

**REGISTERED COMPANY NUMBER: SC409253 (Scotland)**  
**REGISTERED CHARITY NUMBER: SC011809**

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31 March 2022**  
**for**  
**THE CARLOWAY COMMUNITY ASSOCIATION**

Mann Judd Gordon Ltd  
Chartered Accountants  
& Statutory Auditors  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

# THE CARLOWAY COMMUNITY ASSOCIATION

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# THE CARLOWAY COMMUNITY ASSOCIATION

## Report of the Trustees for the Year Ended 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

The company's objects are:

- (a) To promote the well-being of the community resident in the Carloway Community Association catchment area (Tolsta a'Chaolais to Dalmore) without distinction of sex or of politics, religion or other opinions, by associating with the Local Authority, Partner Organisations and Residents and Businesses in a common effort to further health, to advance education, to promote a meeting place and facilities for physical and mental training and recreation and social, moral and intellectual development, and to foster a community spirit for the achievement of these and other such objects as may by law be deemed to be charitable;
- (b) To maintain and manage a community owned and community led facility, for the advancement of such environmental, cultural, heritage, sporting, social or other activities as may be promoted by the Company and its constituent bodies in furtherance of the above objects, or any of them.

### STRATEGIC REPORT

#### Achievement and performance

##### Charitable activities

The financial year has been another challenging one the Association. We successfully secured a funding package of £1.2m for the redevelopment of the former Carloway School, the schoolhouse and the community hall and signed the construction contract with Lewis Builders and the design team at the end of March 2021. While aspects of the project had to be deferred on cost grounds, we were nevertheless delighted to start the redevelopment project which was effectively set in motion way back in 2013 with the closure of the Carloway School.

The next couple of months of 2021 were taken up with clearing out the premises in preparation for the construction work to commence. Much was donated to various local charities. The site was handed over to Lewis Builders in June.

This may have been one of the most challenging times to embark on a major community redevelopment project. We have undoubtedly felt the financial and supply impacts associated with Covid-19, Brexit, and the unfortunate war in the Ukraine. As a result, in December 2021, Lewis Builders applied for and were granted an extension of time on the contract until July 2022.

During the year CCA continued to operate from the former care unit at 1 Lios na Glibe and provide offices for CCA (and the Social Inclusion Officer), and for Urras Oighreachd Chàrlabhaigh (Carloway Estate Trust). We also continued to run our "Pop-up Shop" established during the early days for the Covid-19 pandemic. Due to the generosity of our local Doune Braes Hotel, the annual Senior Citizens Christmas went ahead, and we managed once again to deliver over 100 hot meals to our older residents across the community. Throughout the financial year our Social Inclusion Officer continued to offer support to people in the community, both face-to-face and on-line.

Carloway Community Association became VAT registered, effective from 31 May 2021

#### Financial review

##### Reserves policy

The principle funding source for the Charity continues to be hall letting income, local government grants and fundraising activities income. The directors of the charity will continue to maintain the previous policy to hold at least £5,000 in a Reserve Account which is yet to be opened. The current holdings in the single account for the charity are in excess of this reserve.

##### Future plans

We are looking forward to moving into our new Community Centre in the not-too-distant future and will resume social activities for the members of the community, including fitness and sports, Community Cafes, ceilidhs, and concerts. We hope to be hosting a delayed Gaelic Summer School in October which will be the first of hopefully many cultural and educational events to take place in the Community Centre.

# **THE CARLOWAY COMMUNITY ASSOCIATION**

## **Report of the Trustees for the Year Ended 31 March 2022**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

Carloway Community Association incorporated as a Company Limited by Guarantee on 12 October 2011 (Company no SC409253).

The organisation was constituted as an unincorporated charity at an A.G.M. at Carloway Community Centre on 15 December 1998. The constitution was subsequently amended on 8 January 2003, and on 19 July 2007. On 27 January 2018 at a special EGM called by Directors, new Articles of Association were approved by Members. These have now been lodged at Companies House and with the Office of the Scottish Charity Regulator (OSCR). The Articles broadly reflect the previous Articles but extend the Objects with the inclusion of the former School site.

#### **Recruitment and appointment of new trustees**

The maximum number of directors shall be 12 of whom no more than 4 may be co-opted, and no more than 3 Nominated. The minimum number of Directors shall be 4, of whom 2 must be elected. One third of the Elected Directors shall be subject to retirement annually at every General Meeting but shall be eligible for re-election. The Elected Directors of the Company shall be elected by the Members at the Annual General Meeting.

