

Charity number: SC038217  
Company number: SC300498

**Development Coll**  
**(A company limited by guarantee)**

**Directors' report and financial statements**

**for the year ended 30 April 2012**

**Development Coll**  
**(A company limited by guarantee)**

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**Development Coll**  
**(A company limited by guarantee)**

**Legal and administrative information**

**Charity number** SC038217  
**Company registration number** SC300498

**Registered office** Middle Pier Office  
Arinagour  
Isle of Coll  
Argyll  
PA78 6TA

**Directors**

John Fraser	
Seonaid Maclean-Bristol	Chair
Lavinia Maclean-Bristol	Treasurer
Romayne Wainwright	
John Wheeler James	
Peter Scott Wilson	
Victoria Bastow	
Paula Jamieson	
Kevin Ronald Poulson	
Diana McDonnell	Appointed 7 December 2011
Colin Scott	Appointed 17 February 2012
Huw David Roberts	Resigned February 2012

**Secretary** Romayne Wainwright

**Auditors** R A Clement Associates  
Chartered Accountants and Registered  
Auditors  
5 Argyll Square  
Oban  
Argyll  
PA34 4AZ

**Development Coll**  
**(A company limited by guarantee)**

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 30 April 2012**

The directors present their report and the financial statements for the year ended 30 April 2012. The directors, who are also trustees of Development Coll 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.

**Structure, governance and management**

***Organisation and management***

The charity is controlled by the Board of Directors with day to day management carried out by two Development Officers - Emma Grant (to August 2012) and Frances MacIntyre. Various working groups are set up as required to carry out specific projects.

Over the course of the year 2011-2012, the following changes to directors took place:

John Fraser stood down as chair to focus on his role as Executive of the An Cridhe Project Board. He continued to serve as a director.

Seonaid Maclean-Bristol was elected chair

Huw Roberts was elected vice-chair and then resigned in February 2012

Lavinia Maclean-Bristol took over the role of Treasurer (previously Co. Secretary)

Romayne Wainwright took over the role of Company Secretary (previously Treasurer)

Diana McDonnell was voted on as a full member director in December 2011

Colin Scott was voted on as a full member director in February 2012

The following continued to serve as directors: John Wheeler-James; Peter Wilson; Vicky Bastow; Paula Jamieson; Kip Poulson

***Local Development Officer***

HIE funding for staff contracts was due to expire March 2012 but was extended on request to October 2012. This was an extension of time, only: the overall budget remained unchanged. While it allowed for more gradual and considered progress with on-going projects, it required a cut in weekly staff hours. Frances Macintyre's workload was reduced from 18 hours per week to 9; Emma Grant's workload was reduced from 12 hours per week to 5.

***An Cridhe staff - funded by An Cridhe building project***

These roles remained unchanged from the previous year but are limited to the duration of the An Cridhe building project: Emma Grant worked 24 hours/week as project manager. Fra Macintyre worked 8 hours/week as book keeper.

***Risk Policy***

The directors continually re-assess the major risks to which the charity is exposed, and in particular those related to the construction project, as well as the general operations and finances of the Trust, and are working to ensure that systems are in place to mitigate any exposure to these risks.

***Reserves Policy***

The policy of the Trust is to aim to retain sufficient reserves to meet the cost of any regular commitments, as well as a contingency to enable it to continue to develop further projects.

**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 30 April 2012**

**Objectives and activities**

The charity was formed:

- \* to manage community land and assets as part of the protection and sustainable development of the natural environment
- \* to promote rural regeneration in areas of social and economic deprivation within the Community
- \* to advance the education of the Community about its environment, culture and/or history
- \* to promote, operate and/or support other similar charitable projects for the benefit of the Community.

***Activities during the year***

The legal document which guides and restrains Development Coll's activities - its Memorandum of Association - allows for a remarkably broad scope of work. That scope was narrowed and given some focus by the charity's Growth Plan - conducted in 2011. Nonetheless, during the financial year beginning April 2011, Development Coll still worked on a large number of simultaneous projects as well as supplying administrative support to other community groups and providing a valuable 'signposting' role within the community.

