

Company Registration No. SC398650
Charity Registration No. SC042309

TRANSITION BLACK ISLE

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2018

**TRANSITION BLACK ISLE
(COMPANY LIMITED BY GUARANTEE)**

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TRANSITION BLACK ISLE
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2018

The trustees, who are also directors for the purpose of company law, have pleasure in presenting their annual report and the unaudited financial statements of the charity for the year ended 31st March 2018.

Objects and Activities

Transition Black Isle is part of the worldwide Transition Movement, which is dedicated to easing the transition to a future which is less dependent on fossil fuels, minimising the contribution to climate change and reducing the exposure to shocks arising from fuel price increases. Transition Black Isle is active in the Black Isle area of the Scottish Highlands.

The company's activities & achievements during the year included:

Our Local Larder

The company set up a new web-based directory of local food and drink producers and vendors in the area. The work to collect data, photographs and videos, and to supervise the website design, was carried out by an intern studying modern languages at the University of Savoie. In addition to the direct benefit of the work on the new website, the internship also provided an opportunity for a young adult to learn more about Transition groups.

The website was formally launched at an event in September 2017, which also featured a short film on Black Isle food, produced by Zev Robinson.

Black Isle Bicycles

The cycle hire business previously operated by the trading subsidiary, Black Isle Ventures Ltd., was transferred to the company at the start of the financial year. The business continued during summer 2017, with bike hires being administered by the Rosemarkie Beach Café and Fortrose Bay Campsite.

Black Isle Ventures

The company's trading subsidiary, Black Isle Ventures Ltd., continued to operate a bike hire service under the name Black Isle Bicycles, with initial funding from the Coastal Communities Fund. A review of Black Isle Bicycles' first two years of operation concluded that the business model adopted wasn't viable in the long term, primarily because of the costs of delivering hire bikes to customers. For 2016 a different model was adopted, with bike hires being administered by the Rosemarkie Beach Café and Fortrose Bay Campsite.

Keeping Warm for Less

The company partnered with Home Energy Scotland to run a well-attended event highlighting best practice in renovating existing homes to improve their energy efficiency, with speakers from John Gilbert Architects, Historic Environment Scotland and Home Energy Scotland.

Footpath Group

A new group was convened to carry out practical maintenance work on local footpaths, and the group's first event was held, helping to clear vegetation along a section of the new John O'Groats Trail.

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TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2018 (*continued*)

Objects and Activities (cont'd)

In addition, the charity continued to:

- Operate monthly community markets in Cromarty and North Kessock. These markets are increasingly popular with both stallholders and their customers.
- Run the Grow North series of workshops on growing vegetables and, increasingly, similar topics such as the session on poultry keeping which was held in June 2017.
- Promote low-carbon travel alternatives. For example, throughout the summer of 2017 e-bike trials were offered at the community markets.
- Sell its publication "A Growing Guide for Vegetables and Fruit in the North of Scotland".
- Run its annual "Potato Day" enabling people to purchase a wide range of seed potatoes at low cost.
- Organise a "Seed Swap", encouraging local gardeners to save seed from varieties which are suited to the local climate, and giving access to some heritage varieties and unusual crops.
- Offer the use of its apple press to members and others.

Financial Review and Reserves Policy

The net surplus for the year ended 31st March 2018 was **£1,809** (2017: £8,346), giving unrestricted funds amounting to **£25,410** (2017 £23,601) at the year end.

Transition Black Isle had no employees during the year, and the organisation has no premises. Consequently, the unfunded fixed costs are very modest, and the trustees therefore believe it is inappropriate to aim to retain a proportion of reserves defined in terms of recurring costs.

All significant non-recurring expenditure is considered by the trustees in the context of any sources of funding available and the level of reserves. In this way, the trustees ensure that all costs incurred are appropriate to the financial resources of the company.

Future Plans and Activities

In August 2018 the company launched another community market, in Fortrose. This, together with the Culbokie Community Market operated by Culbokie Community Trust, means there are now four monthly markets on the Black Isle.

Since the year end a new group has been formed to consider the charity's, and its members', best response to plastic waste.

During 2018 the cycle hire business re-located to Cromarty, where it is operated by the Cheese House, and enjoyed good levels of hires.

