

REGISTERED COMPANY NUMBER: SC234200 (Scotland)
REGISTERED CHARITY NUMBER: SC033383

Cumrae Community Development Company
Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2019

Cumbræ Community Development Company

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for the Year Ended 31 March 2019

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Cumrae Community Development Company

Report of the Trustees for the Year Ended 31 March 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 March 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 is established solely for charitable purposes within the Island of Cumrae and its environs (the operating area) and in particular for the following purposes:

- To assist in the relief of poverty among residents of the Island of Cumrae by providing facilities for recreation within that area.
- To provide or assist in the provision within the operating area of facilities for recreation and other leisure time occupation available to the public at large with a view to improving their conditions of life.
- To promote for the public benefit the preservation of buildings and other structures of historic and/or architectural significance located within the operating area.
- To advance education among the residents of the operating area, particularly among young people and the unemployed.
- To relieve unemployment within the operating area for the public benefit in such ways as may be thought fit, including assistance to find employment.
- To provide or assist in the provision of housing for people in necessitous circumstances within the operating area.
- To promote and/or provide training in skills of all kinds, particularly such skills as will assist residents of the operating area in obtaining paid employment.
- To preserve, restore and improve the environment within the operating area through (i) protection and/or preservation of the natural environment and (ii) the provision, maintenance and/or improvement of public open space and other public amenities and other environmental and townscape regeneration projects, and in doing so, to seek wherever appropriate (but subject to appropriate safeguards to ensure that the public benefit so arising clearly outweighs any private benefit thereby conferred on private landowners) to carry out works of reclamation, remediation, restoration and other operations to facilitate the use for those purposes of land whose use has been prevented or restricted because of previous use.
- To relieve ill health and promote good health, particularly among residents of the operating area.
- To promote, establish, operate and/or support other schemes of a charitable nature for the benefit of the residents of the operating area.

Public benefit

The charity meets the definition of a public benefit entity under FRS 102.

Volunteers

In accordance with FRS 102 and Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in financial statements due to inaccurate measurement bases.

Cumbræ Community Development Company

Report of the Trustees
for the Year Ended 31 March 2019

ACHIEVEMENT AND PERFORMANCE

Charitable activities

It is my pleasure to submit my report for the financial year to 31 March 2019. A year of change and challenges in the economic climate.

The year to 31 March 2019 has been a busy one for us, with events taking place within Garrison House and its grounds. This goes to remind us of the importance of Garrison House, at the centre of our Community. It, as always, is a pleasure to have our annual events taking place here with us. From the Crowning of our Cumbræ Queen to a day of recognising and appreciating what our Emergency Services do for us all on the island both in a full time and voluntary capacity. To our Welcome to Cumbræ Event, highlighting what we, as an island, can offer visitors who make that journey to Cumbræ. We then have our Festivals which annually, grow from strength to strength and provide much for locals and visitors alike, to enjoy and be part of and our Boys' Brigade Camp, which thanks to their officers and Garrison House which is able to provide a base for this event, gives much to this youth organisation.

As you will be aware, from information provided by us to the public on our website and Facebook page, the challenges are huge when it comes to the maintaining and running costs of our Public Toilets on the island. Challenges which are sadly a drain on our finances and hence our need to appeal to locals as well as visitors, for financial support to allow us to keep these facilities open. As well as our collection tins available in many businesses on the island, a Just Giving Page, donations made by The Elderly Forum, locals and visitors alike and the production and sale of 2020 calendars this year, we still seek help/donations. A funding application has been submitted to Land Trust with a view to improving our sewerage facilities at our Cumbræ Slip and Fintry Bay Public Toilets. This will help considerably to reduce our waste removal costs.

Funding applications have also been made to Tesco Bags for Help and to the North Ayrshire Economy & Communities Common Good Fund which, if successful, will allow us to upgrade our rose beds within the Sunken Garden.

