

Charity number: SC023487
Company number: SC287129

Dervaig Community Hall
(A company limited by guarantee)

Directors' report and financial statements
for the year ended 31 December 2015

Dervaig Community Hall
(A company limited by guarantee)

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Dervaig Community Hall
(A company limited by guarantee)

Legal and administrative information

Charity number SC023487
Company registration number SC287129

Business address Duilletter Cottage
Dervaig
Isle of Mull
Argyll
PA75 6QJ

Registered office Dervaig Village Hall
Kilmore, Dervaig
Isle of Mull
Argyll
PA75 6QN

Directors

Catherine Mayo	
Basil Kenneth Barton	
Ian Maxwell Kevin Lowe	Chair
Julia Hogg	Resigned 2 October 2015
Mary Barton	
Diane Dewhurst	
Francis William Dewhurst	
Louise Fuller	Resigned 22 February 2016
Tracy Teresa Mayo	
Nicola Vivien Adcock	
Helen Murray	Appointed 11 May 2015
Erin Turnbull	Appointed 11 May 2015
Stella Hazel Clifford-Jones	Resigned 11 May 2015
Cheryl Margaret Callow	Resigned 11 May 2015

Accountants

R A Clement Associates
Chartered Accountants
5 Argyll Square
Oban
Argyll
PA34 4AZ

Dervaig Community Hall
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Legal and administrative information

Bankers

Clydesdale Bank Plc
Main Street
Tobermory
Isle of Mull
PA75 6NY

Dervaig Community Hall
(A company limited by guarantee)

Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015. The directors, who are also trustees of Dervaig Community Hall for the purposes of charity law and who served during the year and up to the date of this report are set out on page 1 - 2.

Structure, governance and management

Principal Activity

During the year the activity of the company has been the ownership and maintenance of the Village Hall and the ownership of the premises now used as a storage area for the Village Shop in Dervaig Village.

Activities within the Hall have been conducted by Clubs and the Directors to provide facilities for the community and raise funds to run and improve facilities.

Governance

No outside party can appoint directors. The maximum number of directors is 15 and the minimum is 7.

At each annual general meeting the members of the Company may elect any member to be a director. Member directors (12 allowed) must be members of the company. In accordance with the Articles of Association one third (to the nearest round number) shall retire at the Annual General Meeting, being eligible to offer themselves for re-election. Co-opted directors who are non members may be appointed by the board and shall retire at each general meeting and are eligible for re-appointment.

Risk Management

The Board of Directors is ultimately responsible for the Dervaig Community Hall's internal financial and administrative control systems and reviewing their effectiveness. However, such systems are designed to manage rather than eliminate the risk of failure, and can provide only reasonable and not absolute assurance against material misstatement or loss. These systems of control include: a regular consideration by the directors of financial results, variance from budgets and non-financial performance indicators; the delegation of authority and segregation of duties and identification and management of financial and non-financial risks.

The directors therefore acknowledge their responsibility for safeguarding the Dervaig Community Hall's assets and hence taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

1. Dervaig Community Hall is operating efficiently and effectively
2. Its assets are safeguarded against unauthorised use or disposition
3. Proper records are maintained and financial information used within Dervaig Community Hall or for publication is reliable
4. Dervaig Hall complies with relevant laws and regulations

Reserves Policy

The aim of Dervaig Community Hall's reserve policy is to establish a level of reserves, which it may need in times of unexpected fluctuations in income to provide uninterrupted services for a period of 12 months.

The directors review the reserve position throughout the year. As part of the review, they assessed the level of reserves required to meet future shortfalls in income.

At the year end, the level of reserves was sufficient to cover the level of annual expenditure, particularly if depreciation is excluded.

Dervaig Community Hall
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Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2015

Achievements and performance

Chair's Report

The year began with the biggest and most successful New Year's Dance for a long time, and ended with a hugely popular Children's Christmas Party. The common factor was the number of younger members of the community, particularly young parents, not just attending but helping to organise and run the events. It suggests that the future of the hall will be in willing hands - which is certainly necessary if the Hall is to continue to be as busy as it has been in 2015. As well as the regular groups (badminton, school PE, yoga, pilates, toddlers, lunch club, producers' markets, country dancing) the Hall hosted a whole range of activities and events: a spinning course; various meetings for carers, first responders and community health; dog training; a school science day; charity fund raising events; a life class; the school play; shinty; tag rugby - as well as being the polling station on election day. There was a wedding reception, a birthday party, a Halloween party, various concerts (both classical and traditional) and ceilidhs, and what was generally considered the best Seafood Extravaganza yet (though they say that every year!). None of these things could have happened without the backstage work of the committee and their (often long suffering) partners and friends.

