

Company Registration No. SC398650
Charity Registration No. SC042309

TRANSITION BLACK ISLE

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2017

**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 2017

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 2017.

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:

Transition Scotland

The company participated in a working group with representatives from other Scottish Transition groups, with a view to establishing a Scottish umbrella body, and organised a gathering for interested groups, held in Cromarty in September 2016.

Draught-proofing workshop

The company partnered with Home Energy Scotland to run a workshop giving practical advice on draught-proofing homes.

Brexit, Oil and the World Economy

The company organised a talk by Dr Alister Hamilton, a lecturer at the University of Edinburgh, detailing research suggesting that by 2030, the energy required to extract oil will be greater than the useful energy available in the oil.

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.

Orchard Revival

Transition Black Isle participated in a project aiming to identify all Scottish orchards. The company's role in this was to identify and survey orchards on the Black Isle and surrounding areas.

Other activities

In addition, the charity continued to:

- operate monthly community markets in Cromarty and North Kessock;
- support the community garden in Culbokie;
- sell its publication "A Growing Guide for Vegetables and Fruit in the North of Scotland";

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TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2017 *(continued)*

Objects and Activities (cont'd)

- 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;
- hold regular meetings and events to promote, for example, vegetable growing and domestic renewable energy generation.

Financial Review and Reserves Policy

The net surplus for the year ended 31st March 2017 was **£8,346** (2016: £4,396), giving unrestricted funds amounting to **£23,601** (2016 £15,255) 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

From June to August 2017 the company hosted an intern, with the aim of helping a young person to develop an understanding of sustainability, and skills in working with volunteers. The main outcome of her work was a new website featuring local food producers and retailers, www.blackislelarder.org. Details of the internship will be shared with other Transition groups to see if the model can be used more widely.

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Transition Black Isle
Charity registration number	SC042309
Company registration number	SC398650

TRANSITION BLACK ISLE
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2017 (continued)

REFERENCE AND ADMINISTRATIVE DETAILS (Cont'd)

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:

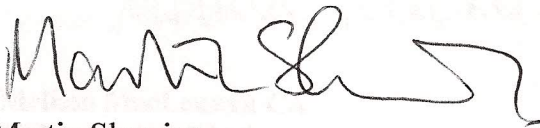
Vanessa Halhead
Julie Gibson
Peter Moffatt
Julian Paren
Wendy Price
Richard Robinson
Martin Sherring
Anne Thomas
David Reid (appointed 23rd September 2016)
Sue Howard (resigned 23rd September 2016)

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
1st November 2017

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

INDEPENDENT EXAMINER'S REPORT FOR YEAR ENDED 31 MARCH 2017

I report on the accounts of the charity for the year ended 31 March 2017 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

Melissa MacLennan CA

1st November 2017

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 2017

	Note	2017	2017	2017	2016
		Unrestricted	Restricted	Total	Total
Income from:					
Donations	4	10,382	0	10,382	17,308
Charitable activities (sales)		9,260	0	9,260	9,430
Investment income (bank interest)		7	0	7	18
		19,649	0	19,649	26,756
Expenditure on:					
Charitable activities		11,303	0	11,303	22,360
Net income/(expenditure)		8,346	0	8,346	4,396
Transfer between funds		0	0	0	0
Net movement in funds		8,346	0	8,346	4,396
Reconciliation of funds					
Total funds as at 1 April 2016		15,255	0	15,255	10,859
Total funds as at 31 March 2017		£23,601	£0	£23,601	£15,255

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 2017

	Note	31st March 2017	31st March 2016
FIXED ASSETS			
Tangible assets	5	0	336
Investment in subsidiary	6	1	1
Total fixed assets		<u>1</u>	<u>337</u>
CURRENT ASSETS			
Debtors	7	5,123	1,894
Cash at bank and in hand		18,906	30,480
		24,029	32,374
LIABILITIES: Amounts falling due within one year	8	(429)	(17,456)
NET CURRENT ASSETS		<u>23,600</u>	<u>14,918</u>
NET ASSETS		<u>23,601</u>	<u>15,255</u>
FUNDS OF THE CHARITY:			
Unrestricted funds	9	23,601	15,255
Restricted funds		0	0
TOTAL FUNDS		<u>£23,601</u>	<u>£15,255</u>

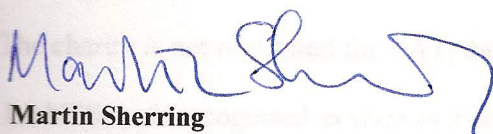
The trustees (who are also the directors of the company for the purposes of company law) confirm that for the year ended 31 March 2017:

- 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 1 November 2017 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 2017

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).

Changes to the basis of preparation

Charities SORP FRS 102 (Bulletin 1) has been adopted in the current year which exempts the charity from the need to prepare a Statement of Cash Flows. There have been no adjustments or restatements to prior year accounts as a result of this.

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 2017

2 Accounting Policies (cont'd)

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 (2016 – 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 (2016 – Nil).

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2017 *(continued)*

4 Donations

	2017	2017	2017	2016
	Unrestricted	Restricted	Total	Total
Black Isle Ventures Ltd	6,649	0	6,649	0
Donations	1,138	0	1,138	2,751
Easy Fundraising Scheme	44	0	44	0
Black Isle Bicycles	500	0	500	0
Gift Aid	160	0	160	152
Membership	1065	0	1065	1,025
SSCAN	490	0	490	0
Release of deferred income (depreciation)	336	0	336	567
Climate Challenge Fund	0	0	0	12,260
Highland Council	0	0	0	370
Cycling Scotland	0	0	0	183
Total voluntary income	£10,382	£0	£10,382	£17,308

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2017 *(continued)*

5. Fixed assets

	Equipment
Cost	
Opening Balance 1 April 2016	11,100
Additions	0
Disposals	0
As at 31 March 2017	<u>£11,100</u>
Depreciation	
Opening Balance 1 April 2016	10,764
Charged in Year	336
On Disposal	0
As at 31 March 2017	<u>£11,100</u>
Net Book Value	
As at 31 March 2017	<u>£0</u>
As at 1 April 2016	<u>£336</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

	2017	2016
Trade debtors	665	1,442
Intercompany Debtor	4,298	0
Other debtors	160	452
Total debtors	<u>£5,123</u>	<u>£1,894</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2017 (continued)

8. Creditors

	2017	2016
Trade creditors	54	15,818
Accruals	375	1,302
Deferred income	0	336
Total creditors	£429	£17,456

9. Movement on funds

	01/04/2016	Incoming resources	Resources expended	Transfer of funds	31/03/17
Unrestricted funds	15,255	19,649	(11,303)	0	23,601
Restricted funds	0	0	(0)	0	0
Total funds	£15,255	£19,649	£11,303	£0	£23,601

10. Staff costs

	2017	2016
Wages and salaries	£0	£3,097

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