June 2019 brought change within our employees at CCDC, with the resignation of our then CEO, Michael Bertram. Sadly, due to family health reasons, Michael had to make the decision to return to the North East of England to be close to his family and we all wish him and his family well. The month of June saw a recruitment drive for a new CEO which unfortunately did not lead to an appointment. The Board made the decision to offer Jan Wilkie the temporary role of CEO, with the support of the Board, as Jan has a clear understanding of the running, on a daily basis, of Garrison House, CCDC and Millport Holiday Apartments Ltd. I am glad to say that she has proven invaluable in this role.

As Chairperson of CCDC it is great to see, over the last 12 months, how much the groups on our island are working together for the good of our Community. Going forward much will be happening on the island with West Coast Waters which will be Scotland's Year of Coasts and Waters. Six ambitious projects developed to celebrate Scotland's outstanding West Coast Waters. Along with - COIG Tourist Trail which is part of NAC's Community Planning Partnership, which expects to increase tourist numbers to North Ayrshire in 2020 by 80,000. We also have VE Day Celebrations to look forward to as well as other up and coming events to be announced in the New Year. These are exciting times for us all, which we hope will be both of financial and social benefit to everyone on Cumbræ.

Lastly, I would like to take this opportunity to offer my personal thanks to our Directors, Staff and the Community who have and continue to, support us. Also to Gillespie & Anderson, Chartered Accountants, for their support and we look forward to working with them going forward.

Deborah Ferris
Chairperson

FINANCIAL REVIEW

Financial position

Annual Review of Activities

The financial statements show the overall position of the charity as at 31 March 2019, its incoming resources and the application of these resources for the year ended that date.

Income for the year totalled £72,563 (2018 £121,355) and total expenditure amounted to £211,289 (2018 £194,001). Before net gains/losses on investment, the total deficit for the year was £138,726 (2018 deficit £72,646). There were investment losses in the year of £100 (2018 gain £188,215). Overall, the deficit for the year was £138,826 (2018 surplus £115,569).

Cumbræ Community Development Company

Report of the Trustees for the Year Ended 31 March 2019

FINANCIAL REVIEW

Principal funding sources

The principal funding source of the charity has been grants awarded by a number of different agencies and profits from the trade of subsidiary companies.

Reserves policy

The capital represents accumulated funds arising from past operating results. The Trustees are satisfied that the level held is sufficient to meet all anticipated liabilities. The balance of reserves as at the year end is noted in the Balance Sheet.

Going concern

The incorporated charity has cash resources and has no requirement for external funding. The Trustees have a reasonable expectations that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accountancy appropriate in preparing the annual financial statements.

FUTURE PLANS

Please refer to the Chairperson's Report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Cumbræ Community Development Company is an incorporated charity, limited by guarantee. It was incorporated on 16 July 2002, registered in Scotland with company registration number SC234200. It was registered with OSCR as a Scottish charity number SC033383 on 16 July 2002. The incorporated charity was formed under a Memorandum of Association which established its objects and powers and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The Board of Trustees are elected from its membership in accordance with the Articles of Association. The maximum number of directors shall be nine, of whom a maximum of seven shall be Member Directors and a maximum of two shall be Appointed Directors.

At the annual general meeting, one third of the Member Directors shall retire from office. An individual who has served as an Appointed Director for a period of six years shall automatically vacate the office on enquiry of that six-year period and shall then not be eligible to serve as a director until a period of one year has elapsed.

Organisational structure

The management of the charity is the responsibility of the Trustees who are elected under the terms of the Articles of Association.

Induction and training of new trustees

The procedures for the induction and training of new Trustees are tailored to suit the knowledge and experience of the appointee.

Key management remuneration

The Board of Trustees do not consider any one individual or group of individuals to have responsibility as key management.

Related parties

Cumbræ Community Development Company is an incorporated charity which owns 100% share capital of two subsidiary limited companies. These companies are all registered in Scotland and their trading profits are donated to Cumbræ Community Development Company's for charitable objectives. The total amount donated for the year to 31 March 2019 was £52,051 (2018 £24,336).