**Achievements and performance**

***Projects***

All projects broadly followed the Prince 2 project management structure: the management strategy used for the An Cridhe project, which has been identified as a useful and workable tool.

***Mobile Phone Coverage***

The director in charge of this project was Lavinia Maclean-Bristol. She helped establish a 'working group' which ascertained that one of the community's main motivations for mobile phone coverage on the Isle of Coll was inspired by a concern for health and safety. The working group established that there were not enough customers for a mobile phone company to justify the necessary investment in infrastructure. However, they were able to make alternative suggestions to address safety concerns: SPOT and Vodafone Sure Signal. A full report was made public in Development Coll's August 2011 newsletter and is available from the offices of Development Coll.

***All-weather sports pitch***

The director in charge of this project was Peter Wilson. He helped establish a 'working group' which discussed initial ideas. The working group decided to take advantage of an opportunity to submit a planning application alongside revised An Cridhe designs in order to save money (c.£2000). A new application would need to be made if lighting was required on the pitch. The working group did not pursue this project any further.

In July 2011, Development Coll was advised by contractors (TSL) that massive savings could be made if the heavy machinery already on-site was used to create a flat, grassy area which could be used for - among other things - a sports pitch. The flattened area would also be useful for the Coll Show and other non-sporting activities. The directors supported this idea but agreed that any more formal plans to create a sports pitch must have the demonstrated backing of the community at large, not least because the creation of fixed seating or an all-weather pitch would render the area less versatile. Additional fundraising was organised by Rob Wainwright for the area to be levelled, drained and seeded. (Rob Wainwright is not a director of Development Coll and thanks are due to him for his swift and significant fundraising efforts). These funds were donated on the understanding that the area should remain as it is for a minimum of 2 years, to give the community time to properly consider its requirements.

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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 30 April 2012**

*Small Producers*

The director in charge of this project was Huw Roberts. He helped establish a 'working group' which discussed ideas. The group investigated the cost of a market licence for the Saturday market (£300 for 3 years) and decided to wait until the market moves to An Cridhe before taking further action.

*Housing*

The director in charge of this project was Paula Jamieson. The directors of Development Coll recognised that this was a project with considerable community support: in an HIE survey from the previous year, 82% of respondents indicated they felt housing was a community priority.

A public meeting on housing was held on 8th Feb at the Island Café and, later in February, Paula Jamieson attended a housing conference in Dunkeld, run by Rural Housing Scotland (RHS). In March, Derek Logie from RHS visited Coll and followed up this visit with a confidential housing survey, which was sent to all households on the island. There was a very positive 41% response rate from resident households. Development Coll was also in regular contact with ACHA (Argyll Community Housing Association) over the course of the year.

While it may seem that frustratingly little has actually been achieved - because we have not seen new houses built or a commitment to do so in the future - it is important to stress the importance of persistence. Other local communities have invested a great deal of effort, over many years, in their dogged pursuit of affordable housing solutions. Some have found their patience and pro-activity rewarded. It is therefore extremely positive to see that the community continues to voice its concerns on these issues by responding to questionnaires and taking part in community-run events. And it is even more positive to note that their voice is being listened to.

*An Cridhe and the Coll Bunkhouse Build Project*

The director in charge of Development Coll's flagship project was John Fraser. A working group was already in existence and had spearheaded progress so far. As the project became more formal, employing a Project Manager (Emma Grant) and Book Keeper (Fra Macintyre), so the working group became more formal and - in the spirit of the Prince 2 management style - renamed itself the Project Board. The director in charge became known as the 'Executive'.

The group met monthly and included the architects (Anderson, Bell, Christie), the main contractor, island representatives, the project manager and the project executive.

Ground work started 25th April. However, as planning consent for the amended designs had not yet been granted, work commenced on the basis of previous planning consent. Final planning consent for the amended designs was given on 6th May 2011.

The first site meeting took place on 12th May, and the architects took advantage of their visit to Coll to conduct a series of architects' workshops on 11 & 12 May. They made themselves available to discuss the amended designs with members of the community.

