

REGISTERED COMPANY NUMBER: SC142456 (Scotland)
REGISTERED CHARITY NUMBER: SC020879

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2017
for
Cothrom**

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

Cothrom

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for the Year Ended 31 March 2017**

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Cothrom

Chairman's Report for the Year Ended 31 March 2017

The past year has been another interesting, exciting time for Cothrom. Developments have moved on a pace with the construction of the new recycling centre. The building is complete now, complementing the learning centre very well and we see the emerging Cothrom Campus clearly after many years of work. There is still some work to be completed on landscaping around the Keder greenhouse, including a windbreak and further raised beds but following the year of construction, this is a welcoming place for everyone in the community, be they Directors, Staff, Learners, Volunteers or Customers.

I would like to note our thanks to Fraser Architecture LLP who project managed the build and D. MacDonald & Co. who dealt with the construction of the building. Thanks also go to the Build Subgroup for their management and steering of the project.

Cothrom has always had a clear environmental approach to its work and set up ReStore in 2006 to recycle furniture and textiles, diverting waste from local landfill, while providing a source of affordable furniture and other household items for sale. The new Centre, which is carbon neutral will allow us to recycle more items including white goods and increase our landfill savings by 25% due to the increased workshop space.

This past year with funding from Climate Challenge Fund Cothrom has promoted opportunities to grow local food, delivering accredited courses in horticulture, growing locally in the garden and Keder greenhouse, and providing allotments to members of the local community at Falachan Cothrom.

This year Barbara Macdonald our Manager for 19 years has decided to move onto pastures new. I would like to take this opportunity to formally thank Barbara for the invaluable work she has done for Cothrom, developing it from small beginnings at Stoneybridge into the organisation of today. While her departure will be a big change for the organisation she leaves us in very good order with a plan in place. Thanks to funding from Comic Relief we have a staff member in post who will ease the transition for the organisation and the new Manager. We look forward to welcoming Kirsty MacCormick to the role in July. We wish Barbara all the best and know that Cothrom will always have a special place in her heart.

There is so much activity throughout the organisation that it cannot be covered in this report. All project activities have been included in the following pages and will give a more in depth look at the work of the organisation. It only remains for me to thank everyone for their hard work throughout the year and look forward to the next year and all the challenges it will bring.

David Blaney
Chair

**Report of the Trustees
for the Year Ended 31 March 2017**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS 102).

OBJECTIVES AND ACTIVITIES

Objectives and aims

To provide community based learning and training, supported by quality Gaelic childcare, which enables inclusion and encourages full participation in the economic, social and cultural life of the Western Isles.

1. To Provide Support and Learning Opportunities for the local community.
2. To Develop a Sustainable Economic and Environmental Strategy for the Organisation.
3. To Promote the Language and Culture of our local community.
4. To Support the local Community to become more Resilient, Enterprising and Sustainable.

The charitable objectives of the organisation are fulfilled by individual plans for each operational area. The charity has a single document which combines these operational plans to ensure that the charity's overall objectives are being met.

Volunteers

Cothrom benefits from a small group of dedicated volunteers who support various aspects of its work. Their contribution to the ReStore project is extremely important and ranges from driving the van, assisting with collections, deliveries and running the shop, undertaking furniture restoration - recycling and upcycling, and carrying out 'odd jobs' as required. Within the training service Volunteer Tutors are matched one-to-one with learners, provide assistance to the contracted Tutors as required, and help to make the adult learning service a flexible provision that meets the needs of all. As appropriate Volunteer Tutors also provide outreach in a particular geographical area. Volunteer gardeners are supporting the development and maintenance of the Cothrom gardens and St Peter's garden in Daliburgh: not only invaluable to the community to increase the engagement and knowledge of growing your own produce as part of Local Food for Local People, but also gaining skills and therapeutic benefits of horticulture.

Volunteers are also an important link to the wider community, helping to raise awareness of Cothrom's aims and activities. This is particularly true of the Directors who also give their time on a voluntary basis to attend Board meetings.

**Report of the Trustees
for the Year Ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Cothrom Òg 16-17

Cothrom Òg is the only full time nursery in Uist which is run as a total Gàidhlig Immersion facility. The nursery provision can accommodate 32 children at any one time from the ages of 3 months to 5 years. The facility can also provide breakfast club, after school and holiday clubs. At the moment we have 17 children who attend regularly. In room 0-2 we have 7 children, room 2-3 we have 5 and in the 3-5 room we have 5. We have children who attend on an ad hoc basis, mainly when other provisions are closed.

Activities

The children have enjoyed learning to grow vegetables and flowers this year; they planted seeds in the keder greenhouse with Sue, the Horticulture SVQ Tutor and then planted out in the nursery garden and Falachan garden in Daliburgh.

Nursery staff delivered a Gaelic Activity week from the 11th July - 15th July in St Peters Hall in Daliburgh. Activities provided included drama, arts and crafts, physical activities storytelling and singing. Eight children attended the week some of who did not have any Gaelic but by the end of the week had learned some basic vocabulary and 4 songs. There was a concert on the Friday which was well attended by family members.

Enterprise

The children are currently running a Café as an enterprise project. The children have named the café 'Bobhla Soup'. They make soup using the vegetables grown in the nursery garden. The children are responsible for setting the tables, serving the soup and bread, taking the money as well as clearing up afterwards. The Café has proved a great hit with staff and learners and the funds raised have been used in the nursery. Through these activities the Nursery has achieved the Bronze eco award and is now working towards the Silver award.

Staffing

Our Modern Apprentice this year is Natalie Matheson who has been undertaking her SVQ 3 in Social Services (Children and Young People). This has been funded by the Childcare Partnership and she will finish her training at the end of May 2017. Other staff training taking place during the year includes; early staged intervention procedures and ASN guidance, early years Gaelic resources, attachment awareness, emerging literacy, challenging behaviour and safe talk.