The trustees aim to maintain and develop the company's ongoing activities during the current financial year.

Structure, Governance and Management

The trustees, who are also directors, are responsible to the members for the running of the company. Their meetings are advertised on the company website, and all members are welcome to attend meetings and contribute. All trustees are required to stand down at the Annual General Meeting of the company but are free to stand for re-election at the meeting. The trustees also have the power to co-opt additional trustees between Annual General Meetings. The administration and function of the company is governed by its articles of association.

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TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2018 *(continued)*

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Transition Black Isle
Charity registration number	SC042309
Company registration number	SC398650
Registered office	Glachbeg, Allanglach Wood North Kessock Inverness, IV1 1XD

The Trustees

The trustees under charity law, who are also the directors under company law, are as follows:

Vanessa Halhead
Julie Gibson
Peter Moffatt
Julian Paren
Wendy Price
Martin Sherring
Anne Thomas
Sheila Currie (appointed 14/11/17)
David Reid (resigned 14/11/17)
Richard Robinson (resigned 14/11/17)

Bankers The Co-operative Bank plc
PO Box 250
Skelmersdale
WN8 6WT

Independent Examiner Melissa MacLennan CA
Member of the Institute of Chartered Accountants of Scotland
MacLennan Accountants Ltd
35 Torview
Contin
Strathpeffer
IV14 9EF

Martin Sherring
Company Secretary
7th November 2018

TRANSITION BLACK ISLE
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INDEPENDENT EXAMINER'S REPORT FOR YEAR ENDED 31 MARCH 2018

I report on the accounts of the charity for the year ended 31 March 2018 which are set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity, and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - a. to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - b. to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Melissa MacLennan CA
7th November 2018
Member of the Institute of Chartered Accountants of Scotland

TRANSITION BLACK ISLE
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT) FOR YEAR ENDED 31 MARCH 2018

	Note	2018	2018	2018	2017
		Unrestricted	Restricted	Total	Total
Income from:					
Donations	4	4,734	0	4,734	10,382
Charitable activities (sales)		8,334	0	8,334	9,260
Investment income (asset sale)		1,000	0	1,000	7
		14,068	0	14,608	19,649
Expenditure on:					
Charitable activities		12,259	0	12,259	11,303
Net income/(expenditure)		1,809	0	1,809	8,346
Transfer between funds		0	0	0	0
Net movement in funds		1,809	0	1,809	8,346
Reconciliation of funds					
Total funds as at 1 April 2017		23,601	0	23,601	15,255
Total funds as at 31 March 2018		£25,410	£0	£25,410	£23,601

The charity has no recognised gains or losses other than the results for the year as detailed above.

All of the activities of the charity are classed as continuing.

The Notes on pages 9 -13 form an integral part of these accounts.

**TRANSITION BLACK ISLE
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BALANCE SHEET AS AT 31 MARCH 2018

	Note	31st March 2018	31st March 2017
FIXED ASSETS			
Tangible assets	5	0	0
Investment in subsidiary	6	1	1
Total fixed assets		<u>1</u>	<u>1</u>
CURRENT ASSETS			
Debtors	7	301	5,123
Cash at bank and in hand		25,487	18,906
		<u>25,788</u>	<u>24,029</u>
LIABILITIES: Amounts falling due within one year	8	(379)	(429)
NET CURRENT ASSETS		<u>25,409</u>	<u>23,600</u>
NET ASSETS		<u>25,410</u>	<u>23,601</u>
FUNDS OF THE CHARITY:	9		
Unrestricted funds		25,410	23,601
Restricted funds		0	0
TOTAL FUNDS		<u>£25,410</u>	<u>£23,601</u>

The trustees (who are also the directors of the company for the purposes of company law) confirm that for the year ended 31 March 2018:

- i. the company was entitled to exemption from audit under section 477 of the Companies Act 2006, and
- ii. members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 44 of the Charities and Trustee Investment (Scotland) Act 2005, the accounts have been examined by an independent examiner whose report appears on page 6.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of these accounts.

The Notes on page 9-12 form an integral part of these accounts.

