Comann Eachdraidh Lios Mòr Limited

Directors' report & financial accounts
for the year ended 31 December 2014

Registration No – SC241701

Simmers & Co
Chartered Accountants
OBAN

Comann Eachdraidh Lios Mòr
(A company limited by guarantee)

Contents

Comann Eachdraidh Lios Mòr
(A company limited by guarantee)

Legal and administrative information

Charity number	SC234832
Company registration number	SC023503
Business address	Port a'CHarrain Isle of Lismore Oban Argyll PA34 5UL
Registered office	Port a'Charrain Isle of Lismore Oban Argyll PA34 5UL
Trustees	I MacNicol (Chair) J Baker R Hay A MacGillivray C McGregor F A Drysdale M E McDonald D Breingan L Hamilton(appointed 31 May 2014) M MacColl (appointed 31 May 2014, resigned 27 January 2015) A M Fleming (appointed 31 May 2014) B Mhoireasdan D Livingstone (resigned 31 May) J Livingstone (resigned 31 May) D Ferguson (resigned 31 May) C Wilson (resigned 31 May)
Secretary	D J Drysdale
Accountants	David McGregor Simmers & Co Albany Chambers Albany Street Oban PA34 4AL
Bankers	Clydesdale Bank plc Argyll Square Oban PA34 4 AZ
Solicitors	D M MacKinnon Bank of Scotland Buildings Oban PA34 4LN

Comann Eachdraidh Lios Mòr
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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2014

The trustees present their report and the financial statements for the year ended 31 December 2014. The trustees, who are also directors of Comann Eachdraidh Lios Mòr for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing Document

Comann Eachdraidh Lios Mòr is a company limited by guarantee. It does not have share capital. The governing document is the Memorandum and Articles of Association dated 29 July 2002, as subsequently amended. It is registered as a Scottish Charity. In the event of winding up, the liability of each member is limited to £1.

Recruitment and appointment of new trustees

Trustees are elected by the members of which there are two classes. Ordinary members may be individuals, firms, unincorporated associations or corporations resident or active within the island of Lismore. They may, along with nominated members, appoint up to twelve directors, designated "Elected Directors." Nominated members may be individuals, institutions and organisations who support the objects of the Company who are nominated for this class of membership by the Board. They may appoint up to three directors, designated "Nominated Directors".

Induction and training of new trustees

New trustees are inducted into the workings of the charity according to the nature of their role and responsibilities and by attending Board meetings. The Board understands the importance of being kept informed on current issues in the sector and on regulatory requirements, and training for Trustees was delivered during the year.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Indemnity

The company has granted every director an indemnity, out of the assets of the company, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Objectives and activities

Objectives and aims

The main objective of the charity is to advance the education of the public about the history, heritage and culture of the Island of Lismore. The main activity undertaken to achieve this has been to build and operate a visitor centre on the island, which incorporates a museum, shop and cafe.

Achievements and performance

We had several Archaeological walks led by Douglas Breingan round Kilcheran and Fiart early in the year. Later in the year we had a walk round the church and surrounding area.

The museum opened on 31st March 2014 with a homecoming exhibition featuring the return of John McDougad's Gaelic bible from Minnesota and the resettlement of Baligrundle and Craignich.

We held various other functions during the year. These included "Growing up on Lismore" organised by Helen Crossan, Caroline Willis and Anne Livingstone. Audiovisual records which Helen Crossan had collected as part of the Tobar an Lios project formed another interesting event.

The arrival of the Kilcheran Viking Age gold and Port Appin Iron Age God Head on long term loan from Argyll & Bute Museums has enhanced our museum display.

Report of the trustees (incorporating the directors' report) for the year ended 31 December 2014

The Cottage was set up with a display reflecting day to day life of cottars in the 19th century. We lit the fire on several occasions and had a spinning exhibition.

A start was made with the Gravestones project. This is a joint project with Lismore Parish Church to move historic gravestones from the graveyard, restore them and place them in a covered display area beside the Church.

Financial review

For the year ended 31 December 2014, we report net outgoing resources of £581 (2013 - £14,707). Our trading subsidiary had a loss for the year of £794 (2013 – profit £3,150), which is included in the figures above. Its net reserves at the year-end were £956 (2013 £1,750). We have to continue to seek funding support to help cover our operating costs.

Reserves policy

Our aim is to maintain sufficient unrestricted reserves to provide a buffer for operating costs in the short to medium term in the event that there is a shortfall of revenue, and to maintain the property and equipment. The balance at 31 December 2014 was £27,277 (2013 - £27,858)

Going concern

We consider that the charity currently has adequate resources in the short term. Accordingly, the going concern basis continues to be appropriate to apply in preparing the financial statements.

Statement of trustees' responsibilities

The trustees (who are also directors of Comann Eachdraidh Lios Mòr for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Schedule 15 of the Companies Act 2006.