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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 30 April 2012**

As the project progressed, it was essential for the book keeper to keep careful tabs on cash flow. A bridging loan had been arranged with SIS and directors fully understood that interest payments were dependent on cash flow. Some of the funders were extremely considerate and understanding: SportScotland provided some funding in advance which had a very significant effect on interest payments and cash flow; the Big Lottery offered to be flexible with their payment and claims schedule, and TSL (the build contractors) organised their invoices to fit within the tight schedule demanded by ERDF. Huge thanks are due to all these contributors for effecting a significant reduction in interest payments on the bridging loan. The Book Keeper and Project Manager should also be commended for masterminding these arrangements and for staying on top of fairly complex financial arrangements throughout the year.

The main contractor, TSL, demonstrated themselves to be extremely considerate - keeping the very central, visible site tidy; being careful with large machinery on village roads and maintaining exceptional relations with both the Project Board and with the community as a whole.

Not surprisingly for a project of this size and in this location, there were some minor delays to progress and, in early summer, the late arrival of 'glulam' (glued laminated timber) beams caused a small knock-on delay. Nonetheless, TSL continued to communicate effectively and quickly with both the client (Development Coll) and the architect and these delays were accommodated professionally and without a negative impact to the overall project.

Opening event discussions began in earnest in summer 2011 and a proposal was made to invite the Princess Royal. At the same time, community fundraising continued - to cover the interest on the bridging loan, stage equipment, external furniture etc. The Ceilidh in Glasgow on 25th Feb raised £8k.

A full audit of the accounts took place on 1st Sept - a statutory requirement for companies in receipt of more than £500,000. Thanks are due to R.A. Clements for their considerable assistance and guidance through this process.

A 'topping out ceremony' in November was well attended and kindled eager anticipation across the community. Apart from celebrating the excitement of the new buildings, the event was used to gather information about landscaping and the logo.

By January 2012, posts for An Cridhe's future centre manager, book keeper and cleaner had been advertised. Interviews were conducted on 19th April.

A new logo was created and signed off by the Board of Directors and, by April 2012, the new Management Committee was established and a 'mission statement' written.

***Communication***

Community feedback from the Growth Plan surveys demonstrated that the community felt Development Coll needed to listen more carefully to people's views. Directors acknowledged the need for better two-way communication and adopted the following measures: publicly available minutes from all DC meetings; quarterly newsletters; public forums (an opportunity for people to voice their concerns immediately following the publication of newsletters); active recruitment of new directors; active management of concerns raised within the community regarding the displacement of business. This last issue - displacement of local business - should be handled by nominating one DC contact for each concerned business (there are two on the island); visiting the business to discuss concerns and how/if they can be addressed; encouraging active on-going monitoring; creating and supporting a cross-island 'tourism group' as a method of increasing business for the whole island.

The public forums were not well attended, so from December 7th all formal meetings of the Board of Directors were made open to the public, although directors can arrange 'confidential addenda' to their meetings, where confidential issues may be discussed (e.g. staff salaries and contracts). Questions from the community should be submitted a week in advance, but in practice any members of the public who attend generally get invited to speak.

## **Development Coll**

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### **Report of the directors (incorporating the trustees' report) for the year ended 30 April 2012**

#### *InterIsland Meeting - Isle of Tiree*

Emma Grant took the initiative, with full support of directors, to pursue the idea of an inter-island conference in June. The conference offered opportunities for community groups and individuals to share experiences and advice on island-specific issues and projects. It was well attended and the delegates' attendance fee made a small profit for Development Coll.

#### **Investigation into future funding for Development Coll staff.**

This project was not identified by the Growth Plan but was generated by the Board of Directors of Development Coll. Directors agreed that a paid employee was essential to help manage the on-going projects. They therefore asked Emma Grant to investigate new funding opportunities for creating a paid position within the charity, to allow the charity to continue its broad portfolio of work beyond October 2012.

The ultimate aim is for Development Coll to become self-sustaining and to reduce its dependency on grant funding, so the brief was to seek a source of funding to help make that transition.

The Enterprise Growth Fund was identified; and a successful application was made. Recruitment to the post was thorough and broad and the successful applicant - George McConnachie - took up his post from 1st March 2012.

