

Company Registration No. SC398650
Charity Registration No. SC042309

TRANSITION BLACK ISLE

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2016

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

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TRANSITION BLACK ISLE
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TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2016

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 2016.

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:

Grow North

The company ran a series of workshops on various aspects of vegetable and fruit growing, commencing in February 2016.

Seed swap

Building on the continuing success of its other events promoting vegetable and fruit growing, the company ran a seed swap in January 2016, at which seeds which were surplus to growers' requirements were made available to others. Many of the varieties swapped were unusual varieties, often saved and maintained by growers.

Cycle Friendly Community

The company ran a pilot project, funded by Cycling Scotland, to develop cycling in the areas of Avoch, Fortrose and Rosemarkie. 10 local teachers, leisure centre staff and youth group leaders undertook Trail Cycle Leader training, 10 other volunteers were trained in cycle maintenance, and group cycle rides and other events helped to encourage local residents who lacked confidence to get back on their bikes.

Black Isle Ventures

The company's trading subsidiary, Black Isle Ventures Ltd., continued to operate a bike hire and guiding service under the name Black Isle Bicycles. It also led the formation of the Black Isle Tourism Team, a grouping of local businesses engaged in tourism, with a view to raising the profile of the Black Isle as a destination, particularly for low-carbon local holidays. Using the skills of Transition Black Isle volunteers, it also participated in a project, led by The Highland Council, investigating the feasibility of using renewable energy to power a network of electric vehicle charge points in the Highlands.

Other activities

In addition, the charity continued to:

- operate monthly community markets in Cromarty and North Kessock;
- fund and promote the Highland Liftshare website, which allows car users to register a journey and find others who are interested in sharing;
- run an annual 'Potato Day' enabling people to purchase a wide range of seed potatoes at low cost;
- support community gardens in Muir of Ord and Culbokie;
- distribute domestic electricity meters to allow householders to monitor and reduce their use of electricity;
- sell its publication "A Growing Guide for Vegetables and Fruit in the North of Scotland";
- hold regular meetings and events to promote, for example, vegetable growing and domestic renewable energy generation.

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TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2016 *(continued)*

Financial Review and Reserves Policy

The net surplus for the year ended 31st March 2016 was **£4,396** (2015: £2,029), giving unrestricted funds amounting to **£15,255** (2015: £10,859) at the year end.

The remuneration of all Transition Black Isle's employees was funded by grants 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

The trustees aim to maintain and develop the company's ongoing activities during the current financial year, in particular building on the success of the Grow North training course, community markets, the Potato Day and the Seed Swap in raising the profile of local food.

Incorporation and Commencement of Operations

Transition Black Isle was incorporated on 3rd May 2011 and commenced operations on 29th October 2011. Transition Black Isle was registered as a Scottish Charity on 13th May 2011.

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.

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

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(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2016 *(continued)*

The Trustees

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

Maggie Dove (resigned 30th October 2015)
Vanessa Halhead
Julie Gibson
Sue Howard
Peter Moffatt
Julian Paren
Wendy Price
Richard Robinson
Martin Sherring
Anne Thomas
John Wood (resigned 30th October 2015)

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
9th September 2016

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INDEPENDENT EXAMINER'S REPORT FOR YEAR ENDED 31 MARCH 2016

I report on the accounts of the charity for the year ended 31 March 2016 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
9th September 2016
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 2016

	Note	2016	2016	2016	2015
		Unrestricted	Restricted	Total	Total
Income from:					
Donations	4	5,048	12,260	17,308	115,986
Charitable activities (sales)		9,430	0	9,430	7,530
Investment income (bank interest)		18	0	18	47
		14,496	12,260	26,756	123,563
Expenditure on:					
Charitable activities		10,046	12,314	22,360	121,534
Net income/(expenditure)		4,450	(54)	4,396	2,029
Transfer between funds		(54)	54	0	0
Net movement in funds		4,396	0	4,396	2,029
Reconciliation of funds					
Total funds as at 1 April 2016		10,859	0	10,859	8,830
Total funds as at 31 March 2016		£15,255	£0	£15,255	£10,859

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.

