors' remuneration for non audit work	754	403
Depreciation - owned assets	16,047	21,059
Rent payable - Stornoway Trust	<u>6,708</u>	<u>7,867</u>

### **9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017.

#### **Trustees' expenses**

No expenses were paid to trustees during the year (2017: £186.40 paid to one trustee).

Other payments made to directors during the year are listed in note 18.

# **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

## **Notes to the Financial Statements - continued for the Year Ended 31 December 2018**

### **10. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	31.12.18	31.12.17
Administration	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

### **11. PRIOR YEAR ADJUSTMENT**

During the year, the long term element of the interest free intercompany loan to Tolsta Power Ltd was restated to the net present value of the repayment expected when the loan will be repaid, using an annual commercial interest rate of 3.54%.

The difference between cash cost of the loan and the net present value has been debited to reserves of the restricted Tolsta Community Owned Windfarm Fund. On an annual basis, notional interest is credited to the restricted fund's statement of financial activities.

The comparative year has been restated as follows:

<b>31 December 2017</b>	<b>£</b>
Net income/(expenditure)	145,948
Notional interest on intercompany loan	5,050
<b>Restated Net Income/(Expenditure)</b>	<b>150,998</b>
Net Assets	694,779
Notional interest on intercompany loan	5,050
Reserves - difference in cash cost of loan and NPV	(39,706)
<b>Restated Net Assets</b>	<b>660,123</b>
<b>Tolsta Community Owned Windfarm Fund</b>	
Restricted reserves b/f	151,155
Notional interest on intercompany loan	5,050
Reserves - difference in cash cost of loan and NPV	(39,706)
<b>Restated Tolsta Community Owned Windfarm Reserves</b>	<b>116,499</b>



**TOLSTA COMMUNITY DEVELOPMENT LIMITED**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018**

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 January 2018	96,797	8,183	44,029
Additions	<u>71,481</u>	<u>1,560</u>	<u>-</u>
At 31 December 2018	<u>168,278</u>	<u>9,743</u>	<u>44,029</u>
<b>DEPRECIATION</b>			
At 1 January 2018	33,001	8,183	30,181
Charge for year	<u>4,840</u>	<u>33</u>	<u>5,172</u>
At 31 December 2018	<u>37,841</u>	<u>8,216</u>	<u>35,353</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>130,437</u>	<u>1,527</u>	<u>8,676</u>
At 31 December 2017	<u>63,796</u>	<u>-</u>	<u>13,848</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2018	39,399	4,354	192,762
Additions	<u>-</u>	<u>-</u>	<u>73,041</u>
At 31 December 2018	<u>39,399</u>	<u>4,354</u>	<u>265,803</u>
<b>DEPRECIATION</b>			
At 1 January 2018	15,390	4,353	91,108
Charge for year	<u>6,002</u>	<u>-</u>	<u>16,047</u>
At 31 December 2018	<u>21,392</u>	<u>4,353</u>	<u>107,155</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>18,007</u>	<u>1</u>	<u>158,648</u>
At 31 December 2017	<u>24,009</u>	<u>1</u>	<u>101,654</u>

# TOLSTA COMMUNITY DEVELOPMENT LIMITED

## Notes to the Financial Statements - continued for the Year Ended 31 December 2018

### 13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 January 2018 and 31 December 2018	<u>2</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>2</u>
At 31 December 2017	<u>2</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

#### **Tolsta Power Ltd (SC375431)**

Nature of business: Electricity Generation (Windfarm)

	% holding	31.12.18 £	31.12.17 £
Class of share:			
Ordinary	100		
Aggregate capital and reserves		419,691	328,226
Profit for the year		<u>91,465</u>	<u>8,305</u>

The investment in Tolsta Power Ltd is shown at cost.

### 14. DEBTORS

	31.12.18 £	31.12.17 as restated £
Amounts falling due within one year:		
Amounts owed by group undertakings	105,704	89,700
Prepayments and accrued income	<u>11,708</u>	<u>20,867</u>
	<u>117,412</u>	<u>110,567</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>117,928</u>	<u>113,051</u>
Aggregate amounts	<u>235,340</u>	<u>223,618</u>

# **TOLSTA COMMUNITY DEVELOPMENT LIMITED**

## **Notes to the Financial Statements - continued for the Year Ended 31 December 2018**

### **15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.18	31.12.17 as restated
	£	£
Amounts owed to group undertakings	2	2
Social security and other taxes	341	371
Accrued expenses	<u>4,551</u>	<u>10,367</u>
	<u>4,894</u>	<u>10,740</u>

### **16. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.18	31.12.17 as restated
	£	£
Within one year	6,625	6,625
Between one and five years	26,500	26,500
In more than five years	<u>92,750</u>	<u>99,375</u>
	<u>125,875</u>	<u>132,500</u>

Tolsta Community Development Limited is party to a 25 year lease of the turbine site in Tolsta, from Stornoway Trust. Tolsta Power Ltd occupies the site and pays the same amount in rent to Tolsta Community Development Limited.