This source of funding had one overall aim: for Development Coll to evolve from exclusively grant-funded organisation to self-sustaining local charity. It was recognised that this 'step change' required not only a sustainable source of income, but also a sustainable company structure; with knowledgeable, engaged directors working within a supportive, well-informed community. With this intention, salaries were allocated to pursue income-generating projects (e.g. the Bunkhouse, An Cridhe, moorings and a wind turbine on the An Cridhe field). Additionally, funds should be used to 'invest in the capacity of the board of directors' (i.e. provide training for the directors); invest in systems to promote DC's services (e.g. online marketing); provide funds for necessary marketing and publicity; and ultimately provide resources to help Development Coll become self-sustaining.

#### **Signposting' service to broad Coll community**

Using our database of members, associate members, junior members and interested people, Development Coll is able to disseminate information widely. In addition to newsletters and emails relating specifically to DC activities, this signposting service relates to the following (not exhaustive) list of activities: official visits from Council employees, councillors and other relevant people; visits from professionals and charities; opportunities for training and education; events - musical, comedy, magic and theatre etc.; commercial events (eg Coll Hotel); and it also provides a conduit for important local development information - e.g. the proposed fish farm or Argyll Array who contribute to the quarterly newsletter.



## **Development Coll**

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### **Report of the directors (incorporating the trustees' report) for the year ended 30 April 2012**

#### **Support for Other Groups**

Development Coll provides administrative and financial (book-keeping) support for three main groups on the island: RecyColl, the Coll Kids Club and the Annual Coll Half Marathon. As Development Coll looks towards a future without grant-funded LDOs, the groups have been advised to consider how they would like to proceed after October 2012. During the financial year to April 2012, however, DC was fully committed to supporting these very worthwhile causes.

#### **RecyColl**

This group received funding from the RSPB, Community Recycling Network for Scotland, Scottish Community Foundation and Zero Waste Scotland. With this funding they built a shed for their glass imploder and they purchased a community composter - and tested it out. Additionally, they forged stronger links with Tiree recycling depot and revised the recycling arrangements with Argyll & Bute council. GRAB ran a stand at Coll Show in August and, in September, Solway Recycling Ltd collected agricultural bale wrap and 3 bags of rope from beach cleans and fishermen. Development Coll was delighted to receive praise from RecyColl for the support provided by Fra Macintyre and is keen to reciprocate by extending praise to RecyColl for its work during this year.

#### **Coll Kids Club**

The Coll Kids Club runs the play park and has a partnership agreement with Argyll & Bute Council in which the Council insures the play park. The play park was shut in spring 2011 because Argyll & Bute Council inspectors felt there were areas which needed maintenance. The club organised a busy summer of activities including a fundraising carwash on 16 July. Summer holiday activities included golf, archery and craft and baking in village hall. Additionally, the Kids Club adopted responsibility for the After School Sports Club which works in partnership with Arinagour Primary School. They run a term each of rugby (autumn), dance (Winter) and football (spring) coaching and pool a broad range of volunteer coaches from within the community.

#### **Annual Coll Half Marathon**

This year's event benefited once again from massive island-wide support - volunteers were roped into everything from time-keeping to providing water-stops while dressed as a mad hatter.... There were 268 runners and the event raised over £6000 for local groups and to invest in next year's event (Summer 2012).

#### **Afterthought**

It is deeply inspiring that this list of activities for 2011-12 represents a significant volume of high-quality work, achieved by a very small number of volunteers and staff on a relatively small budget.

DC staff and directors have often managed to harness vast resources of energy and time from volunteers on - and off - the island. But, between these occasional but glorious bursts of community enthusiasm, staff have had to work long and hard - often as unpaid overtime - spurred on by the simple knowledge that what they were doing was genuinely, overwhelmingly for the good of their community.

#### **Statement as to disclosure of information to auditors**

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the directors 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.

**Development Coll**  
**(A company limited by guarantee)**

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 30 April 2012**

**Statement of directors' responsibilities**

The directors (who are also trustees of Development Coll 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, the Charities Accounts (Scotland) Regulations 2006, and the provisions of the trust deed. 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.