Family Room

Throughout the year the Nursery Manager delivered sessions to a variety of parents' groups. Topics covered were on healthy lunch boxes, information on exercise, the health visitor delivered a session on Childhood First Aid and Childsmile also delivered a session. The parents were provided with a recipe book and information leaflets on different kinds of exercise to do with their children. Four parents were given the opportunity to obtain an Elementary Food Hygiene certificate which they all did.

The Family Room continues to be used by visiting professionals such as the Health Visitor, Speech and Language Therapist, Social Work Department and Childsmile. The room is also used for child core group meetings. These meetings provide the opportunity for the parents and all agencies involved with the family to come together and develop a plan for the child and family.

Outings

The children went to Falachan Cothrom every Wednesday which provided the children with many learning opportunities including;

Maths/numeracy	- problem solving, matching, size, shape, counting and planning
Literacy	- Listening and talking, turn taking, sharing ideas, reading and writing labels, safety, environmental print
Expressive Arts	- song, rhymes and games related to growing and planting
Science	- bio diversity, growing, minibeasts, weather, seasons, senses, properties of food - for example raw or cooked, being eco-friendly - recycling

As the children were working on the topic "We're going on a bear hunt" a trip was organised to visit Hercules the Bear in Langass Woods. The children really enjoyed making their way through the woods in search of him.

Cothrom ReStore 16-17

Over the past year at ReStore, donations have remained at a high level and our shop has seen many customers. The income from bespoke build, shop sales repair and return and textile banks remained steady at £16,600. The learners and volunteers have opportunities to develop skills in woodworking, textiles, re-upholstery, and upcycling and can gain work experience through the shop/workshop and van deliveries/collections. We were also granted a work placement through Community Jobs Scotland.

**Report of the Trustees
for the Year Ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This year ReStore began working towards Revolve accreditation which will assist restore in implementing a processing system that ensures each donated item will be subject to a quality, functions and safety test. This will improve the products that are available to the public throughout the ReStore shop and also make sure everything sold is compliant with legislation. Accreditation usually takes between 9-12 months.

The ReStore section of the Cothrom website has been updated to include more details on items that we accept as donations, delivery charges, wood waste collections, services provided by ReStore and our shop terms and conditions.

We have received funding to refurbish the textile banks we have throughout the islands which will allow us to service, repaint and apply new signage to all banks throughout the coming year.

Circular Economy

On average Cothrom Restore is now preventing 14 tonnes per year going to landfill. We have achieved this through donations of furniture that is then refurbished, reupholstered or upcycled and then sold back into the community. We also continue our work with Blythswood Care who reuse the textile bank collections. All of this is greatly promoting the circular economy and we aim to inspire others within the community to add to this through either donating furniture or providing skills and experience to those who wish to re-use furniture of their own.

Highlights

- Cothrom. This can be accessed through the main Cothrom website and also through Facebook. Development of a newsletter that contains products for sale and updates on events throughout ReStore and Cothrom.
- Hosting upcycling introductory taster sessions for a parents group.

Thank you to all those who have volunteered and anyone who has donated textiles and furniture to the project. Without your contribution the project would not be able to continue.

Cothrom Training 16-17

The number of learners accessing the Adult Learning Service for 2016/17 was 89, with 61 of them being new to the service. The learners attended the Learning Centre for a variety of courses from driving theory revision; health & safety in the construction industry leading to the CSCS card; core skill qualifications in numeracy, communication and information technology; personal development units; basic computing etc. Age is never a barrier to learning and it is great to see young and not so young working alongside each other in the training rooms.

The training provision in Barra has been busy with learners coming in to create a CV; get help with completing college and job applications; and improve their computing skills. Helen has been flexible with her tutoring hours to ensure that a suitable timeslot can be found to suit individual learners. During a particular hectic period in Uist additional tutor support was proficiently provided by Pauline Buchanan and Susan Jones.

ESOL learners continue to enjoy attending classes held in Ballivanich Hall with Mary and Adi. As some of the learners have young children Mary has been able to provide ESOL in their homes to make it easier for them to continue with their learning. New learners are always welcome whether they want to speak English; read and write English; or study for formal qualifications in ESOL.

Cothrom Adult Learners Forum (CALF) continues to meet every second Tuesday of the month in the Learning Centre to discuss improvements to the service; suggest new ideas for training; and importantly give learners an opportunity to come together and chat. After some fundraising the group organised a trip to Barra to meet other learners so that they could share experiences, and work together to promote and develop learning provision in the Western Isles. This was thoroughly enjoyed by all and the good weather ensured a successful day trip!

'Learning on the Edge' Adult Literacies in the Western Isles, the Annual Report jointly produced by Cothrom and the Learning Shop, CnES, was circulated in September 2016. This included poetry work and personal stories from the learners who attend the Ormiclate Learning Centre and the Stornoway Learning Shop. Hard copies are still available at the Ormiclate Learning Centre so please feel free to pick up a copy.

**Report of the Trustees
for the Year Ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Hebridean Gardeners, the partnership between Cothrom Ltd and Lews Castle College UHI has been busy with the delivery of the SVQ in Horticulture at both Level 1 and Level 2. This training was part of the Climate Challenge funded Local Food for Local People project which encourages the growing of more local produce on the island of Uist. 11 students have successfully completed the qualification guided through the learning and growing process by tutors, with the last one due to complete by the end of June 2017. Throughout the year the Horticulture Team has improved on the infrastructure with the keder at the Learning Centre; raised beds in the nursery garden and the walled garden at Falachan Cothrom in Daliburgh. Falachan is a great space for vegetable growing on a larger scale. The ground is divided up into 4 large plots which are used by the SVQ Learners, volunteers and allotments holders. A nursery area has been constructed with a sand pit, mini raised beds and a playing area all with brightly coloured woodwork. A further relaxation area is under construction with a bespoke corner seat and the area around it will be filled with sensory plants. The garden has further raised beds along the sides for volunteers and a shed which doubles up as a rest room for gardeners in wet weather. Work will continue to landscape the Ormiclate Campus now that the new ReStore Recycling and Training Centre is complete, and additional raised beds will be built to extend the vegetable growing area.