2015 was also the year in which an extensive refurbishment of the Hall was begun. The bunkrooms and the sitting room were redecorated and reequipped and the foyer repainted with the lighting improved (all of which was masterminded by Louise Fuller who will be sorely missed when she leaves the island). Louise has also organised the reflooring of parts of the Hall which, along with a major refurbishment of the kitchen, will happen in the new year. Meanwhile an (unplanned!) water leak also necessitated some urgent improvements to the plumbing system

The refurbishment programme is ongoing (redoing all the bathrooms and revarnishing the Hall walls will be next on the agenda) and expensive. That we can afford to make these improvements is due to the way that all users of the Hall contribute financially: our regular users pay subscriptions or make donations; the events we run make a profit; the bunkrooms provide a significant source of income; our facilities and equipment are available for hire (and this year we are very grateful to the White Tailed Sea Eagle fund for a grant towards the refurbishment).

It is also due to the careful management of the Hall finances by previous Chairmen and Treasurers. Treasurer is a particularly thankless and time-consuming job and we have been very lucky to have Diane Dewhurst (who will be leaving the committee in 2016) in that role for a number of years.

The hope is that we will be able to continue the refurbishment of the building itself using the Hall's own yearly revenue. Fund raising in the coming months will be directed towards improving the state of the sports pitch. At the end of the year a separate committee was formed of Hall directors and pitch users who will between them attempt to raise money for a new surface, equipment and the continued maintenance for the pitch. I trust that next year's report will celebrate their success.

Now that the average age of the directors has dipped dramatically, it is time for some of us old(er) fogeys to step aside. I will retire from the committee at the May AGM and would like to take this opportunity to thank the many directors I have worked with over the last nine years, both for their (often unrecognised) commitment to the community and for their good humoured companionship. I look forward to watching the Hall continue to go from strength to strength.

Dervaig Community Hall
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Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2015

Statement of directors' responsibilities

The directors (who are also trustees of Dervaig Community Hall under charity 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 directors 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 directors 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 directors 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 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Duncan Grout, ACCA of R A Clement Associates was deemed to be reappointed as independent examiner and the directors recommend that Duncan Grout, ACCA remains in office until further notice.

Small company provisions

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

On behalf of the board



17/4/16

Ian Maxwell Kevin Lowe
Director

Dervaig Community Hall
(A company limited by guarantee)

Independent examiner's report to the directors on the unaudited financial statements of Dervaig Community Hall.

I report on the accounts for the year ended 31 December 2015 set out on pages 3 to 16.

This report is made to the charity's Trustees, who are also directors of the company, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the charity's Trustees and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees, as a body, for my work or this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for 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 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

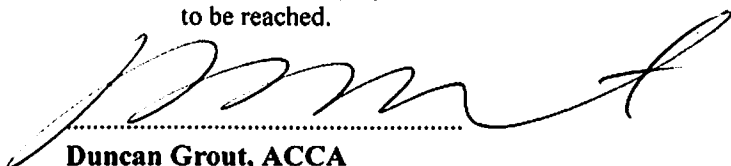
Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 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 Regulations
 - to prepare accounts which agree with the accounting records, comply with Regulation 8 of the 2006 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.



216/16

Duncan Grout, ACCA
Independent examiner

of R A Clement Associates
5 Argyll Square
Oban
Argyll
PA34 4AZ

Dervaig Community Hall
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Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 December 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Incoming resources					
Incoming resources from generating funds:					
Donations & Legacies	2	5,066	-	5,066	530
Investment income		375	-	375	368
Charitable activities	3	20,633	-	20,633	22,983
Total incoming resources		<u>26,074</u>	<u>-</u>	<u>26,074</u>	<u>23,881</u>
Resources expended					
Band, food and bar costs		4,505	-	4,505	2,579
Premises costs		15,392	-	15,392	7,985
Accountancy & other fees		739	-	739	721
Licences		844	-	844	413
Communications and IT		462	-	462	390
Postage, stationery, advertising		1,094	-	1,094	453
Depreciation and impairment		496	3,589	4,085	4,316
Management costs		1,920	-	1,920	1,920
Other costs		404	-	404	1,506
Grants and donations made		900	-	900	-
Total resources expended		<u>26,756</u>	<u>3,589</u>	<u>30,345</u>	<u>20,283</u>
Net incoming/(outgoing) resources before transfers					
		(682)	(3,589)	(4,271)	3,598
Transfers between funds					
		2,802	(2,802)	-	-
Net income/(expenditure) for the year					
		2,120	(6,391)	(4,271)	3,598
Net movement in funds for the year					
		2,120	(6,391)	(4,271)	3,598
Total funds brought forward					
		223,127	55,231	278,358	274,760
Total funds carried forward					
		<u>225,247</u>	<u>48,840</u>	<u>274,087</u>	<u>278,358</u>