**Auditors**

R A Clement Associates are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.


**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.

This report was approved by the Board on 10.06.2013 and signed on its behalf by



**Lavinia Maclean-Bristol**  
**Director**



JOHN FRASER  
DIRECTOR

## **Development Coll**

**(A company limited by guarantee)**

### **Independent auditor's report to the trustees and members of Development Coll**

We have audited the financial statements of Development Coll for the year ended 30 April 2012 which comprise the statement of financial activities, the balance sheet and the related notes. 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.)

This report is made exclusively to the members and to the directors of the company, as a body, who are the trustees of the charity, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, s44(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 members and directors those matters we are required to state to them in an auditor's 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 company, the members and the directors as trustees of the charity, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the directors (trustees) and auditor**

As explained more fully in the Trustee's Responsibilities Statement in the Trustees' report, the trustees (who are also directors of the company for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that the financial statements give a true and fair view.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material mis-statements or inconsistencies, we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion, the financial statements:

give a true and fair view of the state of the charitable company's affairs as at 30 April 2012 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Development Coll**  
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**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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 prepare the financial statements in accordance with the small companies regime.



**Fiona McGlynn**  
**Senior Statutory Auditor**

**For and on behalf of**  
**R A Clement Associates**  
**Registered Auditors**

10/1/13  
.....

**5 Argyll Square**  
**Oban**  
**Argyll**

**(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)**

**Development Coll**  
**(A company limited by guarantee)**

**Statement of financial activities (incorporating the income and expenditure account)**

**For the year ended 30 April 2012**

	Notes	Unrestricted funds £	Restricted funds £	2012 Total £	2011 Total £
<b>Incoming resources</b>					
Incoming resources from generating funds:					
Voluntary income	2	2,480	1,403,645	1,406,125	779,173
Activities for generating funds	3	22,075	330	22,405	9,179
Investment income		-	572	572	158
Other incoming resources		225	360	585	2,132
<b>Total incoming resources</b>		<u>24,780</u>	<u>1,404,907</u>	<u>1,429,687</u>	<u>790,642</u>
<b>Resources expended</b>					
Costs of generating funds:					
Cost of generating voluntary income		-	-	-	213
Fundraising expenses		8,727	-	8,727	3,599
Charitable activities	4	8,048	58,943	66,991	67,628
Governance costs	5	-	2,000	2,000	3,537
<b>Total resources expended</b>		<u>16,775</u>	<u>60,943</u>	<u>77,718</u>	<u>74,977</u>
<b>Net incoming resources before transfers</b>		8,005	1,343,964	1,351,969	715,665
Transfer of net fundraising		(7,945)	7,945	-	-
<b>Net incoming resources for the year / Net income for the year</b>		60	1,351,909	1,351,969	715,665
Total funds brought forward		4,878	803,820	808,698	93,033
<b>Total funds carried forward</b>		<u>4,938</u>	<u>2,155,729</u>	<u>2,160,667</u>	<u>808,698</u>

The notes on pages 13 to 20 form an integral part of these financial statements.

**Development Coll**  
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**Balance sheet**  
as at 30 April 2012

SC300498

	Notes	2012		2011	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		1,965,235		498,541
<b>Current assets</b>					
Stocks		1,736		740	
Debtors	10	12,128		14,203	
Cash at bank and in hand		280,924		302,624	
		<u>294,788</u>		<u>317,567</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(99,356)</u>		<u>(7,410)</u>	
<b>Net current assets</b>			195,432		310,157
<b>Net assets</b>			<u>2,160,667</u>		<u>808,698</u>
<b>Funds</b>					
Restricted income funds	12		2,155,729		803,820
Unrestricted income funds			4,938		4,878
<b>Total funds</b>			<u>2,160,667</u>		<u>808,698</u>

The 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 April 2008).

The financial statements were approved by the board on 10.01.2013 and signed on its behalf by



**Lavinia Maclean-Bristol**  
Director - Treasurer



JOHN FRASER

The notes on pages 13 to 20 form an integral part of these financial statements.