These accounts, which have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies, were approved by the trustees on 7 November 2018 and signed on their behalf by:

Julian Paren

Julie Gibson

TRANSITION BLACK ISLE
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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2018

1. Basis of accounting

The financial statements have been prepared under the historical cost convention, with items recognised at cost or transaction value, unless otherwise stated in the relevant note(s) in accordance with:

- (a) The Charities Act 2011
- (b) The Charities and Trustee Investment (Scotland) Act 2005
- (c) The Charities Accounts (Scotland) Regulations 2006 (as amended)
- (d) The Companies Act 2006
- (e) Accounting & Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102) (Bulletin 1) (effective January 2016).

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

2. Accounting Policies

Fund Accounting

Unrestricted funds are those that can be expended at the discretion of the trustees in the furtherance of the objects of the charity.

Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by the donor, or when funds are raised for specific purposes.

Incoming Resources

Income is recognised and included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the income; receipt is probable; and the monetary value can be measured with sufficient reliability.

Where the income has related expenditure, the income and related expenditure are reported gross in the SOFA.

Bank interest is recognised when credited to the account.

Gift Aid is recognised in the same accounting period as the donation to which it relates.

Income, which is subject to conditions that the charity has yet to fulfill, or which is specifically for use in a future accounting period, is treated as deferred income.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred.

The charity is not registered for VAT, thus all costs are shown inclusive of VAT charged

Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2018

2 Accounting Policies (cont'd)

Expenditure and liabilities

Fixed Assets

Items of a capital nature (excluding investments) are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 3 years.

Debtors

Debtors are recognised at the settlement amount due.

Prepayments are valued at the amount prepaid.

Cash

Cash comprises bank deposits repayable on demand.

Creditors

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

Taxation

The charity is not liable to income tax or capital gains tax on its charitable activities.

3 Transactions with trustees and related parties

No trustees or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

No fees or emoluments were payable or paid to the directors in the year (2017 – Nil), in accordance with the company's Articles. No expenses reimbursement other than costs directly incurred on behalf of Transition Black Isle were made to any of the directors (2017 – Nil).

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2018 *(continued)*

4 Donations

	2018	2018	2018	2017
	Unrestricted	Restricted	Total	Total
Co-operative Group	2,307	0	2,307	0
Donations	2,217	0	2,217	1,138
Black Isle Ventures Ltd	0	0	0	6,649
Easy Fundraising Scheme	0	0	0	44
Black Isle Bicycles	0	0	0	500
Gift Aid	100	0	100	160
Membership	110	0	110	1,065
SSCAN	0	0	0	490
Release of deferred income (depreciation)	0	0	0	336
Total voluntary income	£4,734	£0	£4,734	£10,382

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2018 *(continued)*

5. Fixed assets

	Equipment
Cost	
Opening Balance 1 April 2017	11,100
Additions	0
Disposals	1,235
As at 31 March 2018	<u>£9,865</u>
Depreciation	
Opening Balance 1 April 2017	11,000
Charged in Year	0
On Disposal	1,235
As at 31 March 2018	<u>£9,865</u>
Net Book Value	
As at 31 March 2018	<u>£0</u>
As at 1 April 2017	<u>£0</u>

6. Black Isle Ventures Ltd

Black Isle Ventures Ltd., which trades as Black Isle Bicycles, was incorporated on 20th March 2014 and is a wholly-owned subsidiary of Transition Black Isle. It has been funded for the first 3 years of operation by the Coastal Communities Fund. The company has a share capital of £1.

7. Debtors

	2018	2017
Trade debtors	101	665
Intercompany Debtor	100	4,298
Other debtors	100	160
Total debtors	<u>£301</u>	<u>£5,123</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2018 *(continued)*

8. Creditors

	2018	2017
Trade creditors	4	54
Accruals	375	375
Deferred income	0	0
Total creditors	£379	£429

9. Movement on funds

	01/04/2017	Incoming resources	Resources expended	Transfer of funds	31/03/18
Unrestricted funds	23,601	14,068	(12,259)	0	25,410
Restricted funds	0	0	(0)	0	0
Total funds	£23,601	£14,068	(£12,259)	£0	£25,410

10. Company Limited by Guarantee

The liability of members is limited by guarantee. In the event of the charity being wound up during the period of membership or in the following period, members would be required to contribute an amount not exceeding £1