On behalf of the board

D J Drysdale
Secretary

30 May 2015

Comann Eachdraidh Lios Mòr
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Independent examiner's report to the trustees on the unaudited financial statements of Comann Eachdraidh Lios Mòr.

I report on the accounts for the year ended 31 December 2014 set out on pages 3 to 13.

Respective responsibilities of trustees and independent examiner

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 (the Act) 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 state, on the basis of my examination as required under section 44(1) (c) of the Act, whether particular matters have come to my attention.

Basis of Independent examiner's statement

My examination is 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 seeks explanations from the 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 whether the accounts present a 'true and fair view'.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. Which give me reasonable cause to believe that in any material respect the requirements:
   - Proper accounting records are kept 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 comply with Regulation 8 of the 2006 Accounts Regulations

   have 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.

....

David McGregor
Chartered Accountant
Independent examiner
Simmers & Co
Albany Chambers
Albany Street
Oban
PA34 4AL

30 May 2015

Comann Eachdraidh Lios Mòr
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 December 2014

	Notes	Unrestricted funds £	Restricted funds £	Property fund £	2014 Total £	2013 Total £
Incoming resources						
Incoming resources from generating funds:						
Voluntary income	2	14,079	-	-	14,079	18,241
Activities for generating funds	3	1,452	-	-	1,452	1,308
Investment income	4	5,500	-	-	5,500	5,500
Income from trading subsidiaries	5	-	-	-	-	3,150
Other incoming resources	6	-	-	-	-	1,083
Total incoming resources		21,031	-	-	21,031	29,282
Resources expended						
Purchases		-	-	-	-	149
Staff costs	8	3,325	-	-	3,325	12,585
Establishment costs		6,091	-	-	6,091	7,718
Accountancy fees		3,333	-	-	3,333	-
Legal and professional fees		5,120	-	-	5,120	6,556
Communications and IT		628	-	-	628	-
Other office expenses		183	-	-	183	756
Interest payable and similar charges		-	-	-	-	58
Research and development costs		-	-	-	-	2,595
Depreciation and impairment		2,457	8,523	-	10,980	12,689
Other costs		175	-	-	175	383
Independent examination fees		300	-	-	300	500
Total resources expended		21,612	8,523	-	30,135	43,989
Net incoming/ (outgoing) resources for the year / Net income/ (expense) for the year		(581)	(8,523)	-	(9,104)	(14,707)
Total funds brought forward		27,858	367,508	35,000	430,366	445,073
Total funds carried forward		27,277	358,985	35,000	421,262	430,366

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 8 to 13 form an integral part of these financial statements.

Comann Eachdraidh Lios Mòr
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Balance sheet
as at 31 December 2014

	Notes	2014 £	2014 £	2013 £	2013 £
Fixed assets					
Tangible assets	10		400,332		408,212
Investments	11		2		2
			400,334		408,214
Current assets					
Debtors	12	11,456		7,647	
Cash at bank and in hand		21,789		18,475	
		33,245		26,122	
Creditors: amounts falling due within one year	13	(12,317)		(3,970)	
Net current assets			20,928		22,152
Net assets			421,262		430,366
Funds	14				
Donated property fund			35,000		35,000
Restricted income funds			358,985		367,508
Unrestricted income funds			27,277		27,858
Total funds			421,262		430,366

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 8 to 13 form an integral part of these financial statements.

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Balance sheet (continued)

Directors' statements required by Sections 475(2) and (3) for the period ended 31 October 2014

For the period ended 31 December 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

• The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and

• The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors on 30 May 2015, and are signed on their behalf by:

J Baker

J Baker
Director

The notes on pages 8 to 13 form an integral part of these financial statements.

Notes to financial statements
for the year ended 31 December 2014

1. Accounting policies
The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting
The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

1.2. Cashflow
The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small charity.

1.3. Incoming resources
All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included. Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from the charity shop is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

1.4. Resources expended
Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

1.5. Research and development
Research expenditure is written off to the profit and loss account in the year in which it is incurred.

1.6. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over 50 years
Plant and machinery	-	Straight line over 4 years

1.7. Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

2. Voluntary income

	Unrestricted funds	2014 Total	2013 Total
	£	£	£
Donations	6,556	6,556	7,240
Grants receivable	7,104	7,104	10,725
Subscriptions	419	419	276
	14,079	14,079	18,241

3. Activities for generating funds

	Unrestricted funds	2014 Total	2013 Total
	£	£	£
Shop income	362	362	762
Fundraising events	1,090	1,090	546
	1,452	1,452	1,308

4. Investment income

	Unrestricted funds	2014 Total	2013 Total
	£	£	£
Income from UK investment properties	5,500	5,500	5,500
	5,500	5,500	5,500

5. Trading subsidiaries

The charity controls the company listed below either by virtue of holding a controlling interest in the equity share capital: -