Garrison House (Cumbræ) Ltd - SC245437

Millport Holiday Apartments Limited - SC420567

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC234200 (Scotland)

Cumbræ Community Development Company

Report of the Trustees
for the Year Ended 31 March 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC033383

Registered office

West Lodge
Garrison House
2 Clifton Street
Millport
Ayrshire
KA28 0AZ

Trustees

S Dobbin	- appointed 31.1.19
	- resigned 18.2.19
S Dobbin	- appointed 19.2.19
D Kerr	- resigned 21.8.18
D A Stevenson	
D Laidlaw	- resigned 18.2.19
D Laidlaw	- appointed 19.2.19
D Williamson	- appointed 19.2.19
D Williamson	- resigned 18.2.19
Ms D Ferris - Chairperson	
S Kennedy	
Ms B MacLachlan	- resigned 18.2.19
Ms B MacLachlan	- appointed 19.2.19
R Pringle	- resigned 18.2.19
J Taberner	- resigned 18.2.19
Ms R McIntyre	

Senior Statutory Auditor

Alastair Stewart BA (Hons) CA

Auditors

Gillespie & Anderson
Statutory Auditors
Chartered Accountants
147 Bath Street
Glasgow
G2 4SN

Website

www.ccdcmillport.org

Cumbrae Community Development Company

Report of the Trustees
for the Year Ended 31 March 2019

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Cumbrae Community Development Company 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).

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.

AUDITORS

The auditors, Gillespie & Anderson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 23 December 2019 and signed on its behalf by:



Ms D Ferris - Chairperson - Trustee

**Report of the Independent Auditors to the Trustees and Members of
Cumbrae Community Development Company**

Opinion

We have audited the financial statements of Cumbrae Community Development Company (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 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; 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 25 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

**Report of the Independent Auditors to the Trustees and Members of
Cumbrae Community Development Company**

Matters on which we are required to report by exception

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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. 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and 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 members and 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 members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Alastair Stewart BA (Hons) CA (Senior Statutory Auditor)
for and on behalf of Gillespie & Anderson
Statutory Auditors
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
147 Bath Street
Glasgow
G2 4SN

23 December 2019

Cumbræ Community Development Company

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	4,862	-	4,862	19,750
Charitable activities					
Main charitable activities	5	6,728	5,472	12,200	74,269
Other trading activities	3	450	-	450	-
Investment income	4	55,051	-	55,051	27,336
Total		<u>67,091</u>	<u>5,472</u>	<u>72,563</u>	<u>121,355</u>
 EXPENDITURE ON					
Charitable activities					
Main charitable activities	6	88,780	122,509	211,289	194,001
Total		<u>88,780</u>	<u>122,509</u>	<u>211,289</u>	<u>194,001</u>
Net gains/(losses) on investments		-	(100)	(100)	188,215
NET INCOME/(EXPENDITURE)		<u>(21,689)</u>	<u>(117,137)</u>	<u>(138,826)</u>	<u>115,569</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>128,654</u>	<u>4,977,219</u>	<u>5,105,873</u>	<u>4,990,304</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>106,965</u></u>	<u><u>4,860,082</u></u>	<u><u>4,967,047</u></u>	<u><u>5,105,873</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Balance Sheet
At 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	14	-	4,557,525	4,557,525	4,680,035
Investments					
Investments	15	-	198	198	298
Investment property	16	-	282,000	282,000	282,000
		-	4,839,723	4,839,723	4,962,333
CURRENT ASSETS					
Debtors	17	88,074	3,472	91,546	118,184
Cash at bank		57,341	16,887	74,228	84,868
		145,415	20,359	165,774	203,052
CREDITORS					
Amounts falling due within one year	18	(26,055)	-	(26,055)	(26,691)
NET CURRENT ASSETS					
		119,360	20,359	139,719	176,361
TOTAL ASSETS LESS CURRENT LIABILITIES					
		119,360	4,860,082	4,979,442	5,138,694
CREDITORS					
Amounts falling due after more than one year	19	(12,395)	-	(12,395)	(32,821)
NET ASSETS					
		106,965	4,860,082	4,967,047	5,105,873
FUNDS					
Unrestricted funds	23			106,965	128,654
Restricted funds				4,860,082	4,977,219
TOTAL FUNDS					
				4,967,047	5,105,873

