REGISTERED COMPANY NUMBER: SC264187 (Scotland)
REGISTERED CHARITY NUMBER: SC035319

Report of the Trustees and Unaudited Financial Statements for the Year Ended 31st March 2016 for

Upper Nithsdale Arts & Crafts Community Initiative Limited

Farries Kirk & McVean
Dumfries Enterprise Park
Heathhall
Dumfries
DUMFRIESSHIRE
DG1 3SJ

TUESDAY
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SCT 20/09/2016 #216
COMPANIES HOUSE

Upper Nithsdale Arts & Crafts Community Initiative Limited

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Report of the Trustees
for the Year Ended 31st March 2016

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 31st March 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC264187 (Scotland)

Registered Charity number
SC035319

Registered office
61 High Street
Sanquhar
Dumfriesshire
DG4 6UT

Trustees

Mrs S Crompton	
W J Waugh	
I R Baker	
B Johnson	
Ms E A E Griggs	
M Wilson	
J Gracie	
J G Lawson	- resigned 23.6.15
Ms D R Burton	
Ms F E Watts	- resigned 28.10.15
Mrs S L Urquhart	- appointed 28.5.15
D S Smith	- appointed 14.10.15
J A Monnier	- appointed 14.10.15
	- resigned 9.2.16
A D Curran	- appointed 14.10.15
	- resigned 9.2.16
Mrs P Copeland	- appointed 24.2.16

Company Secretary
K McLean

Independent examiner
Farries Kirk & McVean
Dumfries Enterprise Park
Heathhall
Dumfries
DUMFRIESSHIRE
DG1 3SJ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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.

Approved by order of the board of trustees on 1st September 2016 and signed on its behalf by:

William J. Waugh

W J Waugh - Trustee

Independent Examiner's Report to the Trustees of Upper Nithsdale Arts & Crafts Community Initiative Limited

I report on the accounts for the year ended 31st March 2016 set out on pages three to eight.

Respective responsibilities of trustees and 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 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

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

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts 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.

Gerald M McGill BA CA
Chartered Accountant
Farries Kirk & McVean
Dumfries Enterprise Park
Heathhall
Dumfries
DUMFRIESSHIRE
DG1 3SJ

2nd September 2016

Statement of Financial Activities
for the Year Ended 31st March 2016

	Notes	Unrestricted fund £	Restricted funds £	2016 Total funds £	2015 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		146,006	-	146,006	129,282
Activities for generating funds	2	75,934	-	75,934	38,021
Investment income	3	4	-	4	4
Total incoming resources		221,944	-	221,944	167,307
RESOURCES EXPENDED					
Costs of generating funds					
Costs generating funds		35,261	-	35,261	25,302
Charitable activities					
General Activities		137,561	-	137,561	87,667
Governance costs		10,728	-	10,728	648
Total resources expended		183,550	-	183,550	113,617
NET INCOMING RESOURCES		38,394	-	38,394	53,690
RECONCILIATION OF FUNDS					
Total funds brought forward		736,842	-	736,842	683,152
TOTAL FUNDS CARRIED FORWARD		775,236	-	775,236	736,842

The notes form part of these financial statements

Balance Sheet
At 31st March 2016

	Notes	Unrestricted fund £	Restricted funds £	2016 Total funds £	2015 Total funds £
FIXED ASSETS					
Tangible assets	10	713,214	-	713,214	716,654
CURRENT ASSETS					
Stocks		2,438	-	2,438	1,730
Debtors	11	(265)	-	(265)	735
Cash at bank and in hand		63,489	-	63,489	53,303
		65,662	-	65,662	55,768
CREDITORS					
Amounts falling due within one year	12	(3,640)	-	(3,640)	(35,580)
NET CURRENT ASSETS		62,022	-	62,022	20,188
TOTAL ASSETS LESS CURRENT LIABILITIES		775,236	-	775,236	736,842
NET ASSETS		775,236	-	775,236	736,842
FUNDS	13				
Unrestricted funds				775,236	736,842
TOTAL FUNDS				775,236	736,842

The notes form part of these financial statements

continued...

Balance Sheet - continued
At 31st March 2016

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(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 prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 1st September 2016 and were signed on its behalf by:

W J Waugh -Trustee

Mrs S L Urquhart -Trustee

The notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 31st March 2016

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources
All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended
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.

Tangible fixed assets
It is the opinion of the Directors that an annual depreciation charge should apply of 1% of the historic cost on a reducing balance basis.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

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

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

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

2. ACTIVITIES FOR GENERATING FUNDS

	2016	2015
	£	£
Fundraising events	4,124	10,448
Shop income	29,825	21,135
Cafe Income	38,001	6,438
Other Income	3,984	-
	75,934	38,021

3. INVESTMENT INCOME

	2016	2015
	£	£
Deposit account interest	4	4

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2016	2015
	£	£
Depreciation - owned assets	8,732	7,180

Notes to the Financial Statements - continued
for the Year Ended 31st March 2016

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2016 nor for the year ended 31st March 2015.