2016/17 saw our first Modern Apprentice in Horticulture, Finlay Aucott, successfully complete her training and achieve the SQA and certified Lantra MA certificate. This was a great opportunity for a young person to gain skills in horticulture while completing practical work at the Ormiclate Learning Centre and Falachan Cothrom. A further 22 students achieved SVQs in Business & Administration, Horticulture, Social Services (Children & Young People) and Social Services and Healthcare. These qualifications are an excellent way to prove knowledge and understanding in a particular sector and both students and their employers have been positive about the difference it has made to their work.

The Employability Fund (EF) programme funded by Skills Development Scotland continues to be delivered in partnership with Comhairle nan Eilean Siar (Accredited Training & Skills) and Lews Castle College. This programme is aimed at providing employability skills, work experience and sector-specific qualifications. The programme is offered at three stages with Stage 2 for Core skills, employability and personal development; Stage 3 for Employability, Vocational and Job Training and Stage 4 for Pre-employment job specific training and support. There were 40 participants over the various Stages of this programme throughout the Western Isles with nearly 85% achieving accredited qualifications; progressing to employment; accessing Further Education; starting a Modern Apprenticeship. Many thanks to all the employers who provide work placements for young people participating on the EF programme. This is a valuable and important aspect of the EF delivery as it provides the young person with work experience in a sector of their choice.

Mentor Uist and Barra

During 2016-17 the Mentor Uist and Barra project continued, funded by Young Start, the project:

- trained up 17 community mentors (12 women, 5 men). In addition, the project delivered specialised coaching training to 7 people and training in conducting crucial conversations to 8 people.
- offered mentoring to 15 young people. Support has focused on, for example, health and mental health, confidence and self-esteem, career aspirations, job applications and work experience, setting up enterprise, and ranged from long-term (over a year) to short-term (2 sessions), depending on the young people's needs and wants.
- worked with Sgoil Lionacleit to design, secure funding and deliver a new Health and Wellbeing Award for all 18 S6 pupils in the school. Cothrom's inputs, along with the Skills & Enterprise Team, focused on training the S6 pupils in mentoring skills, and training and supporting the S6s to be peer-trainers for all the current S2 pupils (44 pupils) to buddy the new intake of pupils from primary schools this year.
- introduced half the school pupils at Castlebay School to mentoring.

Mentor Uist and Barra won the Scottish Mentoring Network's Community Project of the Year at their Annual Conference in November 2016.

**Report of the Trustees
for the Year Ended 31 March 2017**

FINANCIAL REVIEW

Principal funding sources

Comhairle nan Eilean Siar
Skills Development Scotland
Highlands and Islands Enterprise
The Childcare Partnership
Alcohol and Drugs Partnership
The Robertson Trust
Health Board
LandAid Charitable Trust
Comic Relief
Lews Castle College
Big Lottery Fund
Scottish Government - Re-Generation Fund
Storras Uibhist
Climate Challenge Fund
Transport Scotland
Western Isles Development Trust

Reserves policy

The Trustees regularly review the level of reserves to ensure that they are suitable for the planned activity and have examined the requirement to retain free reserves, which are those unrestricted funds not invested in fixed assets, designated to a specific purpose or otherwise committed and these stood at £120,830 at 31 March 2017 (2016 - £118,701) which the directors consider adequate to maintain operational capacity for the foreseeable future.

In the view of the Trustees it is appropriate to hold at least three months running costs to protect the interests of the charity and its employees. The Trustees therefore consider that the appropriate minimum level of reserves required to be £80,000.

FUTURE PLANS

The charity is currently in the process of transition with a new manager joining the organisation in the summer of 2017. Future plans regarding the charity, will be drawn up in September 2017 with the help of an external facilitator.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a memorandum of association which constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Cothrom is a membership organisation of over 600, most of whom live in Uists and Barra. It is from this membership that Directors are elected each year at the AGM.

Organisational structure

The board of trustees are responsible for approving and reviewing budgets, developing the charity's long term strategy/policies and monitoring the charity's financial position. Employees are responsible for the day-to-day operations of the charity.

Induction and training of new trustees

New Trustees joining the charity, receive an induction by the Manager and a pack which outlines the following information:

1. The History of Cothrom.
2. Cothrom Structure
3. Staff List
4. Roles and Responsibilities of Directors
5. Duties of Directors
6. Funding and Financial Information
7. Directors Expenses

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC142456 (Scotland)

Registered Charity number

SC020879

**Report of the Trustees
for the Year Ended 31 March 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

Ormickle
South Uist
Western Isles
HS8 5SB

Trustees

D Blaney
N MacDonald (22/09/16)
S J MacLean
L MacLeod
I F MacDonald
A Campbell
J Huson (24/11/16)

Retired Bank Officer
Retired Head Teacher
Small Business Owner
Finance Administration, Stòras Uibhist/Former Learner
Retired HIE Development Manager/Accountant
Chairperson of Share/Daliburgh Thrift Shop
Retired Business Support Officer

Company Secretary

C MacInnes

Auditors

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

Cothrom (Registered number: SC142456)

**Report of the Trustees
for the Year Ended 31 March 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Staff Full-time

Barbara MacDonald
Agnes MacDonald
Marion Matheson
Christopher Steele
Nick Crowe

Manager
Training Co-ordinator
Support Worker/SVQ Tutor/Peripatetic Nursery Manager
Recycling Assistant
ReStore Development Officer

Staff Part-time

Lynne Thomson
Catherine MacInnes
Sheena MacMillan
Julia MacLeod
Morag MacKinnon
Paula MacInnes
Jessie MacPhee
Natalie Matheson
Thomas Fisher
Maria MacDonald
Helen MacKinnon
Blair Martin