#### **Organisational structure**

In addition to the Board of Directors, membership of the Association is open to Ordinary, Junior, Nominated and Associate Members, and the Articles allow for formalising this. Directors may, at their discretion, refuse to admit any person to membership. Membership will not be refused or withheld without good cause and explanation, and membership may not be refused, restricted or withheld on the basis of gender, age (except where section 12(ii) applies), ethnic background, disability, caring responsibilities, sexual orientation, religious belief or marital status.

#### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A risk management policy is maintained by the charity and reviewed periodically. The trustees have assessed the 3 main risk for the year ended 31 March 2022 to be:

Increasing project costs - partly due to Covid-19 and Brexit effects - savings were considered and made throughout the project.

Loss of potential income to the charity due to delays in redevelopment - projections have been kept under review.

Reputation damage in community - the charity has kept the community informed about delays through the monthly community newsletter.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Registered Company number**

SC409253 (Scotland)

#### **Registered Charity number**

SC011809

#### **Registered office**

Carloway Community Centre  
Knock  
Carloway  
Isle of Lewis  
HS2 9AU

## **THE CARLOWAY COMMUNITY ASSOCIATION**

### **Report of the Trustees for the Year Ended 31 March 2022**

#### **Trustees**

I D M Macleod  
M M Steele  
E F M Mackay  
S W James  
G Miller  
D M Macaulay  
J F Ingram  
C Schofield  
I Macarthur  
M Macarthur  
J Bruce

#### **Company Secretary**

C Schofield

#### **Auditors**

A Cumming  
Institute of Chartered Accountants of Scotland  
Mann Judd Gordon Ltd  
Chartered Accountants  
& Statutory Auditors  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of The Carloway Community Association for the purposes of company law) are responsible for preparing the Report of the Trustees and 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### **AUDITORS**

The auditors, Mann Judd Gordon Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**THE CARLOWAY COMMUNITY ASSOCIATION**

**Report of the Trustees  
for the Year Ended 31 March 2022**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14 November 2022 and signed on the board's behalf by:

  
C Schofield - Trustee

## **Report of the Independent Auditors to the Trustees of The Carloway Community Association**

### **Opinion**

We have audited the financial statements of The Carloway Community Association (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

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 2022 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Trustees of The Carloway Community Association**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to employment matters and those relating directly to the preparation of the financial statements; that is FRS102, Charities SORP and the Companies Act 2006. The Charity is also subject to data protection laws (GDPR) and health and safety within the workplace.

We assessed the risks of material misstatement in respect of fraud as follows:

As part of our audit team discussion, we identified if any particular area was more susceptible to misstatement. A list of the known related parties was compiled along with an expectation of transactions between them. We then made fraud enquires of those charged with governance and confirmed our related party list.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. We corroborated our enquiries of those charged with governance by a review of the board minutes to date, a review of the bank statements to date and a review of legal fees charged in the year for any evidence of legal or regulatory issues. Our considerations at planning were corroborated and no further legal or regulatory issues were noted.

We considered the risk of fraud through management override. Given the size of the entity, no accounting software is used by the client, and so testing of journals for example was considered unnecessary. Instead, a review of the year of bank statements was undertaken, to identify any large or unusual transactions. No transactions outside the normal course of business were identified.

Given the size of the entity, segregation of duties is limited, so we designed our audit procedures to identify and to address any material misstatements arising from this. Appropriate approval controls were found to be in place.

The engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations concluded that the overall risk was of fraud and misstatement was low and the experience of the audit team assigned was sufficient and no specialists were required. An appropriate level of materiality has been calculated in consideration of the inherent difficulty in detecting irregularities along with the perceived level of risk.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of  
The Carloway Community Association**

**Other matters which we are required to address**

The financial statements for the corresponding period ended 31 March 2021 were not required to be audited and were not audited.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with 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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mann Judd Gordon Ltd  
Chartered Accountants  
& Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