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BALANCE SHEET AS AT 31 MARCH 2016

	Note	31st March 2016	31st March 2015
FIXED ASSETS			
Tangible assets	5	336	903
Investment in subsidiary	6	1	1
Total fixed assets		<u>337</u>	<u>904</u>
CURRENT ASSETS			
Debtors	7	1,894	24,276
Cash at bank and in hand		30,480	26,827
		<u>32,374</u>	<u>51,103</u>
LIABILITIES: Amounts falling due within one year	8	(17,456)	(41,148)
NET CURRENT ASSETS		<u>14,918</u>	<u>9,955</u>
NET ASSETS		<u>15,255</u>	<u>10,859</u>
FUNDS OF THE CHARITY:	9		
Unrestricted funds		15,255	10,859
Restricted funds		0	0
TOTAL FUNDS		<u>£15,255</u>	<u>£10,859</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 2016:

- 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 9 September 2016 and signed on their behalf by:

Martin Sherring

Julie Gibson

TRANSITION BLACK ISLE
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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2016

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) (effective January 2015).

Changes to the basis of preparation

The accounts for the previous year were prepared in accordance with:

- (a) the Financial Reporting Standard for Smaller Entities (the FRSSE)(effective 2008).
- (b) The Charities SORP 20015 (2nd edition – May 2008)

Changes to previous accounts

These are the charity's first financial statements to comply with FRS 102. The date of transition to FRS 102 is 01 April 2014. No adjustments or restatements were necessary other than those necessary to comply with the revised layout of the financial statements required by the Charities SORP (FRS102).

The charity meets the definition of a public benefit entity as defined by FRS 102.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2016

2 Accounting Policies (cont'd)

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.

Governance costs include the costs of preparation and examination of the statutory accounts, the cost of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

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 parties⁴

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 (2015 – 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 (2015 – Nil).

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2016 *(continued)*

4 Donations

	2016	2016	2016	2015
	Unrestricted	Restricted	Total	Total
Grant income				
Climate Challenge Fund	0	12,260	12,260	76,400
Highland Council	370	0	370	506
Release of deferred income (depreciation)	567	0	567	873
Cycling Scotland	183	0	183	2,541
Gift Aid	152	0	152	0
Donations	2,751	0	2,751	1,895
Membership	1,025	0	1,025	1,095
Sustrans Feasibility Study Grant	0	0	0	10,000
Local Energy Scotland	0	0	0	9,984
HIE: Black Isle Community Energy Ballot	0	0	0	8,877
Adopt an Intern	0	0	0	2,068
Pebble Trust	0	0	0	943
FCS Community Fund	0	0	0	804
Total voluntary income	£5,048	£12,260	£17,308	£115,986

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2016 *(continued)*

5. Fixed assets

	Equipment
Cost	
Opening Balance 1 April 2015	11,626
Additions	0
Disposals	(526)
As at 31 March 2016	<u>£11,100</u>
Depreciation	
Opening Balance 1 April 2015	10,723
Charged in Year	567
On Disposal	(526)
As at 31 March 2016	<u>£10,764</u>
Net Book Value	
As at 31 March 2016	<u>£336</u>
As at 1 April 2015	<u>£903</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 new company has a share capital of £1.

7. Debtors

	2016	2015
Trade debtors	1,442	271
CCF grants outstanding	0	22,995
Other debtors	452	1,010
Total debtors	<u>£1,894</u>	<u>£24,276</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2016 *(continued)*

8. Creditors

	2016	2015
Trade creditors	15,818	24,656
Accruals	1,302	1,730
Deferred income	336	13,162
Other creditors	0	1,600
Total creditors	£17,456	£41,148

9. Movement on funds

	01/04/2015	Incoming resources	Resources expended	Transfer of funds	31/03/16
Unrestricted funds	10,859	14,496	(10,046)	(54)	15,255
Restricted funds	0	12,260	(12,314)	54	0
Total funds	£10,859	£26,756	£22,360	£0	£15,255

10. Staff costs

	2016	2015
Wages and salaries	3,097	43,942
Social security	0	925
Total staff costs	£3,097	£44,867

11. 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