### **17. MOVEMENT IN FUNDS**

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
<b>Unrestricted funds</b>			
General fund	475,480	5,726	481,206
<b>Restricted funds</b>			
Tolsta Community Owned Windfarm	116,499	4,877	121,376
Buth Tholastaidh	27,972	(2,331)	25,641
Tigh Ceilidh	36,699	(2,509)	34,190
Accordion Tuition	185	-	185
Skills development project	1,118	-	1,118
Polytunnel project	<u>2,170</u>	<u>(929)</u>	<u>1,241</u>
	184,643	(892)	183,751
<b>TOTAL FUNDS</b>	<u>660,123</u>	<u>4,834</u>	<u>664,957</u>

# TOLSTA COMMUNITY DEVELOPMENT LIMITED

## Notes to the Financial Statements - continued for the Year Ended 31 December 2018

### 17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	256,485	(250,759)	5,726
<b>Restricted funds</b>			
Tolsta Community Owned Windfarm	4,877	-	4,877
Tigh Ceilidh	-	(2,509)	(2,509)
Polytunnel project	-	(929)	(929)
Buth Tholastaidh	-	(2,331)	(2,331)
	4,877	(5,769)	(892)
<b>TOTAL FUNDS</b>	<u>261,362</u>	<u>(256,528)</u>	<u>4,834</u>

### Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.17 £
<b>Unrestricted Funds</b>				
General fund	324,148	157,752	(6,420)	475,480
<b>Restricted Funds</b>				
Tolsta Community Owned Windfarm	111,449	5,050	-	116,499
Buth Tholastaidh	30,303	(2,331)	-	27,972
Tigh Ceilidh	39,207	(2,508)	-	36,699
Accordion Tuition	185	-	-	185
Skills development project	1,118	-	-	1,118
Polytunnel project	2,715	(6,965)	6,420	2,170
	184,977	(6,754)	6,420	184,643
<b>TOTAL FUNDS</b>	<u>509,125</u>	<u>150,998</u>	<u>-</u>	<u>660,123</u>

# TOLSTA COMMUNITY DEVELOPMENT LIMITED

## Notes to the Financial Statements - continued for the Year Ended 31 December 2018

### 17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	384,507	(226,755)	157,752
<b>Restricted funds</b>			
Tolsta Community Owned Windfarm	5,050	-	5,050
Tigh Ceilidh	-	(2,508)	(2,508)
Polytunnel project	-	(6,965)	(6,965)
Buth Tholastaidh	-	(2,331)	(2,331)
	5,050	(11,804)	(6,754)
<b>TOTAL FUNDS</b>	<u>389,557</u>	<u>(238,559)</u>	<u>150,998</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
<b>Unrestricted funds</b>				
General fund	324,148	163,478	(6,420)	481,206
<b>Restricted funds</b>				
Tolsta Community Owned Windfarm	111,449	9,927	-	121,376
Buth Tholastaidh	30,303	(4,662)	-	25,641
Tigh Ceilidh	39,207	(5,017)	-	34,190
Accordion Tuition	185	-	-	185
Skills development project	1,118	-	-	1,118
Polytunnel project	2,715	(7,894)	6,420	1,241
	184,977	(7,646)	6,420	183,751
<b>TOTAL FUNDS</b>	<u>509,125</u>	<u>155,832</u>	<u>-</u>	<u>664,957</u>

# TOLSTA COMMUNITY DEVELOPMENT LIMITED

## Notes to the Financial Statements - continued for the Year Ended 31 December 2018

### 17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	640,992	(477,514)	163,478
<b>Restricted funds</b>			
Tolsta Community Owned Windfarm	9,927	-	9,927
Tigh Ceilidh	-	(5,017)	(5,017)
Polytunnel project	-	(7,894)	(7,894)
Buth Tholastaidh	-	(4,662)	(4,662)
	<u>9,927</u>	<u>(17,573)</u>	<u>(7,646)</u>
<b>TOTAL FUNDS</b>	<u>650,919</u>	<u>(495,087)</u>	<u>155,832</u>

### 18. RELATED PARTY DISCLOSURES

The total amount loaned to Tolsta Power at 31 December 2018 was £253,411(2017: £237,406). The long term element of this balance has been restated to the net present value in the financial statements of £177,928. Notional interest of £4,877 was charged in the year.

During the year the charity received rent of £5,900 from Tolsta Power Ltd, its wholly owned subsidiary in respect of the turbine site and a further £708 was accrued at the year end.

During the year the charity received donations totalling £238,000 from Tolsta Power Ltd.

During the year the Board had approved that a management charge be levied on Tolsta Power Ltd in recognition of the administrative support provided by charity staff. The sum of £11,000 (2017:£11,000) has been accrued at the year end.

During the year £750 (2017:£1,995) in total was granted to one trustee (2017: 3 trustees) in relation to small repairs grants. £2,100 (2017:£1,800) in total of fuel poverty gift cards were granted to 6 trustees as residents of Tolsta.

### 19. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.