14 November 2022

# THE CARLOWAY COMMUNITY ASSOCIATION

## Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.22 Total funds £	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	3	2,653	927,377	-	930,030	124,275
Other trading activities	4	12,341	-	-	12,341	34,229
Other income		<u>34,099</u>	<u>-</u>	<u>-</u>	<u>34,099</u>	<u>-</u>
<b>Total</b>		<u>49,093</u>	<u>927,377</u>	<u>-</u>	<u>976,470</u>	<u>158,504</u>
 <b>EXPENDITURE ON</b>						
Raising funds	5	7,550	-	-	7,550	13,618
<b>Charitable activities</b>	6					
Charitable activities		<u>60,694</u>	<u>28,917</u>	<u>-</u>	<u>89,611</u>	<u>39,261</u>
<b>Total</b>		<u>68,244</u>	<u>28,917</u>	<u>-</u>	<u>97,161</u>	<u>52,879</u>
 <b>NET INCOME/(EXPENDITURE)</b>		(19,151)	898,460	-	879,309	105,625
 <b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		41,004	165,787	-	206,791	101,166
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<u>21,853</u>	<u>1,064,247</u>	<u>-</u>	<u>1,086,100</u>	<u>206,791</u>

The notes form part of these financial statements

# THE CARLOWAY COMMUNITY ASSOCIATION

## Balance Sheet 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	31.3.22 Total funds £	31.3.21 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	12	5,959	784,135	-	790,094	150,396
Investments	13	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
		5,960	784,135	-	790,095	150,397
<b>CURRENT ASSETS</b>						
Debtors	14	2,020	201,586	-	203,606	615
Cash at bank and in hand		<u>18,374</u>	<u>78,952</u>	<u>-</u>	<u>97,326</u>	<u>56,825</u>
		20,394	280,538	-	300,932	57,440
<b>CREDITORS</b>						
Amounts falling due within one year	15	(4,502)	(425)	-	(4,927)	(1,046)
<b>NET CURRENT ASSETS</b>		<u>15,892</u>	<u>280,113</u>	<u>-</u>	<u>296,005</u>	<u>56,394</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>21,852</u>	<u>1,064,248</u>	<u>-</u>	<u>1,086,100</u>	<u>206,791</u>
<b>NET ASSETS</b>		<u>21,852</u>	<u>1,064,248</u>	<u>-</u>	<u>1,086,100</u>	<u>206,791</u>
<b>FUNDS</b>	16					
Unrestricted funds					21,852	41,004
Restricted funds					<u>1,064,248</u>	<u>165,787</u>
<b>TOTAL FUNDS</b>					<u>1,086,100</u>	<u>206,791</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

The financial statements were approved by the Board of Trustees and authorised for issue on 14 November 2022 and were signed on its behalf by:

The notes form part of these financial statements

**THE CARLOWAY COMMUNITY ASSOCIATION**

**Balance Sheet - continued  
31 March 2022**

*Iain Macleod*

I D M Macleod - Trustee

The notes form part of these financial statements

# THE CARLOWAY COMMUNITY ASSOCIATION

## Cash Flow Statement for the Year Ended 31 March 2022

	Notes	31.3.22 £	31.3.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>685,492</u>	<u>110,465</u>
Net cash provided by operating activities		<u>685,492</u>	<u>110,465</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(644,991)	(63,018)
Purchase of fixed asset investments		<u>-</u>	<u>(1)</u>
Net cash used in investing activities		<u>(644,991)</u>	<u>(63,019)</u>
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the reporting period</b>		40,501	47,446
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>56,825</u>	<u>9,379</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>97,326</u></u>	<u><u>56,825</u></u>

The notes form part of these financial statements

# THE CARLOWAY COMMUNITY ASSOCIATION

## Notes to the Cash Flow Statement for the Year Ended 31 March 2022

### 1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.22	31.3.21
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	879,309	105,625
<b>Adjustments for:</b>		
Depreciation charges	5,293	6,150
(Increase)/decrease in debtors	(202,991)	12
Increase/(decrease) in creditors	<u>3,881</u>	<u>(1,322)</u>
<b>Net cash provided by operations</b>	<u><u>685,492</u></u>	<u><u>110,465</u></u>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>56,825</u>	<u>40,501</u>	<u>97,326</u>
	<u>56,825</u>	<u>40,501</u>	<u>97,326</u>
<b>Total</b>	<u><u>56,825</u></u>	<u><u>40,501</u></u>	<u><u>97,326</u></u>

# THE CARLOWAY COMMUNITY ASSOCIATION

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 1. STATUTORY INFORMATION

The Carloway Community Association is a charitable company limited by guarantee, registered in Scotland. The charitable company's registered number and registered office address can be found on the Information page.

### 2. 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 2019)', 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, with the exception of investments which are included at market value.

The presentation currency of the accounts is Pound sterling (£). The accounts are rounded to the nearest £1.

