

Charity Number: SC045852
Company number: SC402621

Connect Assynt Ltd

Annual Report and Financial Statements

Period ended 30 June 2018



Connect Assynt Ltd

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Connect Assynt Ltd

Report of the Directors for the period ended 30 June 2018

The Directors are pleased to present their report together with the financial statements of the charity for the period ended 30 June 2018.

Legal and Administrative Information

Charity name	Connect Assynt Ltd
Charity number	SC045852
Company number	SC402621
Registered Office	Culag Annexe Harbour Headquarters Building Lochinver By Lairg Sutherland IV27 4LE
Directors	R Kerr M MacIennan G Richards A Taylor J Young
Company Secretary	None
Accountants	T P Wright Chartered Accountant 396 Elphin By Lairg Sutherland IV27 4HH
Solicitors	None
Bankers	Royal Bank of Scotland Plc West Argyle Street Ullapool Ross-Shire IV26 2TY

Connect Assynt Ltd

Report of the Directors for the period ended 30 June 2018

Structure, governance and management

Connect Assynt Ltd is a company limited by guarantee and not having a share capital, governed by its Memorandum and Articles of Association, incorporated on 29 June 2011, and is registered as a charity with the Office of the Scottish Charity Regulator. In the event of the company being wound up, members are required to contribute a sum not exceeding £1.

The management of the company is the responsibility of the trustees (also referred to in this report and the financial statements as the directors) who are elected under the terms of the Memorandum and Articles of Association. New directors are elected annually at the AGM by vote in person or by proxy.

The company is a membership organisation and the members are responsible for electing the Board of Directors which meets on a regular basis to consider the strategic decisions. The implementation is then delegated to employees.

Recruitment, appointment, induction and training of directors

The trustees have the power to appoint and assume such other trustee as they feel necessary for the purposes of the administration of the Trust.

New trustees are expected to spend time with the existing trustees to familiarise themselves with:

- The duties of Board Members
- The main documents that set out the operational framework for the charity, including the Trust Deed and Memorandum and Articles of Association
- The work of the Trust and its finances, referring to the last annual accounts and the recent Board Minutes
- The strategy that has been adopted
- The plans and objectives that flow from that strategy
- The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The overall management and policy decisions are the responsibility of the trustees who are appointed under the terms of the Trust Deed and Articles of Association.

Aims, Objectives and Activities

The object of the Company is to provide a community transport service for such of the inhabitants of Assynt and its neighbourhood who are in need of such a service because of age, sickness or disability (mental or physical), or poverty, or because of a lack of availability of adequate and safe public passenger services.

Connect Assynt Ltd

Report of the Directors *for the period ended 30 June 2018*

Achievements and Performance

During the year, the following achievements were recorded:

- Significant increase in income from fares from trips and regular routes.
- Continuing gradual increase in passenger numbers.
- Relief Driver passed her D1 driving test allowing her to fully undertake duties detailed in her job description.
- Following the decision by the Big Lottery to withdraw funding at the end of the three year Connecting Assynt project, planning took place by Board and Project & Operations Manager to mitigate consequences. The decision was made not to proceed with introducing the volunteer car scheme but to focus on securing other funding.

Financial review

The results for the period are set out in the attached financial statements.

Reserves policy

Substantial unrestricted reserves are necessary for management of cash flow and the charity wishes to attain a level of reserves that would meet the charity's commitments for a period of twelve months should other income not be available.

Plans for future periods

As noted above, the charity's main source of funding finished during the year, and was not renewed, which cast a heavy shadow over the year's achievements and also absorbed an awful lot of energy in attempting to find sources of finance to replace it.

At the time of writing, no significant source has been located and the charity will have to severely scale back its operations. This will necessitate much more reliance on volunteers and the success of this strategy cannot be regarded as assured.

The Board are keenly aware of their duty to stakeholders. Suppliers, not a large figure in the context of this charity's operations, will continue to be paid as quickly as administration enables and, in the event of cessation of activities, the Board understand that the charity's minibus (categorised as a Restricted Fund) must simply be returned to the Scottish Government. It is not considered that there are any adjustments which would be required to the charity's financial accounts to reflect the scaling down of operations and no risk of detriment to creditors if the plans do not prosper.