Finance Administrator
Finance Administrator (November 2016)
Modern Apprentice Admin
Modern Apprentice Admin (March 2017)
Deputy Nursery Manager
Nursery Assistant
Nursery Assistant
Modern Apprentice Nursery Assistant
Young Start Project Leader
Adult Learning Tutor
Adult Learning Tutor
Organisational Development Office (06/03/17)
Graduate Digital Learning Officer (Dec 2016 - March 2017)

Sara Stewart
Ameena Camps
Margaret MacDonald
Sue MacDonald
Allan Morrison
Finlay Aucott
Jeanne Wightman
Chris Campbell
Rose Blaney

Horticulture Tutor
Horticulture Tutor
Horticulture Tutor
Modern Apprentice Horticulture (Dec 2016)
Modern Apprentice Horticulture
Health and Social Care Tutor
Recycling Assistant
Cleaner

Freelance Staff

Janice Mackay
Mary Morrison
Catherine MacInnes
Adina Andrei
Susan Walker
Marion MacInnes
Pauline Buchanan

Volunteers

Iain Dingwall
Tom Rankin
Roddy Bowie
Robert MacIntyre
Sharon MacRury
Drew Bainbridge
Cat Sinclair

Nursery Relief Staff

Rebecca Steele
Sandra MacBeth
Louise Jordon

AUDITORS

The auditors, R A Clement Associates, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on ~~13 November 2017~~ and signed on its behalf by:


Neil MacDonald - Trustee

Cothrom

Statement of Trustees Responsibilities for the Year Ended 31 March 2017

The trustees (who are also the directors of Cothrom for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make 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 charitable company will continue in business.

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

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

**Report of the Independent Auditors to the Trustees of
Cothrom (Registered number: SC142456)**

We have audited the financial statements of Cothrom for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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) including FRS 102 - the financial reporting standard in the UK and the Republic of Ireland.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(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 charitable company's members and trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

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

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under 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.

Scope of the audit of the financial statements

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 Chairman's Report and the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements 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 31 March 2017 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 requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Trustees of
Cothrom (Registered number: SC142456)**

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



Fiona McGlynn (Senior Statutory Auditor)
for and on behalf of R A Clement Associates
Chartered Accountants & Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
5 Argyll Square
Oban
Argyll
PA34 4AZ

Date:13/12/17.....

R A Clement Associates

Cothrom

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2017**

		Unrestricted funds	Restricted funds	31.3.17 Total funds	31.3.16 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	-	-	1,725
Charitable activities	5				
Adult Learning		61,838	11,387	73,225	75,116
National Programmes		56,343	-	56,343	56,635
Business Training		4,043	11,665	15,708	6,008
Cothrom Og		83,387	-	83,387	67,390
Nightclasses		-	-	-	630
Re-store		31,207	36,870	68,077	60,265
Community Development		-	20,680	20,680	25,078
Health & Social Care		29,573	-	29,573	20,300
Horticulture		206	68,417	68,623	58,151
Restore Build		-	789,635	789,635	94,463
Other trading activities	3	14,171	-	14,171	10,831
Investment income	4	278	-	278	77
Total		281,046	938,654	1,219,700	476,669
EXPENDITURE ON					
Raising funds	6	(994)	-	(994)	915
Charitable activities	7				
Adult Learning		65,862	11,388	77,250	76,045
National Programmes		42,392	-	42,392	45,022
Business Training		17,640	11,665	29,305	17,104
Cothrom Og		73,883	-	73,883	66,429
Nightclasses		-	-	-	115
Re-store		41,113	29,560	70,673	66,819
Community Development		85	19,168	19,253	21,900
Health & Social Care		18,852	-	18,852	18,839
Horticulture		2,714	63,230	65,944	38,872
Depreciation		28,002	3,294	31,296	31,279
Total		289,549	138,305	427,854	383,339
NET INCOME/(EXPENDITURE)		(8,503)	800,349	791,846	93,330
RECONCILIATION OF FUNDS					
Total funds brought forward		1,188,327	128,114	1,316,441	1,223,111
TOTAL FUNDS CARRIED FORWARD		<u>1,179,824</u>	<u>928,463</u>	<u>2,108,287</u>	<u>1,316,441</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

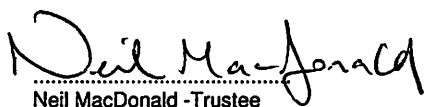
Cothrom (Registered number: SC142456)

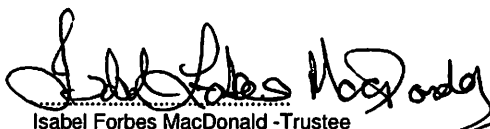
Balance Sheet
At 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
FIXED ASSETS					
Tangible assets	13	1,082,994	906,049	1,989,043	1,183,587
CURRENT ASSETS					
Stocks	14	3,254	-	3,254	2,260
Debtors	15	36,382	27,736	64,118	31,436
Cash at bank and in hand		<u>97,899</u>	<u>99,797</u>	<u>197,696</u>	<u>246,981</u>
		137,535	127,533	265,068	280,677
CREDITORS					
Amounts falling due within one year	16	(16,705)	(105,119)	(121,824)	(120,823)
NET CURRENT ASSETS		<u>120,830</u>	<u>22,414</u>	<u>143,244</u>	<u>159,854</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,203,824	928,463	2,132,287	1,343,441
CREDITORS					
Amounts falling due after more than one year	17	(24,000)	-	(24,000)	(27,000)
NET ASSETS		<u>1,179,824</u>	<u>928,463</u>	<u>2,108,287</u>	<u>1,316,441</u>
FUNDS	20				
Unrestricted funds				1,179,824	1,188,327
Restricted funds				<u>928,463</u>	<u>128,114</u>
TOTAL FUNDS				<u>2,108,287</u>	<u>1,316,441</u>

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.