#### Consolidated Accounts

The financial statements contain information about The Carloway Community Association as an individual charity and do not contain consolidated financial information as the parent of a group. The subsidiary company has been dormant since incorporation.

#### Going Concern

The Charity is a going concern and there are no material uncertainties casting significant doubt over its ability to continue as a going concern.

#### Critical accounting judgements and key sources of estimation uncertainty

The areas of the accounts where significant judgements and estimates are used are as follows:

- Fixed assets - estimates are made of both the useful economic life of assets and of any residual value attached to those assets which in turn determines the depreciation rates and charges in the accounts.

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

#### 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.

#### Tangible fixed assets

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

Long leasehold	- 10% depreciation on cost
Improvements to property	- Straight line over 34 years
Computer equipment	- 33% depreciaton on cost

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

# THE CARLOWAY COMMUNITY ASSOCIATION

## Notes to the Financial Statements - continued for the Year Ended 31 March 2022

### 2. ACCOUNTING POLICIES - continued

#### 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.

#### 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.

#### Debtors and creditors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### 3. DONATIONS AND LEGACIES

	31.3.22	31.3.21
	£	£
Donations	2,905	16,904
Gift aid	2,818	-
Grants	923,824	106,708
Caraidean Charlabhaigh	483	663
	<u>930,030</u>	<u>124,275</u>

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

	31.3.22	31.3.21
	£	£
Comhairle nan Eilean Siar	573,028	12,930
Highlands and Islands Enterprise	115,389	58,108
Board na Gaidhlig	24,000	-
Carloway Community Council	-	300
Corra Foundation	-	4,646
Carloway Estate Trust	-	1,250
Scottish Government	36,622	27,474
Charities Aid Foundation	-	2,000
Western Isles Development Trust	15,000	-
Roberston Trust	130,000	-
Scottish Landfill Community Fund	20,000	-
Inspiring Scotland	9,785	-
	<u>923,824</u>	<u>106,708</u>

**THE CARLOWAY COMMUNITY ASSOCIATION**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022**

**4. OTHER TRADING ACTIVITIES**

	31.3.22	31.3.21
	£	£
Functions income	-	110
Hall lettings	2,400	18,925
Auction & other income	21	549
COVID shop income	8,499	12,857
Cafe income	<u>1,421</u>	<u>1,788</u>
	<u>12,341</u>	<u>34,229</u>

**5. RAISING FUNDS**

**Other trading activities**

	31.3.22	31.3.21
	£	£
COVID shop costs	7,550	13,359
Cafe expenses	<u>-</u>	<u>259</u>
	<u>7,550</u>	<u>13,618</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Charitable activities	<u>84,285</u>	<u>5,326</u>	<u>89,611</u>

**7. SUPPORT COSTS**

	Governance costs £
Charitable activities	<u>5,326</u>

**8. NET INCOME/(EXPENDITURE)**

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

	31.3.22	31.3.21
	£	£
Auditors' remuneration	3,000	-
Auditors' remuneration for non audit work	2,326	-
Depreciation - owned assets	<u>5,293</u>	<u>6,152</u>

# THE CARLOWAY COMMUNITY ASSOCIATION

## Notes to the Financial Statements - continued for the Year Ended 31 March 2022

### 9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

### 10. STAFF COSTS

	31.3.22	31.3.21
	£	£
Wages and salaries	22,906	19,667
Other pension costs	<u>1,215</u>	<u>434</u>
	<u>24,121</u>	<u>20,101</u>

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

	31.3.22	31.3.21
	<u>1</u>	<u>1</u>
Local Development Officer		

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

### 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	19,787	104,488	-	124,275
Other trading activities	<u>34,229</u>	<u>-</u>	<u>-</u>	<u>34,229</u>
<b>Total</b>	<u>54,016</u>	<u>104,488</u>	<u>-</u>	<u>158,504</u>
<b>EXPENDITURE ON</b>				
Raising funds	13,618	-	-	13,618
<b>Charitable activities</b>				
Charitable activities	<u>12,112</u>	<u>27,149</u>	<u>-</u>	<u>39,261</u>
<b>Total</b>	<u>25,730</u>	<u>27,149</u>	<u>-</u>	<u>52,879</u>
<b>NET INCOME</b>	28,286	77,339	-	105,625
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	<u>12,719</u>	<u>88,447</u>	<u>-</u>	<u>101,166</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>41,005</u>	<u>165,786</u>	<u>-</u>	<u>206,791</u>