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 23 December 2019 and were signed on its behalf by:



Ms D Ferris - Chairperson -Trustee

Cumbræ Community Development Company

Cash Flow Statement
for the Year Ended 31 March 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	(40,600)	60,138
Interest paid		(2,175)	(2,820)
Net cash provided by (used in) operating activities		<u>(42,775)</u>	<u>57,318</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(18,938)
Sale of investment property		-	36,083
Net cash provided by (used in) investing activities		<u>-</u>	<u>17,145</u>
Cash flows from financing activities:			
Loan repayments in year		32,068	(22,140)
Net cash provided by (used in) financing activities		<u>32,068</u>	<u>(22,140)</u>
Change in cash and cash equivalents in the reporting period		<u>(10,707)</u>	<u>52,323</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>84,868</u>	<u>32,545</u>
Cash and cash equivalents at the end of the reporting period	2	<u>74,161</u>	<u>84,868</u>

The notes form part of these financial statements

Cumbræ Community Development Company

Notes to the Cash Flow Statement
for the Year Ended 31 March 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(138,826)	115,569
Adjustments for:		
Depreciation charges	122,509	123,047
Losses/(gain) on investments	100	(36,083)
Interest paid	2,175	2,820
Increase in debtors	(26,115)	(147,517)
(Decrease)/increase in creditors	(443)	2,302
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(40,600)	60,138
	<hr/> <hr/>	<hr/> <hr/>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Notice deposits (less than 3 months)	74,228	84,868
Overdrafts included in bank loans and overdrafts falling due within one year	(67)	-
	<hr/>	<hr/>
Total cash and cash equivalents	74,161	84,868
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements
for the Year Ended 31 March 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 with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Presentation currency

The financial statements are presented in sterling which is the functional currency of the charity.

Going Concern

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accountancy appropriate in preparing the annual financial statements. The Trustees have yet to decide whether they will provide full public toilet facilities for the summer season of 2020. Should these facilities be opened in full, then the charity may either require to seek external funding to fund their operation or sell assets.

Critical accounting judgements and key sources of estimation uncertainty

The Trustees have made judgements, estimates and assumptions that affect the amounts reported within the financial statements during the year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The Trustees estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the financial statements are addressed and detail is provided in the associated notes.

Income

All income is recognised when the charity is entitled to the income, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income.

Donations and legacies consists of donations, gifts in kind, grants and legacies. Donations and gifts in kind are recognised when the charity is entitled to the income, receipt of the income is probable and the amount can be measured reliably. Income from non-specific grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, the amount can be measured reliability and the income is not deferred. Legacy income is recognised when it is probable that it will be received.

Charitable activities income is received from specific grants received and rent received from Garrison House as part of the charitable activities of the charity. Grant income recognised is in respect of grants that specify the provision of particular services being provided by the charity in the form of maintaining the public toilets on the island and the moorings facilities. Such grant income is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, the amount can be measured reliability and the income is not deferred. Rent received is in respect of the letting of non-investment property in furtherance of the charitable purposes.

Other trading activities income is received from the membership fees in respect of the moorings facilities.

Investment income consists of income received from the letting of investment property and the profits received from fixed asset investments in subsidiary companies.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

1. ACCOUNTING POLICIES - continued

Expenditure

Expenditure has been classified under the headings that aggregate all costs 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 the resources.