Name of subsidiary	Country of incorporation	% of equity Share capital held
Taic Comann Eachdraidh Lios Mòr Limited Museum Shop	United Kingdom	100

6. Other incoming resources

	2014 Total £	2013 Total £
Other income	-	1,083
	-	1,083

7. Net outgoing resources for the year

	2014 £	2013 £
Net outgoing resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	10,980	12,689
Research and development		
- expenditure in current year	-	2,595

8. Employees

Employment costs

	2014 £	2013 £
Wages and salaries	3,325	12,228
Social security costs	-	357
	3,325	12,585

No employee received emoluments of more than £60,000 (2013: None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

	2014 Number	2013 Number
Management and administration	-	2

9. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

10. Tangible fixed assets

	Land and buildings freehold	Plant and machinery	Total
	£	£	£
Cost			
At 1 January 2014	461,160	90,374	551,534
Additions	-	3,100	3,100
At 31 December 2014	461,160	93,474	554,634
Depreciation			
At 1 January 2014	58,652	84,670	143,322
Charge for the year	8,523	2,457	10,980
At 31 December 2014	67,175	87,127	154,302
Net book values			
At 31 December 2014	393,985	6,347	400,332
At 31 December 2013	402,508	5,704	408,212

11. Fixed asset investments

	Subsidiary undertakings shares	Total
	£	£
Valuation		
At 1 January 2014 and At 31 December 2014	2	2
Investments held within the UK	2	2
Historical cost as at 31 December 2014	2	2

12. Debtors

	2014	2013
	£	£
Amounts owed by group undertakings	11,456	7,647

13. Creditors: amounts falling due within one year

	2014	2013
	£	£
Other creditors	300	2,020
Accruals and deferred income	12,017	1,950
	12,317	3,970

14. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Property fund	Total funds
	£	£	£	£
Fund balances at 31 December 2014 as represented by:				
Intangible fixed assets	-	-	35,000	35,000
Tangible fixed assets	-	358,985	-	358,985
Investment assets	6,349	-	-	6,349
Current assets	33,245	-	-	33,245
Current liabilities	(12,317)	-	-	(12,317)
	27,277	358,985	35,000	421,262

15. Unrestricted funds

	At 1 January 2014	Incoming resources	Outgoing resources	At 31 December 2014
	£	£	£	£
General fund	27,858	21,031	(21,612)	27,277

16. Restricted funds

	At 1 January 2014	Outgoing resources	At 31 December 2014
	£	£	£
Deferred capital grants	367,508	(8,523)	358,985

17. Donated Property Fund

	At 1 January 2014 £	At 31 December 2014 £
Donated property fund	35,000	35,000

18. Company limited by guarantee

Comann Eachdraidh Lios Mòr is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Comann Eachdraidh Lios Mòr
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The following pages do not form part of the statutory accounts.

Comann Eachdraidh Lios Mòr
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Detailed statement of financial activities

For the year ended 31 December 2014

	2014		2013	
	£	£	£	£
Incoming resources				
Incoming resources from generating funds:				
Voluntary income				
Donations		6,556		7,240
Grants receivable		7,104		10,725
Subscriptions		419		276
		14,079		18,241
Activities for generating funds				
Shop income		362		762
Fundraising events		1,090		546
		1,452		1,308
Investment income				
Income from UK investment properties		5,500		5,500
		5,500		5,500
Income from trading subsidiaries				
Taic Comann Eachdraidh Lis Mòr		-		3,150
		-		3,150
Total incoming resources from generating funds		21,031		28,199
Other incoming resources				
Other income		-		1,083
		-		1,083
Total incoming resources		21,031		29,282

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Detailed statement of financial activities

For the year ended 31 December 2014

	2014		2013	
	£	£	£	£
Resources expended				
Costs of generating funds:				
Purchases	-		149	
Salaries & wages	3,325		12,228	
Employer's NIC	-		357	
Light & heat	1,003		2,848	
Repairs & maintenance	731		292	
Insurance	3,738		3,762	
Events and exhibitions	619		816	
Accountancy fees	3,333		-	
Research & heritage recording	4,750		5,703	
Licence fees	370		853	
Telephone	628		-	
Postage, stationery and advertising	184		756	
Website design	-		2,595	
Other costs	174		383	
		18,855		30,742
Support costs				
Depreciation & impairment	10,980		12,689	
		10,980		12,689
Total cost of generating voluntary income		29,835		43,431
Total costs of generating funds		29,835		43,431

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Detailed statement of financial activities

For the year ended 31 December 2014

		2014 £		2013 £
Charitable activities				
Governance costs				
Activities undertaken directly				
Independent examination fees	300		500	
		300		500
Support costs				
Support - Other interest & similar charges	-		58	
		-		58
Total governance costs		300		558
Net incoming/ (outgoing) resources for the year		(9,104)		(14,707)