The financial statements were approved by the Board of Trustees on 13th December 2017 and were signed on its behalf by:


Neil MacDonald -Trustee


Isabel Forbes MacDonald -Trustee

The notes form part of these financial statements

Cothrom

**Cash Flow Statement
for the Year Ended 31 March 2017**

	Notes	31.3.17 £	31.3.16 £
Cash flows from operating activities:			
Cash generated from operations	1	790,546	157,688
Interest paid		(357)	(1)
		<u>-</u>	<u>229</u>
Net cash provided by (used in) operating activities		<u>790,189</u>	<u>157,916</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(836,752)	(110,676)
Interest received		<u>278</u>	<u>77</u>
Net cash provided by (used in) investing activities		<u>(836,474)</u>	<u>(110,599)</u>
Cash flows from financing activities:			
New loans in year		-	30,000
Loan repayments in year		<u>(3,000)</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>(3,000)</u>	<u>30,000</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(49,285)	77,317
Cash and cash equivalents at the beginning of the reporting period		<u>246,981</u>	<u>169,664</u>
Cash and cash equivalents at the end of the reporting period		<u><u>197,696</u></u>	<u><u>246,981</u></u>

The notes form part of these financial statements

Cothrom

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2017**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.17 £	31.3.16 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	791,846	93,330
Adjustments for:		
Depreciation charges	31,296	32,002
Interest received	(278)	(77)
Interest paid	357	1
Concessionary loan adjustment	(37)	-
(Increase)/decrease in stocks	(994)	915
Increase in debtors	(32,683)	(2,268)
Increase in creditors	<u>1,039</u>	<u>33,785</u>
Net cash provided by (used in) operating activities	<u><u>790,546</u></u>	<u><u>157,688</u></u>

**Notes to the Financial Statements
for the Year Ended 31 March 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a services rendered by the charity, is deferred until the criteria for income recognition are met.

Donated goods for resale

Donated goods for resale consist of furniture which has been donated by members of the public and then restored by the charity for resale. It would be impractical to quantify the value of each item of furniture when it is originally donated to the charity; therefore donations are recognised upon the sale of goods once the furniture has been restored.

Restore furniture sales amounted to £14,390 during the year (2016 - £12,283) and income relating to these sales has been disclosed within charitable activities, rather than income from other trading activities, as the restore project formed part of the core activities of the charity.

Donations in kind

The charity has agreed a lease of 15 years for the use of the Walled Garden at St. Peter Church, South Uist. No consideration is payable for the lease and the value attributable to the garden is unknown and therefore has not been included as a donation in kind in the financial statements.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation and apportionment of costs

Supports costs that are not attributable to a particular activity of the charity, are apportioned using total wages. Supports costs that are location specific and are identified and split differently to costs that are incurred regardless of the location of the activity.

Activity apportionment	% Excluding Restore	% Including Restore
Restore	N/A	15
Adult Learning	24	20
National Programmes	16	14
Business Training	7	6
Community Development	6	5
Health & Social Care	7	6
Horticultural	15	13
Nursery	25	21

Cothrom

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	-2% on cost
Plant and machinery etc	-25% on reducing balance and 20% on cost
Leasehold improvements	-over the lifetime of the lease, due to expire in 2028

Assets under construction are not depreciated until they are brought into use.

Stocks

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

Stock consists of furniture that has been restored for sale to the general public. Donated stock yet to be restored is not included within stock

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.

A designated fund is that part of the charity's unrestricted funds that the charity trustees have decided to earmark or designate, for a particular purpose.

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Lease commitments

Rentals paid under operating leases are charged to the SOFA as incurred. Lease obligations are disclosed in the notes to the financial statements.

Public Benefit Entity Concessionary Loans

Loans classified as Public Benefit Entity Concessionary Loans are initially measured at the amount received, with the carrying amount subsequently adjusted to reflect any accrued interest payable.

2. DONATIONS AND LEGACIES

	31.3.17	31.3.16
	£	£
Donations	<u>-</u>	<u>1,725</u>

3. OTHER TRADING ACTIVITIES

	31.3.17	31.3.16
	£	£
Fundraising events	-	1,017
Hire of rooms	11,453	7,608
Wind turbine income	2,568	2,056
Broadband mast income	<u>150</u>	<u>150</u>
	<u>14,171</u>	<u>10,831</u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

4. INVESTMENT INCOME

	31.3.17	31.3.16
	£	£
Deposit account interest	<u>278</u>	<u>77</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		31.3.17	31.3.16
	Activity	£	£
Comhairle nan Eilean Siar	Adult Learning	57,905	32,161
Grants	Adult Learning	11,387	11,388
ESOL	Adult Learning	3,874	4,523
Other income	Adult Learning	59	251
Fees charged and sales	Adult Learning	-	208
Training income	Adult Learning	-	26,585
Comhairle nan Eilean Siar	National Programmes	7,420	2,507
Get Ready for Work	National Programmes	22,355	24,610
Other income	National Programmes	17,769	7,250
Modern Apprenticeships	National Programmes	8,149	20,268
Adopt an Apprentice	National Programmes	-	2,000
Fees charged and sales	National Programmes	650	-
Comhairle nan Eilean Siar	Business Training	230	-
Grants	Business Training	11,665	-
Individual Learning Accounts	Business Training	-	775
Other income	Business Training	2	20
Fees charged and sales	Business Training	511	5,213
Training income	Business Training	3,300	-
Comhairle nan Eilean Siar	Cothrom Og	37,624	25,666
Childcare Partnership	Cothrom Og	3,500	10,737
Other income	Cothrom Og	735	971
Cothrom Og fees	Cothrom Og	33,997	29,013
Fees charged and sales	Cothrom Og	2,253	1,003
Mum's group income	Cothrom Og	5,278	-
Comhairle nan Eilean Siar	Nightclasses	-	500
Fees charged and sales	Nightclasses	-	130
Comhairle nan Eilean Siar	Re-store	4,083	4,115
Grants	Re-store	36,870	37,430
Other income	Re-store	1,613	530
Textile Bank income	Re-store	2,275	1,160
Fees charged and sales	Re-store	14,390	15,738
Community Jobs Scotland	Re-store	8,846	962
Training income	Re-store	-	330
Grants	Community Development	20,680	21,264
Other income	Community Development	-	14
Fees charged and sales	Community Development	-	3,300
Social Enterprise Academy	Community Development	-	500
Comhairle nan Eilean Siar	Health & Social Care	23,529	10,950
Childcare Partnership	Health & Social Care	6,042	7,277
Other income	Health & Social Care	2	24
Modern Apprenticeships	Health & Social Care	-	2,049
Grants	Horticulture	68,417	58,018
Other income	Horticulture	4	46
Fees charged and sales	Horticulture	202	87
Grants	Restore Build	<u>789,635</u>	<u>94,463</u>
		<u>1,205,251</u>	<u>464,036</u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	31.3.17 £	31.3.16 £
Alcohol Drug Partnership	21,834	23,253
Robertson Trust	8,190	10,240
Big Lottery Fund Grant	448,274	57,155
Highlands and Islands Enterprise	108,167	7,487
RBS Inspiring Enterprise	-	-
	-	9,160
Landaid Charitable Trust	-	40,000
Scottish Government	158,131	-
Climate Challenge Fund	68,417	45,506
People Postcode Trust	-	12,512
Cnes	89,426	5,984
Western Isles Development Trust	10,000	-
Storas Uibhist	10,000	-
Transport Scotland	10,000	-
Comic Relief	1,665	-
Third Sector Hebrides	4,550	-
Other grants	-	11,266
	<u>938,654</u>	<u>222,563</u>