Expenditure is recognised on an accrual basis when a legal liability is incurred, payment of the liability is probable and the amount can be measured reliably. The amount excludes VAT as applicable.

Charitable activities comprise all resources expended undertaking work to meet the charity's charitable objectives. Such costs include the direct costs of charitable activities approved by the charity and all support costs relating to these activities. Governance costs include direct resources expended in the general running of the charity and are primarily associated with constitutional and statutory requirements. These costs are allocated entirely to charitable activities.

Allocation and apportionment of costs

Support costs are allocated wholly to charitable activities. Whilst the Trustees recognise that a small part of some items of expenditure included in support costs do relate to indirect governance costs, they are of the opinion that the time and costs involved in performing such an analysis outweigh the potential benefits arising from any such work.

Tangible fixed assets

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

Freehold property	- 2% on cost
Fixtures and fittings	- 25% on cost

If any impairment exists, the carrying amount of the asset shall be reduced to its estimated recoverable amount.

All tangible fixed assets having a value to the charity greater than one year are capitalised. It is the charity's policy to capitalise all relevant expenditure greater than £500.

Freehold property is initially measured at cost and is subsequently carried at cost less depreciation. The historical cost method has been adopted as a reliable market valuation is not possible due to the type of building to be valued. The carrying figure is reviewed with sufficient regularity.

Investment property

Investment properties are measured initially at cost and subsequently at fair value with any surplus or deficit on revaluation being taken to the Statement of Financial Activities.

Investment in subsidiaries

Investment in subsidiary undertakings is recognised at cost less impairment.

Taxation

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

Fund accounting

Funds are classified as either unrestricted funds or restricted funds, defined as follows:

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity. If parts of the unrestricted funds are earmarked at the discretion of the Trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Trustees discretion to apply the funds.

Restricted fund is subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal process, but still within the wider objects of the charity.

Cumbræ Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity has no complex financial instruments but does hold basic financial instruments of; cash at bank, debtors and creditors.

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. A bank overdraft would be shown within current liabilities.

Debtors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less losses for bad debts except where the effect of discounting would be immaterial. In such cases, debtors are stated at cost less losses for bad debts.

Creditors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate unless the effect of discounting would be immaterial. In such cases, creditors are stated at cost.

Provision for liabilities

A provision is initially recognised when there is an obligation at the balance sheet date as the result of a past event, it is probable that there will be the transfer of funds in settlement and the amount of the obligation can be estimated reliably. The provision is subsequently measured by placing a charge against the provision only for expenditure for which the provision was originally recognised.

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations	4,862	3,750
Donated services and facilities	-	16,000
	<u>4,862</u>	<u>19,750</u>

3. OTHER TRADING ACTIVITIES

	2019	2018
	£	£
Membership fees	450	-
	<u>450</u>	<u>-</u>

4. INVESTMENT INCOME

	2019	2018
	£	£
Rents Investment Property	3,000	3,000
Gift aid donations	52,051	24,336
	<u>55,051</u>	<u>27,336</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2019	2018
	Activity	£	£
Grants	Main charitable activities	7,755	71,414
Rent West Lodge	Main charitable activities	4,445	2,855
		<u>12,200</u>	<u>74,269</u>

Cumbræ Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

5. INCOME FROM CHARITABLE ACTIVITIES - continued

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

	2019	2018
	£	£
North Ayrshire Council	4,407	65,000
SSE	-	2,914
Kelburn Wind Farm	-	3,500
Business Gateway	1,348	-
Other small grants	2,000	-
	<u>7,755</u>	<u>71,414</u>

6. CHARITABLE ACTIVITIES COSTS

	Support costs (See note 7)	Totals
	£	£
Main charitable activities	<u>211,289</u>	<u>211,289</u>

7. SUPPORT COSTS

	Management	Governance	Totals
	£	£	£
Main charitable activities	<u>206,409</u>	<u>4,880</u>	<u>211,289</u>