The notes on pages 10 to 16 form an integral part of these financial statements.

Dervaig Community Hall
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Balance sheet
as at 31 December 2015

SC287129

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	9		226,673		230,758
Current assets					
Debtors	10	222		222	
Cash at bank and in hand		48,427		48,613	
		<u>48,649</u>		<u>48,835</u>	
Creditors: amounts falling due within one year	11	<u>(1,235)</u>		<u>(1,235)</u>	
Net current assets			<u>47,414</u>		<u>47,600</u>
Net assets			<u>274,087</u>		<u>278,358</u>
Funds	12				
Restricted funds			<u>48,840</u>		<u>55,231</u>
Unrestricted income funds:					
Unrestricted income funds			35,247		33,127
Assets transferred in from previous entity			190,000		190,000
Total unrestricted funds			<u>225,247</u>		<u>223,127</u>
Total funds			<u>274,087</u>		<u>278,358</u>

The directors statements required by s475(2) and s475(3) are shown on the following page which forms part of the Balance Sheet.

The notes on pages 10 to 16 form an integral part of these financial statements.

Dervaig Community Hall
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Balance sheet (continued)

SC287129

**Directors' statements required by the Companies Act 2006
for the year ended 31 December 2015**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 December 2015.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board on

17/4/16

and signed on its behalf by

.....*D. Dewhurst*..... 17/4/16.

Diane Dewhurst
Director

The notes on pages 10 to 16 form an integral part of these financial statements.

Dervaig Community Hall
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Notes to financial statements
for the year ended 31 December 2015

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 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 for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2. 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 investments is included in the year in which it is receivable.

1.3. 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.

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.

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Notes to financial statements
for the year ended 31 December 2015

1.4. 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 or valuation less residual value of each asset over its expected useful life, as follows:

Village Hall Buildings	-	no depreciation charge
Sports Pitch	-	4% straight line
Kitchen Equipment	-	33.3% reducing balance
Hall fittings and furniture	-	20% reducing balance
Bunk Room Fittings	-	20% reducing balance
Sports Equipment		33.3% reducing balance

2. Donations & Legacies

	Unrestricted funds £	2015 Total £	2014 Total £
Donations	1,866	1,866	530
SRUC Community Food Fund	3,200	3,200	-
	<u>5,066</u>	<u>5,066</u>	<u>530</u>

All income in 2014 was unrestricted.

3. Charitable activities

	Unrestricted funds £	2015 Total £	2014 Total £
Bunkrooms Lease	4,945	4,945	8,884
Hall Hire and donations	1,380	1,380	1,630
Functions & Dances	9,480	9,480	6,662
PO and Shop rent	1,040	1,040	1,040
Phone recharges	59	59	49
Social & other clubs	2,137	2,137	3,248
Producers Market	1,592	1,592	1,470
	<u>20,633</u>	<u>20,633</u>	<u>22,983</u>

All income in 2014 was unrestricted

Dervaig Community Hall
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Notes to financial statements
for the year ended 31 December 2015

4. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Charitable activities	24,836	3,589	28,425	18,363
	<u>24,836</u>	<u>3,589</u>	<u>28,425</u>	<u>18,363</u>

Of the total costs in 2014, depreciation of £3,671 was charged to restricted funds.

5. Net (outgoing)/incoming resources for the year

	2015 £	2014 £
Net (outgoing)/incoming resources is stated after charging: Depreciation and other amounts written off tangible fixed assets	<u>4,085</u>	<u>4,316</u>

6. Employees

There were no employees during the year.

7. Trustees' emoluments

No trustee received any remuneration, reimbursement of expenses or benefits in kind during the year.

8. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

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Notes to financial statements
for the year ended 31 December 2015

9. Tangible fixed assets	Village Hall buildings at valuation	Sports equipment	Sports pitch	Kitchen equipment	Hall fittings and furniture	Bunk Room Fittings	Total
	£	£	£	£	£	£	£
Cost or valuation							
At 1 January 2015 and At 31 December 2015	<u>171,222</u>	<u>4,447</u>	<u>81,614</u>	<u>7,034</u>	<u>15,228</u>	<u>3,868</u>	<u>283,413</u>
Depreciation							
At 1 January 2015	-	4,321	25,982	6,859	12,110	3,283	52,655
Charge for the year	-	42	3,264	58	624	97	4,085
At 31 December 2015	<u>-</u>	<u>4,363</u>	<u>29,246</u>	<u>6,917</u>	<u>12,734</u>	<u>3,480</u>	<u>56,740</u>
Net book values							
At 31 December 2015	<u>171,222</u>	<u>84</u>	<u>52,368</u>	<u>117</u>	<u>2,494</u>	<u>388</u>	<u>226,673</u>
At 31 December 2014	<u>171,222</u>	<u>126</u>	<u>55,632</u>	<u>175</u>	<u>3,118</u>	<u>485</u>	<u>230,758</u>

Dervaig Community Hall
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Notes to financial statements
for the year ended 31 December 2015

10. Debtors

	2015	2014
	£	£
Other debtors	<u>222</u>	<u>222</u>

11. Creditors: amounts falling due within one year

	2015	2014
	£	£
Accruals and deferred income	<u>1,235</u>	<u>1,235</u>

12. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2015 as represented by:			
Tangible fixed assets	177,833	48,840	226,673
Current assets	48,649	-	48,649
Current liabilities	(1,235)	-	(1,235)
	<u>225,247</u>	<u>48,840</u>	<u>274,087</u>

Dervaig Community Hall
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Notes to financial statements
for the year ended 31 December 2015

13. Unrestricted funds	At	Incoming	Outgoing	Transfers	At
	1 January	resources	resources		31 December
	2015	£	£	£	2015
	£	£	£	£	£
Unrestricted Funds	33,127	26,074	(26,756)	(1,405)	31,040
Transfer of hall and other assets	190,000	-	-	-	190,000
Sports Pitch Surface Replacement	-	-	-	4,207	4,207
	<u>223,127</u>	<u>26,074</u>	<u>(26,756)</u>	<u>2,802</u>	<u>225,247</u>

Purposes of unrestricted funds

A payment was made from general funds in 2013 for the pitch lighting which should have been made from the restricted fund. This has now been re-funded to general reserves.

The transfer fund represents the value of asset, hall, equipment, furniture etc which was originally transferred to the company from the unincorporated association.

Fundraising has commenced to raise funds towards the replacement of the surface of the Sports Pitch. A sum of £2,500 from the amounts raised on Seafood night has been ringfenced by the directors as a designated fund. The funds from an "old" fund, and the balance of the "football club" fund have also been transferred in to this fund.

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Notes to financial statements
for the year ended 31 December 2015

14. Restricted funds	At 1 January 2015 £	Outgoing resources £	Transfers £	At 31 December 2015 £
Capital Funds				
Sports Pitch Fund	50,800	(3,264)	-	47,536
Portable Staging	1,629	(325)	-	1,304
Revenue Funds				
Football Club	2,517	-	(2,517)	-
Youth Club	285	-	(285)	-
	<u>55,231</u>	<u>(3,589)</u>	<u>(2,802)</u>	<u>48,840</u>

Purposes of restricted funds

Capital grants received which form part of the Pitch Account relate to grants awarded for the construction of an all weather sports area. Depreciation on this asset has been charged directly to the fund, rather than being transferred from the unrestricted fund.

A grant was received in 2010 from Awards for All towards the purchase of portable staging. Depreciation on this asset has been charged directly to the fund, rather than being transferred from the unrestricted fund.

Revenue funds

There were funds transferred from the Football club which were ring fenced for future purposes, although these were not per se "restricted". Expenditure in 2013 for the costs of pitch lighting should have been charged to this fund, but were taken from general reserves. A sum of £1,095 has therefore been transferred back to general reserves. The remaining balance of £1,422 has been re-allocated to the designated fund for the sports pitch surface replacement.

There were Funds transferred from the Youth club and are ring fenced for future purposes. These funds have also been re-allocated to the designated fund for the replacement of the surface of the sports pitch.

15. Company limited by guarantee

Dervaig Community Hall 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.