Connect Assynt Ltd

Report of the Directors for the period ended 30 June 2018

Directors' responsibilities in relation to the financial statements

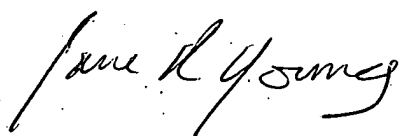
Company law requires the Directors to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial period and its surplus or deficit for the financial period. In doing so the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make sound 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 charity will continue in business

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report was approved by the Board and signed on its behalf by



Jane Young
Director

Date: 18 December 2018

Connect Assynt Ltd

Report of the Independent Examiners to the Trustees for the period ended 30 June 2018

I report on the accounts of the charity for the year ended 30 June 2018 which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) 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 trustees consider that the audit requirement of Regulation 10(1) (a-c) of the 2006 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.

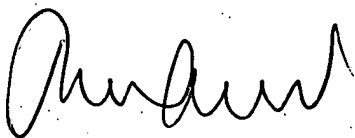
Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. 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 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 the course of 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
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Name T P Wright

Qualification Chartered accountant

Address 396 Elphin, By Lairg, IV27 4HH

Date 18 December 2018

Connect Assynt Ltd

Statement of financial activities

Year ended 30 June 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income and endowments from:					
Donations and legacies	2	230	693	923	111
Charitable activities	3	8,286	38,194	46,480	55,444
Total incoming resources		8,516	38,887	47,403	55,555
Resources expended:					
Charitable activities	4	200	51,735	51,935	53,174
Total resources expended		200	51,735	51,935	53,174
Net incoming/outgoing resources before transfers		8,316	(12,848)	(4,532)	2,381
Transfers	11	(2,493)	2,493		
Net movement in funds after transfers		5,823	(10,355)	(4,532)	2,381
Total funds brought forward	10	9,395	54,637	64,032	61,651
Total funds carried forward	10	15,218	44,282	59,500	64,032

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements.

Connect Assynt Ltd

Balance sheet

As at 30 June 2018

	Notes	£	2018 £	£	2017 £
Fixed Assets					
Tangible assets	7		17,642		22,053
Current Assets					
Debtors	8	635		2,206	
Cash at bank and in hand		42,694		41,301	
		<u>43,329</u>		<u>43,507</u>	
Creditors: falling due within one year	9	<u>1,471</u>		<u>1,528</u>	
Net Current Assets			<u>41,858</u>		<u>41,979</u>
Total Net Assets			<u><u>59,500</u></u>		<u><u>64,032</u></u>
Represented by:					
Restricted income funds	10		44,282		54,637
Unrestricted income funds	10		15,218		9,395
Total Funds			<u><u>59,500</u></u>		<u><u>64,032</u></u>

The directors are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its income and expenditure 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 accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board and signed on its behalf on 18 December 2018

Gwen M. Richards

Gwen Richards
Director

Company registration number SC402621

Connect Assynt Ltd

Notes to the financial statements

Year ended 30 June 2018

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with '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 (FRS102) (effective 1 January 2015) - Charities SORP (FRS102)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Donations, gifts in kind and volunteer time

Donations received are recorded at the time the charity becomes entitled to the resource. Gifts in kind income represent donated assets received by the charity and are recorded at the estimated current value the charity would expect to pay for the asset on the open market. The value of services provided by volunteers is not incorporated into the financial statements.

Grants

Grants received are included in incoming resources when they are receivable, except when conditions attached to such grants have not yet been fulfilled, when the income is deferred. Grants of a capital nature are treated as a restricted fund and released to the unrestricted funds over the life of the asset.

Expenditure

Expenditure is included on the accruals basis and recognised when there is a legal or constructive obligation to pay.

Fund accounting

Restricted funds: funds held which are restricted for use for specific purposes.

Unrestricted funds: funds which the trustees are free to use, in accordance with the charitable objects.

Designated funds: funds which the trustees set aside for a specific purpose.

Tangible fixed assets and depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost less residual value of each asset over its expected useful life, as follows:

Minibus	20% reducing balance
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Taxation

The Association is a charity for tax purposes and relief given under S.505 Income and Corporation Taxes Act 1988.