Support costs, included in the above, are as follows:

Management

	2019	2018
	Main charitable activities	Total activities
	£	£
Admin costs	37,152	35,752
Rates and water	3,885	4,442
Insurance	613	550
Light and heat	4,189	4,109
Telephone	3,965	2,918
Postage and stationery	230	82
Advertising	-	125
Sundries	1,113	1,234
Repairs	11,777	2,908
Computer expenses	3,089	70
Cleaning	15,105	12,236
Travel	72	371
Subscriptions	522	296
Bank charges	13	91
Depreciation of tangible and heritage assets	122,509	123,047
Loan interest	2,175	2,820
	<u>206,409</u>	<u>191,051</u>

Cumbræ Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

7. SUPPORT COSTS - continued

Governance costs

	2019 Main charitable activities £	2018 Total activities £
Auditors' remuneration	3,030	2,450
Accountancy fees	1,850	500
	<u>4,880</u>	<u>2,950</u>

8. NET INCOME/(EXPENDITURE)

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

	2019 £	2018 £
Depreciation - owned assets	<u>122,510</u>	<u>123,046</u>

9. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>3,030</u>	<u>2,450</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

11. STAFF COSTS

During the current and prior years, the charity had no employment contracts in place. All administration services were provided by a subsidiary company and an appropriate administration cross charge was paid by the charity.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	19,750	-	19,750
Charitable activities			
Main charitable activities	71,355	2,914	74,269
Investment income	27,336	-	27,336
Total	<u>118,441</u>	<u>2,914</u>	<u>121,355</u>

Cumbræ Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Charitable activities			
Main charitable activities	74,954	119,047	194,001
Total	<u>74,954</u>	<u>119,047</u>	<u>194,001</u>
Net gains/(losses) on investments	-	188,215	188,215
NET INCOME/(EXPENDITURE)	<u>43,487</u>	<u>72,082</u>	<u>115,569</u>
Transfers between funds	51,178	(51,178)	-
Net movement in funds	<u>94,665</u>	<u>20,904</u>	<u>115,569</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	33,989	4,956,315	4,990,304
TOTAL FUNDS CARRIED FORWARD	<u><u>128,654</u></u>	<u><u>4,977,219</u></u>	<u><u>5,105,873</u></u>

13. DEFERRED INCOME

Deferred income as at 31 March 2019 relates to advance rental income of £1,145 received for the year to 31 December 2019. The opening balance of £1,138 was released during the year and the closing balance will be released in the year to 31 March 2020.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2018	5,855,508	23,725	5,879,233
Disposals	-	(2,126)	(2,126)
At 31 March 2019	<u>5,855,508</u>	<u>21,599</u>	<u>5,877,107</u>
DEPRECIATION			
At 1 April 2018	1,191,672	7,526	1,199,198
Charge for year	117,110	5,400	122,510
Eliminated on disposal	-	(2,126)	(2,126)
At 31 March 2019	<u>1,308,782</u>	<u>10,800</u>	<u>1,319,582</u>
NET BOOK VALUE			
At 31 March 2019	<u><u>4,546,726</u></u>	<u><u>10,799</u></u>	<u><u>4,557,525</u></u>
At 31 March 2018	<u><u>4,663,836</u></u>	<u><u>16,199</u></u>	<u><u>4,680,035</u></u>

Cumbræ Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

15. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2018	298
Disposals	(100)
At 31 March 2019	<u>198</u>
NET BOOK VALUE	
At 31 March 2019	<u>198</u>
At 31 March 2018	<u>298</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:

Garrison House (Cumbræ) Ltd

Registered office: 2 Clifton Street, Millport, KA28 0AZ

Nature of business: property rental

Class of share:	%		
Ordinary	holding		
	100		
		31.3.19	31.3.18
		£	£
Aggregate capital and reserves		3,129	3,129
Profit for the year		11,872	403
		<u> </u>	<u> </u>