# THE CARLOWAY COMMUNITY ASSOCIATION

## Notes to the Financial Statements - continued for the Year Ended 31 March 2022

### 12. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2021	117,134	205,088	7,006	329,228
Additions	-	644,396	595	644,991
At 31 March 2022	<u>117,134</u>	<u>849,484</u>	<u>7,601</u>	<u>974,219</u>
<b>DEPRECIATION</b>				
At 1 April 2021	104,494	69,137	5,201	178,832
Charge for year	-	4,211	1,082	5,293
At 31 March 2022	<u>104,494</u>	<u>73,348</u>	<u>6,283</u>	<u>184,125</u>
<b>NET BOOK VALUE</b>				
At 31 March 2022	<u>12,640</u>	<u>776,136</u>	<u>1,318</u>	<u>790,094</u>
At 31 March 2021	<u>12,640</u>	<u>135,951</u>	<u>1,805</u>	<u>150,396</u>

### 13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2021 and 31 March 2022	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>1</u>
At 31 March 2021	<u>1</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

#### Carloway Community Association Trading Ltd

Registered office: Carloway Community Centre, Knock, Carloway, Isle Of Lewis, Scotland, HS2 9AU

Nature of business: Dormant

	% holding		
Class of share:			
Ordinary	1	31.3.22 £	31.3.21 £
Aggregate capital and reserves		1	-

# THE CARLOWAY COMMUNITY ASSOCIATION

## Notes to the Financial Statements - continued for the Year Ended 31 March 2022

### 14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
VAT	136,512	-
Prepayments and accrued income	66,280	-
Prepayments	<u>814</u>	<u>615</u>
	<u>203,606</u>	<u>615</u>

### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade creditors	3	2
Social security and other taxes	322	-
Other creditors	-	1
Creditors and accruals	<u>4,602</u>	<u>1,043</u>
	<u>4,927</u>	<u>1,046</u>

### 16. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	At 31.3.22
	£	£	£
<b>Unrestricted funds</b>			
General fund	41,004	(19,152)	21,852
<b>Restricted funds</b>			
Capital fund	157,938	862,817	1,020,755
General fund	7,849	11,644	19,493
Gaelic Officer	<u>-</u>	<u>24,000</u>	<u>24,000</u>
	<u>165,787</u>	<u>898,461</u>	<u>1,064,248</u>
<b>TOTAL FUNDS</b>	<u>206,791</u>	<u>879,309</u>	<u>1,086,100</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	49,093	(68,245)	(19,152)
<b>Restricted funds</b>			
Capital fund	866,756	(3,939)	862,817
General fund	36,621	(24,977)	11,644
Gaelic Officer	<u>24,000</u>	<u>-</u>	<u>24,000</u>
	<u>927,377</u>	<u>(28,916)</u>	<u>898,461</u>
<b>TOTAL FUNDS</b>	<u>976,470</u>	<u>(97,161)</u>	<u>879,309</u>

THE CARLOWAY COMMUNITY ASSOCIATION

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	12,719	28,285	-	41,004
<b>Restricted funds</b>				
Capital fund	84,810	72,076	1,052	157,938
General fund	<u>3,637</u>	<u>5,264</u>	<u>(1,052)</u>	<u>7,849</u>
	<u>88,447</u>	<u>77,340</u>	<u>-</u>	<u>165,787</u>
<b>TOTAL FUNDS</b>	<u>101,166</u>	<u>105,625</u>	<u>-</u>	<u>206,791</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	54,016	(25,731)	28,285
<b>Restricted funds</b>			
Capital fund	76,015	(3,939)	72,076
General fund	<u>28,473</u>	<u>(23,209)</u>	<u>5,264</u>
	<u>104,488</u>	<u>(27,148)</u>	<u>77,340</u>
<b>TOTAL FUNDS</b>	<u>158,504</u>	<u>(52,879)</u>	<u>105,625</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
<b>Unrestricted funds</b>				
General fund	12,719	9,133	-	21,852
<b>Restricted funds</b>				
Capital fund	84,810	934,893	1,052	1,020,755
General fund	3,637	16,908	(1,052)	19,493
Gaelic Officer	<u>-</u>	<u>24,000</u>	<u>-</u>	<u>24,000</u>
	<u>88,447</u>	<u>975,801</u>	<u>-</u>	<u>1,064,248</u>
<b>TOTAL FUNDS</b>	<u>101,166</u>	<u>984,934</u>	<u>-</u>	<u>1,086,100</u>