6. RAISING FUNDS

Other trading activities

	31.3.17 £	31.3.16 £
Opening stock	2,260	3,175
Closing stock	(3,254)	(2,260)
	<u>(994)</u>	<u>915</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 8) £	Totals £
Adult Learning	61,759	15,491	77,250
National Programmes	26,806	15,586	42,392
Business Training	15,934	13,371	29,305
Cothrom Og	60,150	13,733	73,883
Re-store	60,341	10,332	70,673
Community Development	17,016	2,237	19,253
Health & Social Care	14,758	4,094	18,852
Horticulture	55,426	10,518	65,944
Depreciation	29,855	1,441	31,296
	<u>342,045</u>	<u>86,803</u>	<u>428,848</u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

8. SUPPORT COSTS

	Management & administration £	Finance £	Human resources £	Governance costs £	Totals £
Adult Learning	13,123	105	257	2,006	15,491
National Programmes	13,928	73	179	1,406	15,586
Business Training	12,660	31	77	603	13,371
Cothrom Og	11,245	110	269	2,109	13,733
Re-store	8,559	80	192	1,501	10,332
Community Development	1,595	26	114	502	2,237
Health & Social Care	3,383	31	77	603	4,094
Horticulture	8,977	68	167	1,306	10,518
Depreciation	<u>1,441</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,441</u>
	<u>74,911</u>	<u>524</u>	<u>1,332</u>	<u>10,036</u>	<u>86,803</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.17 £	31.3.16 £
Depreciation - owned assets	31,296	32,001
Fees for accountancy and other services	5,100	1,500
Fees for independent examination	-	1,500
Auditor remuneration	4,800	-
Defined contribution pension	<u>2,383</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

One trustee was paid £50 (2016 - £120) for travelling expense.

The trustees have taken out trustee liability insurance. The annual premium is £440 (2016 - £430).

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

11. STAFF COSTS

	31.3.17 £	31.3.16 £
Wages and salaries	262,230	234,539
Social security costs	12,157	11,611
Other pension costs	<u>2,383</u>	<u>-</u>
	<u>276,770</u>	<u>246,150</u>

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

	31.3.17	31.3.16
Cothrom staff members - full time	5	4
Cothrom staff members - part time	<u>21</u>	<u>15</u>
	<u>26</u>	<u>19</u>

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

A breakdown of staff members, freelance tutors, volunteers and nursery relief staff is provided in the trustees report. The charity's key management is the manager and compensation which is comprised of gross salary, employer's national insurance and pension contributions amounted to £35,351 (2016 - £35,178) during the year.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,725	-	1,725
Charitable activities			
Adult Learning	63,726	11,390	75,116
National Programmes	56,635	-	56,635
Business Training	6,008	-	6,008
Cothrom Og	67,390	-	67,390
Nightclasses	630	-	630
Re-store	22,835	37,430	60,265
Community Development	3,814	21,264	25,078
Health & Social Care	20,300	-	20,300
Horticulture	133	58,018	58,151
Restore Build	-	94,463	94,463
Other trading activities	10,831	-	10,831
Investment income	<u>77</u>	<u>-</u>	<u>77</u>
Total	254,104	222,565	476,669
EXPENDITURE ON			
Raising funds	915	-	915
Charitable activities			
Adult Learning	64,657	11,388	76,045
National Programmes	45,022	-	45,022
Business Training	17,104	-	17,104
Cothrom Og	66,429	-	66,429
Nightclasses	115	-	115
Re-store	29,820	36,999	66,819
Community Development	4,187	17,713	21,900
Health & Social Care	18,839	-	18,839
Horticulture	24	38,848	38,872
Depreciation	<u>28,597</u>	<u>2,682</u>	<u>31,279</u>
Total	275,709	107,630	383,339

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	(21,605)	114,935	93,330
Transfers between funds	<u>1,105,678</u>	<u>(1,105,678)</u>	<u>-</u>
Net movement in funds	1,084,073	(990,743)	93,330
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>104,254</u>	<u>1,118,857</u>	<u>1,223,111</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,188,327</u></u>	<u><u>128,114</u></u>	<u><u>1,316,441</u></u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Improvements to property £
COST			
At 1 April 2016	1,280,545	70,510	9,401
Additions	<u>3,604</u>	<u>809,056</u>	<u>5,187</u>
At 31 March 2017	<u>1,284,149</u>	<u>879,566</u>	<u>14,588</u>
DEPRECIATION			
At 1 April 2016	195,184	-	723
Charge for year	<u>25,069</u>	<u>-</u>	<u>1,155</u>
At 31 March 2017	<u>220,253</u>	<u>-</u>	<u>1,878</u>
NET BOOK VALUE			
At 31 March 2017	<u>1,063,896</u>	<u>879,566</u>	<u>12,710</u>
At 31 March 2016	<u>1,085,361</u>	<u>70,510</u>	<u>8,678</u>