Millport Holiday Apartments Limited

Registered office: 2 Clifton Street, Millport, KA28 0AZ

Nature of business: property rental

Class of share:	%		
Ordinary	holding		
	100		
		31.3.19	31.3.18
		£	£
Aggregate capital and reserves		100	100
		<u> </u>	<u> </u>

Cumrae Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

16. INVESTMENT PROPERTY

	£
MARKET VALUE	
At 1 April 2018 and 31 March 2019	282,000
NET BOOK VALUE	
At 31 March 2019	282,000
At 31 March 2018	282,000

The investment properties have been stated at fair value in accordance with the professional valuations provided by Allied Surveyors Scotland plc in August 2018.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Amounts owed by group undertakings	85,624	82,307
Other debtors	4,688	35,000
VAT	1,008	656
Prepayments	226	221
	<u>91,546</u>	<u>118,184</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts (see note 20)	67	-
Other loans (see note 20)	20,426	19,430
Hire purchase (see note 21)	-	1,256
Accrued expenses	5,562	6,005
	<u>26,055</u>	<u>26,691</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Other loans (see note 20)	<u>12,395</u>	<u>32,821</u>

Cumbræ Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

20. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year on demand:		
Bank overdraft	67	-
Other loans	20,426	19,430
	<u>20,493</u>	<u>19,430</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	12,395	20,426
	<u>12,395</u>	<u>20,426</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	-	12,395
	<u>-</u>	<u>12,395</u>

21. LEASING AGREEMENTS

	Hire purchase contracts	
	2019 £	2018 £
Net obligations repayable:		
Within one year	-	1,256
	<u>-</u>	<u>1,256</u>
Minimum lease payments under non-cancellable operating leases fall due as follows:		
	2019 £	2018 £
Within one year	2,511	-
Between one and five years	6,279	-
	<u>8,790</u>	<u>-</u>

Cumrae Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

22. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Hire purchase contracts	-	1,256
	<u> </u>	<u> </u>

Standard Security is held in favour of The Scottish Ministers granted 16 November 2006 over The Garrison, Millport.

Standard Security is held in favour of The Trustees of National Heritage Fund granted 6 November 2006 over The Garrison, Millport.

Standard Security is held by The Bank of Scotland granted 12 January 2006 over The Garrison, Millport.

Standard Security is held by Cumrae Properties (1963) Limited granted 13 October 2005 over The Garrison, Millport.

Bond and Floating Charge held by The Bank of Scotland granted 18 March 2003 over all assets of the incorporated charity.

Standard Security over top floor flat, 8 Quayhead, Millport in favour of Bank of Scotland.

Standard Security over ground left flat, 4 Cardiff Street, Millport in favour of Bank of Scotland.

23. MOVEMENT IN FUNDS

	At 1.4.18	Net movement in funds	At 31.3.19
	£	£	£
Unrestricted funds			
General Fund	87,002	3,035	90,037
Public Toilets Fund	41,247	(27,585)	13,662
Moorings Fund	405	2,861	3,266
	<u>128,654</u>	<u>(21,689)</u>	<u>106,965</u>
Restricted funds			
Asset Fund	4,977,219	(122,609)	4,854,610
Rose Garden Fund	-	5,472	5,472
	<u>4,977,219</u>	<u>(117,137)</u>	<u>4,860,082</u>
TOTAL FUNDS	<u>5,105,873</u>	<u>(138,826)</u>	<u>4,967,047</u>