Trustees' expenses
There were no trustees' expenses paid for the year ended 31st March 2016 nor for the year ended 31st March 2015.

6. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	99,894	58,295

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

	2016	2015
Staff - Management	2	3
Staff - Shop/Cafe	7	-
	9	3

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

7. GRANTS RECEIVED

The Big Lottery Fund have a first charge security over the company's property. This year a grant of £17,191 was received towards development costs which was received upfront.

The other grants received were as follows. Robertson Trust grant was for contributions towards staffing costs (£17,000), D&G Council grant was for core running costs (£32,245), the Foundation Scotland grant was received to set up the Sanquhar knitting group (£4,600), and a grant for Photography was received (£125).

Also included in grants is £10,204 grant that is the release of a provision made against grant income since 2010. There is now no need for the provision so it has been released to the Statement of Financial Activities.

8. CAFE

The cafe was taken back in January 2015 for Upper Nithsdale Arts and Crafts Initiative to run until March 2016 at this point it will be reassessed to see if it should continue to run or find another tenant.

9. DONATIONS & LEGACIES

Of the total donated services and facilities of £64,639, £41,200 of donations and legacies received had no costs attributed to the income during the current year, therefore the accounts are showing a higher Net Income.

Notes to the Financial Statements - continued
for the Year Ended 31st March 2016

10. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1st April 2015	1,418,414	5,524	1,423,938
Additions	-	5,292	5,292
At 31st March 2016	1,418,414	10,816	1,429,230
DEPRECIATION			
At 1st April 2015	707,284	-	707,284
Charge for year	7,111	1,621	8,732
At 31st March 2016	714,395	1,621	716,016
NET BOOK VALUE			
At 31st March 2016	704,019	9,195	713,214
At 31st March 2015	711,130	5,524	716,654

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other debtors	(265)	735

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	3,640	3,601
Deferred Income	-	31,979
	3,640	35,580

13. MOVEMENT IN FUNDS

	At 1.4.15 £	Net movement in funds £	At 31.3.16 £
Unrestricted funds			
General fund	736,842	38,394	775,236
TOTAL FUNDS	736,842	38,394	775,236

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	221,944	(183,550)	38,394
TOTAL FUNDS	221,944	(183,550)	38,394

Detailed Statement of Financial Activities for the Year Ended 31st March 2016

	2016 £	2015 £
INCOMING RESOURCES		
Voluntary income		
Grants	81,367	70,700
Property Grant (see note 7 on page 7)	-	57,220
Donated services and facilities	64,639	1,362
	146,006	129,282
Activities for generating funds		
Fundraising events	4,124	10,448
Shop income	29,825	21,135
Cafe Income	38,001	6,438
Other Income	3,984	-
	75,934	38,021
Investment income		
Deposit account interest	4	4
Total incoming resources	221,944	167,307
RESOURCES EXPENDED		
Costs generating funds		
Sundries	81	344
Shop Purchases	3,776	3,735
Tutor Fees	283	90
Materials	151	88
Performers Fees	2,915	1,981
Film Hire	131	223
Bar Stock	324	482
Commission Paid	5,994	6,841
Cafe Costs	14,830	4,973
Sanquhar Knitwear Supplies	6,722	6,545
Venue Hire/Catering Costs	54	-
	35,261	25,302
Charitable activities		
Wages	99,894	58,295
Rates and water	2,151	1,447
Insurance	3,203	3,088
Light and heat	5,372	5,085
Telephone	2,109	2,093
Postage and stationery	2,681	1,784
Advertising	1,373	1,822
Cleaning	1,470	1,355
Maintenance	2,988	2,824
Materials & small equipment	815	155
Computer maintenance	117	306
Vol expenses	22	406
Staff Expenses/Training	241	40
Sanquhar Knitwear	4,313	-
Hospitality	138	150
Carried forward	126,887	78,850

Detailed Statement of Financial Activities for the Year Ended 31st March 2016

	2016 £	2015 £
Charitable activities		
Brought forward	126,887	78,850
Other Licences	1,006	1,008
	127,893	79,858
Governance costs		
Accountancy	648	648
Professional Fees	10,080	-
	10,728	648
Support costs		
Finance		
Bank charges	936	628
Other		
Freehold Property Depreciation	7,111	7,181
Plant and machinery	1,424	-
Fixtures and fittings	197	-
	8,732	7,181
Total resources expended	183,550	113,617
Net income	38,394	53,690