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2016	67,760	18,000	13,547	1,459,763
Additions	<u>18,905</u>	<u>-</u>	<u>-</u>	<u>836,752</u>
At 31 March 2017	<u>86,665</u>	<u>18,000</u>	<u>13,547</u>	<u>2,296,515</u>
DEPRECIATION				
At 1 April 2016	54,253	16,986	9,030	276,176
Charge for year	<u>3,377</u>	<u>254</u>	<u>1,441</u>	<u>31,296</u>
At 31 March 2017	<u>57,630</u>	<u>17,240</u>	<u>10,471</u>	<u>307,472</u>
NET BOOK VALUE				
At 31 March 2017	<u>29,035</u>	<u>760</u>	<u>3,076</u>	<u>1,989,043</u>
At 31 March 2016	<u>13,507</u>	<u>1,014</u>	<u>4,517</u>	<u>1,183,587</u>

Included in freehold property and assets under construction is freehold land of £32,656 (2016 - £32,656).

An area of ground extending to 85 meters at 15 Ormiclate, South Uist, Western Isles has been granted as security to a grant funder of the charity.

14. STOCKS

	31.3.17 £	31.3.16 £
Finished goods	<u>3,254</u>	<u>2,260</u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade debtors	33,572	28,201
Accrued income	30,109	2,703
Prepayments	<u>437</u>	<u>532</u>
	<u><u>64,118</u></u>	<u><u>31,436</u></u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Other loans (see note 18)	3,192	3,230
Trade creditors	3,823	1,356
Credit card	1,027	161
Pension creditor	3	-
Deferred grants	70,963	104,824
Accruals and deferred income	<u>42,816</u>	<u>11,252</u>
	<u><u>121,824</u></u>	<u><u>120,823</u></u>

Grants totalling £70,963 (2016 - £104,824) were deferred at the 31 March 2017.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.17	31.3.16
	£	£
Other loans (see note 18)	<u><u>24,000</u></u>	<u><u>27,000</u></u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.3.17	31.3.16
	£	£
Amounts falling due within one year on demand:		
Other loans	<u><u>3,192</u></u>	<u><u>3,230</u></u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u><u>3,000</u></u>	<u><u>3,000</u></u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u><u>9,000</u></u>	<u><u>9,000</u></u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	<u><u>12,000</u></u>	<u><u>15,000</u></u>

Loans include a public benefit entity concessionary loan, repayable over a period of ten year with interest payable at 0.5% above base rate.

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.17 £	31.3.16 £
Within one year	3,037	4,112
Between one and five years	<u>2,033</u>	<u>5,069</u>
	<u>5,070</u>	<u>9,181</u>

20. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted funds				
General fund	132,236	16,497	(10,495)	138,238
Designated Fund - New Restore Building	852	(163)	10,495	11,184
Designated Fund - Cothrom Centre	<u>1,055,239</u>	<u>(24,837)</u>	-	<u>1,030,402</u>
	1,188,327	(8,503)	-	1,179,824
Restricted funds				
Enterprise on the Edge	382	(77)	-	305
Big Lottery Fund Grant - Restore development	12,797	-	-	12,797
Robertson Trust	-	2,760	-	2,760
Landaid Charitable Trust Ltd	40,000	-	-	40,000
People Postcode Trust	8,678	(723)	-	7,955
Big Lottery Fund Grant - New restore building	30,072	413,822	-	443,894
CNES Community Capital Grant	5,984	89,426	-	95,410
Scottish Government Regeneration Capital Grant	11,266	158,131	-	169,397
Big Lottery Fund Grant - Young Start	3,552	1,513	-	5,065
HIE - New restore building	7,487	108,167	-	115,654
Climate Challenge Fund	7,896	2,780	-	10,676
Storas Uibhist - renewables	-	10,000	-	10,000
Western Isle Development Trust - renewables	-	10,000	-	10,000
Refurbishment of textile banks	-	4,550	-	4,550
	<u>128,114</u>	<u>800,349</u>	-	<u>928,463</u>
TOTAL FUNDS	<u>1,316,441</u>	<u>791,846</u>	-	<u>2,108,287</u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	281,046	(264,549)	16,497
Designated Fund - Cothrom Centre	-	(24,837)	(24,837)
Designated Fund - New Restore Building	-	(163)	(163)
	<u>281,046</u>	<u>(289,549)</u>	<u>(8,503)</u>
Restricted funds			
Enterprise on the Edge		(78)	(78)
Robertson Trust	8,190	(5,430)	2,760
People Postcode Trust	-	(723)	(723)
Alcohol & Drugs Partnership	21,834	(21,834)	-
Big Lottery Fund Grant - New restore building	427,593	(13,771)	413,822
CNES Community Capital Grant	89,427	-	89,426
Scottish Government Regeneration Capital Grant	158,131	-	158,131
Big Lottery Fund Grant - Young Start	20,681	(19,168)	1,513
HIE - New restore building	108,167	-	108,167
Climate Challenge Fund	68,416	(65,636)	2,780
Storas Uibhist - renewables	10,000	-	10,000
Western Isle Development Trust - renewables	10,000	-	10,000
Transport Scotland	10,000	(10,000)	-
Comic Relief	1,665	(1,665)	-
Refurbishment of textile banks	4,550	-	4,550
	<u>938,654</u>	<u>(138,305)</u>	<u>800,349</u>
TOTAL FUNDS	<u><u>1,219,700</u></u>	<u><u>(427,854)</u></u>	<u><u>791,846</u></u>