Cumrae Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	57,822	(54,787)	-	3,035
Public Toilets Fund	6,408	(33,993)	-	(27,585)
Moorings Fund	2,861	-	-	2,861
	<u>67,091</u>	<u>(88,780)</u>	<u>-</u>	<u>(21,689)</u>
Restricted funds				
Asset Fund	-	(122,509)	(100)	(122,609)
Rose Garden Fund	5,472	-	-	5,472
	<u>5,472</u>	<u>(122,509)</u>	<u>(100)</u>	<u>(117,137)</u>
TOTAL FUNDS	<u>72,563</u>	<u>(211,289)</u>	<u>(100)</u>	<u>(138,826)</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted Funds				
General Fund	33,989	1,835	51,178	87,002
Public Toilets Fund	-	41,247	-	41,247
Moorings Fund	-	405	-	405
	<u>33,989</u>	<u>43,487</u>	<u>51,178</u>	<u>128,654</u>
Restricted Funds				
Asset Fund	4,956,315	72,082	(51,178)	4,977,219
TOTAL FUNDS	<u>4,990,304</u>	<u>115,569</u>	<u>-</u>	<u>5,105,873</u>

Cumbræ Community Development Company

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	55,121	(53,286)	-	1,835
Public Toilets Fund	62,041	(20,794)	-	41,247
Moorings Fund	1,279	(874)	-	405
	<u>118,441</u>	<u>(74,954)</u>	-	<u>43,487</u>
Restricted funds				
Asset Fund	2,914	(119,047)	188,215	72,082
	<u>121,355</u>	<u>(194,001)</u>	<u>188,215</u>	<u>115,569</u>

Unrestricted Fund

General fund represents funds to operate the core objectives of the charity.

Designated Funds

Public Toilets Fund is an unrestricted designated fund which represents the specific grant income received and associated expenditure incurred in maintaining the public toilets on the island.

Moorings Fund is an unrestricted designated fund which represents the income received and expenses incurred in the provision of the mooring facilities on the island.

Restricted Fund

Asset Fund represents all assets held by the charity in support of the charitable objectives.

Rose Garden Fund represents all income received and expenditure incurred in creating the rose garden at Garrison House.

24. RELATED PARTY DISCLOSURES

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

There were no donations made by Trustees during the year (2018 Nil).

25. 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.

26. GROUP ACCOUNTS

No group accounts have been prepared as the Trustees consider the incorporated charity to be part of a small sized group.

Cumbræ Community Development Company

Detailed Statement of Financial Activities
for the Year Ended 31 March 2019

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	4,862	3,750
Donated services and facilities	-	16,000
	<u>4,862</u>	<u>19,750</u>
Other trading activities		
Membership fees	450	-
Investment income		
Rents Investment Property	3,000	3,000
Gift aid donations	52,051	24,336
	<u>55,051</u>	<u>27,336</u>
Charitable activities		
Grants	7,755	71,414
Rent West Lodge	4,445	2,855
	<u>12,200</u>	<u>74,269</u>
Total incoming resources	72,563	121,355
EXPENDITURE		
Support costs		
Management		
Admin costs	37,152	35,752
Rates and water	3,885	4,442
Insurance	613	550
Light and heat	4,189	4,109
Telephone	3,965	2,918
Postage and stationery	230	82
Advertising	-	125
Sundries	1,113	1,234
Repairs	11,777	2,908
Computer expenses	3,089	70
Cleaning	15,105	12,236
Travel	72	371
Subscriptions	522	296
Bank charges	13	91
Freehold property	117,110	117,111
Fixtures and fittings	5,399	5,936
Loan interest	2,175	2,820
	<u>206,409</u>	<u>191,051</u>

This page does not form part of the statutory financial statements

Cumbræ Community Development Company

Detailed Statement of Financial Activities
for the Year Ended 31 March 2019

	2019 £	2018 £
Governance costs		
Auditors' remuneration	3,030	2,450
Accountancy fees	1,850	500
	<u>4,880</u>	<u>2,950</u>
Total resources expended	211,289	194,001
	<u> </u>	<u> </u>
Net expenditure before gains and losses	(138,726)	(72,646)
	<u> </u>	<u> </u>
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	(100)	-
Realised gains/(losses) on investment property	-	36,083
	<u> </u>	<u> </u>
Net expenditure	<u>(138,826)</u>	<u>(36,563)</u>