**Development Coll**  
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**Notes to financial statements**  
**for the year ended 30 April 2012**

**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 Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

**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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

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**Notes to financial statements**  
**for the year ended 30 April 2012**

**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 less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	No depreciation will be charged in respect of the buildings until the project is completed
Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% straight line
Computer Equipment	-	33% straight line

**1.5. Stock**

Stock is valued at the lower of cost and net realisable value.

**2. Voluntary income**

	Unrestricted funds £	Restricted funds £	2012 Total £	2011 Total £
Individual and group donations	2,480	14,902	17,382	969
Corporate donations	-	200	200	-
Coll Fishing/Coll Show Committees	-	-	-	2,000
Community fundraising	-	2,850	2,850	-
Argyll & Bute Council- Core Funding	-	50,000	50,000	-
Scottish Natural Heritage	-	22,052	22,052	21,948
Highlands & Islands Enterprise	-	80,119	80,119	17,095
Stafford Trust	-	4,500	4,500	-
Leader/HIE CAM/CCF	-	12,140	12,140	29,531
Gannochy Trust	-	12,000	12,000	-
Enterprise Growth Fund	-	53,955	53,955	-
Sports Scotland	-	-	-	200,000
Big Lottery Fund- Revenue	-	12,506	12,506	-
Investing in Ideas	-	2,990	2,990	-
Community Energy Scotland	-	-	-	61,638
Big Lottery Fund	-	535,058	535,058	250,500
Robertson Trust	-	-	-	10,000
ERDF	-	600,373	600,373	185,492
	<u>2,480</u>	<u>1,403,645</u>	<u>1,406,125</u>	<u>779,173</u>

**3. Activities for generating funds**

	Unrestricted funds £	Restricted funds £	2012 Total £	2011 Total £
Fundraising events	22,075	330	22,405	9,179
	<u>22,075</u>	<u>330</u>	<u>22,405</u>	<u>9,179</u>



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**Notes to financial statements**  
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**4. Costs of charitable activities - by fund type**

	Unrestricted funds £	Restricted funds £	2012 Total £	2011 Total £
Development Activities	8,048	21,102	29,150	35,079
Community Centre	-	37,615	37,615	26,626
Renewables and Recycling	-	226	226	2,146
Workshops & Consultations	-	-	-	3,777
	<u>8,048</u>	<u>58,943</u>	<u>66,991</u>	<u>67,628</u>

**5. Governance costs**

	Restricted funds £	2012 Total £	2011 Total £
Professional - Auditor remuneration	2,000	2,000	1,750
Interest - Other loans	-	-	1,787
	<u>2,000</u>	<u>2,000</u>	<u>3,537</u>

**6. Net incoming resources for the year**

	2012 £	2011 £
Net incoming resources is stated after charging:		
Auditors' remuneration	<u>2,000</u>	<u>1,750</u>

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**7. Employees**

<b>Employment costs</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	45,359	42,930
Social security costs	3,823	4,281
Other costs	940	1,591
	<u>50,122</u>	<u>48,802</u>

No employee received emoluments of more than £60,000 (2011 : None).

**Number of employees**

The average monthly numbers of employees, on a headcount basis, (excluding the directors) during the year, was as follows:

	<b>2012</b>	<b>2011</b>
	<b>Number</b>	<b>Number</b>
Project Manager	1	1
Office Administrator	1	1
Business Development Officer	1	-
	<u>3</u>	<u>2</u>

No trustee received any remuneration, benefits in kind or reimbursement of expenses 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 30 April 2012**

9. Tangible fixed assets	An Cridhe £	Bunkhouse £	Fixtures, fittings and equipment		Computer Equipment £	Total £
			£	£		
<b>Cost</b>						
At 1 May 2011	498,541	-	-	1,850	500,391	
Prior year adjustment	(94,103)	94,103	-	-	-	
Additions	1,100,183	361,543	4,968	-	1,466,694	
At 30 April 2012	<u>1,504,621</u>	<u>455,646</u>	<u>4,968</u>	<u>1,850</u>	<u>1,967,085</u>	
<b>Depreciation</b>						
At 1 May 2011	-	-	-	1,850	1,850	
At 1 May 2011 and At 30 April 2012	-	-	-	1,850	1,850	
<b>Net book values</b>						
At 30 April 2012	<u>1,504,621</u>	<u>455,646</u>	<u>4,968</u>	<u>-</u>	<u>1,965,235</u>	
At 30 April 2011	<u>404,438</u>	<u>94,103</u>	<u>-</u>	<u>-</u>	<u>498,541</u>	

The Big Lottery Fund has a standard security dated 11 December 2010 over ground on the Island of Coll in respect of all sums due or to become due in the future.