Cothrom

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

20. MOVEMENT IN FUNDS - continued

Name of restricted fund(s)	Description, nature and purpose of the fund
Enterprise on the Edge	The Enterprise on the Edge fund is a program designed to help young people across the Outer Hebrides explore enterprising opportunities in their own communities and provide support in setting up their own enterprises. The fund balance carried forward consists of £306 held as fixed assets.
Big Lottery Fund Grant - Restore Development, Landaid Charitable Trust, Big Lottery Fund Grant - New restore building, CNES Community Capital Grant, Scottish Government Regeneration Capital Grant, HIE - New restore building, Storax Uibhist Renewables and Western Isle Development Trust - Renewables & Henry Smith Charity.	Cost connected to the planning, design, purchase of land and construction of the charity's new restore building. The Big Lottery Fund Grant - New restore building fund also includes revenue funding towards the salary costs of a full time Development Co-ordinator for the Restore project. At the year end, a balance of £897,788 was carried forward as fixed assets, £47,226 was held as cash at bank and £37,185 was deferred and will be released after the year end.
Robertson Trust	Received for the wages costs of a Restore Development Officer. Balance of £7,570 has been deferred and will be released after the year end. £10,330 was held as cash at bank funds at the year end.
Comic Relief	Received for the charity's digital future project. Balance of £8,326 as been deferred will be released after the year end. £8,326 was held as cash at bank funds at the year end.
People Postcode Trust	For the charity's walled garden project. The fund balance carried forward consists of £7,955 held as fixed assets.
Big Lottery Fund Grant - Young Start	Two year project starting October 2015 to provide mentoring for 70 young people aged 16-24 on Uist and Barra. A balance of £4,900 has been deferred and will be released after the year end. £9,964 was held as cash at bank funds at the year end.
Refurbishment of textile bank	A balance of £4,550 is held as cash at bank, the refurbishment of the textile bank will be undertaken after the year end.
Climate Challenge Fund	The project will create new community growing space for local produce to reduce food miles and run cooking and meal planning sessions to reduce food waste. Additional activities include food waste collections and composting stations, plus horticultural training and employment opportunities. The fund balance carried forward consists of £10,676 held as fixed assets.

Transfers between funds

£10,495 was transferred to the Designated Fund - New Restore Building from the charity's general fund.

21. CAPITAL COMMITMENTS

	31.3.17 £	31.3.16 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>709,572</u>

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

23. ULTIMATE CONTROLLING PARTY

The company is limited by guarantee and is controlled by its board of directors.

Cothrom

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2017**

	31.3.17 £	31.3.16 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	-	1,725
Other trading activities		
Fundraising events	-	1,017
Hire of rooms	11,453	7,608
Wind turbine income	2,568	2,056
Broadband mast income	<u>150</u>	<u>150</u>
	14,171	10,831
Investment income		
Deposit account interest	278	77
Charitable activities		
Comhairle nan Eilean Siar	130,791	75,899
Grants	938,654	222,563
Childcare Partnership	9,542	18,014
Get Ready for Work	22,355	24,610
Individual Learning Accounts	-	775
ESOL	3,874	4,523
Other income	20,184	9,106
Cothrom Og fees	33,997	29,013
Modern Apprenticeships	8,149	22,317
Adopt an Apprentice	-	2,000
Textile Bank income	2,275	1,160
Fees charged and sales	18,006	25,679
Social Enterprise Academy	-	500
Community Jobs Scotland	8,846	962
Training income	3,300	26,915
Mum's group income	<u>5,278</u>	<u>-</u>
	<u>1,205,251</u>	<u>464,036</u>
Total incoming resources	1,219,700	476,669
EXPENDITURE		
Other trading activities		
Opening stock	2,260	3,175
Closing stock	<u>(3,254)</u>	<u>(2,260)</u>
	(994)	915
Charitable activities		
Wages	212,251	183,846
Social security	8,883	7,603
Pensions	2,383	-
Rent, rates and water	9,489	5,698
Light and heat	8,701	8,771
Staff travel	7,365	7,676
Course materials, fees	3,172	3,300
Tutor payments	15,294	14,929
Consumable supplies	3,718	2,046
Care costs	1,539	1,003
Trainee payments and travel	16,381	17,021
Carried forward	289,176	251,893

This page does not form part of the statutory financial statements

Cothrom

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2017**

	31.3.17 £	31.3.16 £
Charitable activities		
Brought forward	289,176	251,893
Film/train production	-	1,891
Repairs	4,452	5,264
Staff training	877	1,852
Disclosures and inspections	906	3,970
Motor expenses	3,184	2,169
Staff/student events	4,064	4,388
Strupag costs	-	141
Adopt an Apprentice	-	2,000
EV Feasibility	9,500	-
Mentoring provision	31	-
Freehold property	25,070	24,999
Improvements to property	1,155	723
Depn of equipment	3,377	4,502
Depn of vehicles	253	338
	<u>342,045</u>	<u>304,130</u>
Support costs		
Management & administration		
Wages	49,979	50,693
Social security	3,274	4,008
Insurance	4,448	4,047
Telephone	5,739	4,366
Postage and stationery	4,053	3,469
Advertising	850	188
Memberships and subscriptions	1,077	759
Water cooler	373	352
Computer support	82	69
Bad debt	511	-
Sundry expenses	329	402
Software licences	656	606
Cleaning	2,099	2,151
Computer equipment	1,441	1,440
	<u>74,911</u>	<u>72,550</u>
Finance		
Bank charges	396	432
Loan	128	230
	<u>524</u>	<u>662</u>
Human resources		
HR Mentoring	1,332	1,332
Pension set-up cost	-	600
	<u>1,332</u>	<u>1,932</u>
Governance costs		
Auditors' remuneration	4,800	-
Accountancy fees	5,100	3,000
Companies House fee	14	14
Director expenses & AGM	122	136
	<u>10,036</u>	<u>3,150</u>
Total resources expended	<u>427,854</u>	<u>383,339</u>
Net income	<u><u>791,846</u></u>	<u><u>93,330</u></u>

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