## THE CARLOWAY COMMUNITY ASSOCIATION

### Notes to the Financial Statements - continued for the Year Ended 31 March 2022

#### 16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	103,109	(93,976)	9,133
<b>Restricted funds</b>			
Capital fund	942,771	(7,878)	934,893
General fund	65,094	(48,186)	16,908
Gaelic Officer	<u>24,000</u>	<u>-</u>	<u>24,000</u>
	<u>1,031,865</u>	<u>(56,064)</u>	<u>975,801</u>
<b>TOTAL FUNDS</b>	<u>1,134,974</u>	<u>(150,040)</u>	<u>984,934</u>

#### 17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

#### 18. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

# THE CARLOWAY COMMUNITY ASSOCIATION

## Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	Unrestricted funds £	Restricted funds £	Endowment funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS</b>					
<b>Donations and legacies</b>					
Donations	1,570	1,335	-	2,905	16,904
Gift aid	-	2,818	-	2,818	-
Grants	600	923,224	-	923,824	106,708
Caraidean Charlabhaigh	<u>483</u>	<u>-</u>	<u>-</u>	<u>483</u>	<u>663</u>
	2,653	927,377	-	930,030	124,275
<b>Other trading activities</b>					
Functions income	-	-	-	-	110
Hall lettings	2,400	-	-	2,400	18,925
Auction & other income	21	-	-	21	549
COVID shop income	8,499	-	-	8,499	12,857
Cafe income	<u>1,421</u>	<u>-</u>	<u>-</u>	<u>1,421</u>	<u>1,788</u>
	12,341	-	-	12,341	34,229
<b>Other income</b>					
Insurance	<u>34,099</u>	<u>-</u>	<u>-</u>	<u>34,099</u>	<u>-</u>
<b>Total incoming resources</b>	49,093	927,377	-	976,470	158,504
<b>EXPENDITURE</b>					
<b>Other trading activities</b>					
COVID shop costs	7,550	-	-	7,550	13,359
Cafe expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>259</u>
	7,550	-	-	7,550	13,618
<b>Charitable activities</b>					
Wages	-	22,906	-	22,906	19,667
Pensions	-	1,215	-	1,215	434
Rates and water	(64)	-	-	(64)	714
Insurance and health & safety	4,448	-	-	4,448	3,029
Light and heat	5,222	-	-	5,222	1,108
Telephone and internet	591	-	-	591	777
Stationery & advertising	144	-	-	144	807
Repairs & renewals	35,646	-	-	35,646	1,580
General expenses	529	-	-	529	13
Playpark costs	-	-	-	-	366
Old folk dinner	1,253	-	-	1,253	998
Lease/Rent Payments	443	-	-	443	-
Professional fees	4,298	-	-	4,298	820
Travel	735	-	-	735	402
Carried forward	53,245	24,121	-	77,366	30,715

This page does not form part of the statutory financial statements

# THE CARLOWAY COMMUNITY ASSOCIATION

## Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	Unrestricted funds £	Restricted funds £	Endowment funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>Charitable activities</b>					
Brought forward	53,245	24,121	-	77,366	30,715
Research & Development	500	-	-	500	500
Accountancy & payroll administration	-	-	-	-	1,329
Caraidean Charlabhaigh	-	-	-	-	151
Sports equipment	765	-	-	765	-
Bank charges	301	-	-	301	294
Newsletter	-	-	-	-	24
Cleaning costs	60	-	-	60	98
Depreciation - property improvements	272	3,939	-	4,211	4,211
Computer equipment	<u>226</u>	<u>856</u>	<u>-</u>	<u>1,082</u>	<u>1,939</u>
	55,369	28,916	-	84,285	39,261
<b>Support costs</b>					
<b>Governance costs</b>					
Auditors' remuneration	3,000	-	-	3,000	-
Auditors' remuneration for non audit work	<u>2,326</u>	<u>-</u>	<u>-</u>	<u>2,326</u>	<u>-</u>
	<u>5,326</u>	<u>-</u>	<u>-</u>	<u>5,326</u>	<u>-</u>
Total resources expended	<u>68,245</u>	<u>28,916</u>	<u>-</u>	<u>97,161</u>	<u>52,879</u>
<b>Net income</b>	<u>(19,152)</u>	<u>898,461</u>	<u>-</u>	<u>879,309</u>	<u>105,625</u>