Included in the An Cridhe costs is an amount of £211,600 in respect of the purchase of land which will not be depreciated. Depreciation will be charged on buildings once construction is completed.

The prior year adjustment relates to the allocation of professional fees net of the recoverable vat to the bunkhouse construction costs.

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**Notes to financial statements**  
**for the year ended 30 April 2012**

**10. Debtors**

	2012 £	2011 £
Other debtors	<u>12,128</u>	<u>14,203</u>

**11. Creditors: amounts falling due within one year**

	2012 £	2011 £
Bank loan	95,000	-
Other taxes and social security	-	2,294
Accruals and deferred income	4,356	5,116
	<u>99,356</u>	<u>7,410</u>

**12. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 30 April 2012 as represented by:			
Tangible fixed assets	-	1,965,235	1,965,235
Current assets	6,794	287,994	294,788
Current liabilities	(1,856)	(97,500)	(99,356)
	<u>4,938</u>	<u>2,155,729</u>	<u>2,160,667</u>

**13. Unrestricted funds**

	At 1 May 2011 £	Incoming resources £	Outgoing resources £	Transfers £	At 30 April 2012 £
Unrestricted Funds	<u>4,878</u>	<u>24,780</u>	<u>(16,775)</u>	<u>(7,945)</u>	<u>4,938</u>

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**Notes to financial statements**  
**for the year ended 30 April 2012**

14. Restricted funds	At 1 May 2011 £	Incoming resources £	Outgoing resources £	Transfers £	At 30 April 2012 £
<b>Capital Funds</b>					
Coll Community Centre- An Cridhe	800,579	1,316,608	(35,765)	-	2,081,422
<b>Revenue Funds</b>					
Sports Facility	-	4,518	-	-	4,518
Community Housing	-	2,990	(250)	-	2,740
An Cridhe - Fundraising	-	5,836	(2,500)	7,945	11,281
An Cridhe - Loan interest fund	-	7,650	(2,850)	-	4,800
Other restricted funds	756	1,210	(1,169)	-	797
HIE Growth at the Edge	2,485	12,140	(12,140)	-	2,485
Enterprise Growth Fund	-	53,955	(6,269)	-	47,686
	<u>803,820</u>	<u>1,404,907</u>	<u>(60,943)</u>	<u>7,945</u>	<u>2,155,729</u>

**Purposes of restricted funds**

The recycling project represents grants which were received in 2010 and 2011 towards the costs of setting up and running a glass imploder.

A separate fund is shown for the fundraising and other incoming/outgoings related to the construction of An Cridhe. The surplus from fundraising events is shown as a transfer of the net amount to the fund. Incoming resources represents specific grants or other income received for the project.

A separate fund is shown for amounts received specifically to cover the loan interest and charge on the cashflow loan from SIS

Amounts raised for the sports facility have been ringfenced in a separate fund.

Other restricted funds consists of the balances brought forward for the Youth Group, the Playpark , recycling, interisland meeting and the training fund

HIE Growth at the Edge; funding has been received towards the costs of salaries and other core expenses from October 2009 onwards. An initial grant of £4,000 was made to assist with cashflow as expenses are funded in arrears.

Grants were received during the year from the Enterprise Growth Fund towards the costs of employing a Business Development Manager, and as the full grant was received in advance, a significant amount of funds was held at the year end for future spend.

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**Notes to financial statements**  
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**15. Capital commitments**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	<u>275,000</u>	<u>1,987,609</u>

**16. Company limited by guarantee**

Development Coll 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.