Connect Assynt Ltd

Notes to the financial statements

Year ended 30 June 2018

2 Donations and legacies income	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Donations and memberships	230	693	923	111
	<u>230</u>	<u>693</u>	<u>923</u>	<u>111</u>
3 Charitable activities income	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Big Lottery grant	-	38,194	38,194	48,887
Hire, trips and fares	5,793	-	5,793	3,862
Bus Service Operator's Grant	2,493	-	2,493	2,695
	<u>8,286</u>	<u>38,194</u>	<u>46,480</u>	<u>55,444</u>
Total income	<u>8,516</u>	<u>38,887</u>	<u>47,403</u>	<u>55,555</u>
4 Resources expended on charitable activities	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Fuel	-	3,115	3,115	2,744
Vehicle maintenance	-	2,398	2,398	1,459
Vehicle insurance and road tax	-	1,394	1,394	1,260
Vehicle sundries	-	-	-	-
Vehicle depreciation	-	4,411	4,411	5,513
Costs of special trips	-	338	338	-
Wages and salaries	-	34,994	34,994	34,710
Staff training	-	389	389	-
Driver licence and PVG costs	-	-	-	1,682
Rent	-	2,053	2,053	1,894
Insurance	-	436	436	428
Telecomms	-	1,436	1,436	1,319
Office supplies	-	183	183	109
IT	-	-	-	24
Community Development Fund	-	-	-	1,314
Advertising and PR	-	239	239	255
Sundry expenses	-	50	50	44
Bank charges	-	-	-	(31)
Accountancy fees	200	299	499	450
	<u>200</u>	<u>51,735</u>	<u>51,935</u>	<u>53,174</u>
Total expenditure	<u>200</u>	<u>51,735</u>	<u>51,935</u>	<u>53,174</u>

Connect Assynt Ltd

Notes to the financial statements

Year ended 30 June 2018

5 Staff costs and emoluments

	2018 £	2017 £
Wages and salaries	34,994	34,710
Employer's national insurance		
	<u>34,994</u>	<u>34,710</u>

Particulars of employees

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2018	2017
Staff	<u>2</u>	<u>2</u>

No employee received emoluments of more than £60,000 in the year (2017 - Nil).

6 Directors remuneration and expenses

None of the directors (or any persons connected with them) received any remuneration during the year (2017 - nil). No directors' expenses were claimed (2017 - £nil).

7 Tangible fixed assets

	Minibus £	Total £
Cost		
At 1 July 2017	42,194	42,194
At 30 June 2018	<u>42,194</u>	<u>42,194</u>
Depreciation		
At 1 July 2017	20,141	20,141
Charge for year	4,411	4,411
At 30 June 2018	<u>24,552</u>	<u>24,552</u>
Net Book Value		
At 30 June 2018	<u>17,642</u>	<u>17,642</u>
At 30 June 2017	<u>22,053</u>	<u>22,053</u>

8 Debtors: falling due within one year

	2018 £	2017 £
Sundry debtors and prepayments	<u>635</u>	<u>2,206</u>

Connect Assynt Ltd

Notes to the financial statements

Year ended 30 June 2018

9 Creditors: falling due within one year	2018 £	2017 £
Trade creditors	-	50
PAYE and National Insurance	822	1,028
Other creditors and accruals	649	450
	<u>1,471</u>	<u>1,528</u>

10 Reserves	At 01/07/17 £	Income £	Expenditure £	Transfers £	At 30/06/18 £
Restricted funds					
Big Lottery grant	31,347	38,194	(46,986)	2,493	25,048
Big Lottery - Community Development Fund grant	1,237	-	-	-	1,237
Donation from Friends of Assynt	-	693	(338)	-	355
Vehicle fund	22,053	-	(4,411)	-	17,642
	<u>54,637</u>	<u>38,887</u>	<u>(51,735)</u>	<u>2,493</u>	<u>44,282</u>
Unrestricted funds					
Accumulated unrestricted fund	9,395	8,516	(200)	(2,493)	15,218
Total reserves	<u>64,032</u>	<u>47,403</u>	<u>(51,935)</u>	<u>-</u>	<u>59,500</u>

Represented by:	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Fixed assets	-	17,642	17,642	22,053
Current assets	15,418	27,911	43,329	43,507
Creditors: falling due within one year	(200)	(1,271)	(1,471)	(1,528)
Total funds	<u>15,218</u>	<u>44,282</u>	<u>59,500</u>	<u>64,032</u>

11 Transfers

The transfer from the Unrestricted fund to the Big Lottery fund represents the Bus Service Operator's Grant, being primarily a rebate against the cost of fuel, utilised in discharging the charity's primary purpose.

12 Ultimate controlling party

Connect Assynt Limited is a company limited by guarantee. The liability of members is limited and is not to exceed £1. The ultimate controlling party is therefore considered to be the board of trustees.