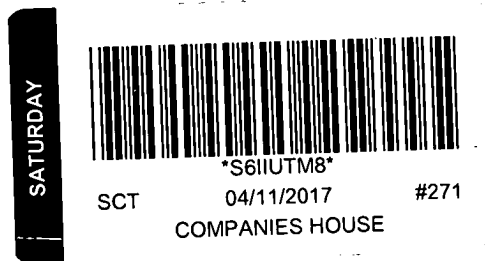


REGISTERED COMPANY NUMBER: SC472722 (Scotland)
REGISTERED CHARITY NUMBER: SC044779

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

**CARLOWAY ESTATE TRUST (URRAS OIGHREACHD
CHARLABHAIGH)**



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

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

**Contents of the Financial Statements
for the Year Ended 31 March 2017**

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CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

Report of the Trustees for the Year Ended 31 March 2017

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 2017. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Company has been formed to benefit the community of Carloway Estate Trust (Urras Oighreachd Charlabhaigh) as defined by the postcode units:

HS2 9EF
HS2 9ED
HS2 9EA
HS2 9DY
HS2 9DX
HS2 9DZ
HS2 9DW
HS2 9AZ
HS2 9AA
HS2 9AY
HS2 9AW
HS2 9AU

with the purposes listed below, to be exercised following the principles of sustainable development (where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs)' namely:

To advance community development and advance the regeneration of the postcode areas outlined above through the management of community lands and associated assets for the benefit of the community and the public in general.

To advance environmental protection or improvement including preservation, sustainable development and conservation of the natural environment, the maintenance, improvement or provision of environmental amenities for the Community and/or the preservation of buildings or sites of architectural, historic or other importance to the Community.

Significant activities

The main focus in the year was:

Preparation of our Strategic Business Plan 2017-2021, developing our land, our assets and our community.

Working with Community Energy Scotland on renewables projects, including investigating the feasibility of a scheme in partnership with Scottish Water that will provide energy at their Carloway Water Treatment Works.

Working with Highlands and Islands Enterprise in preparing a detailed plan for the continuation of our Development Officer for a further 3-5 years.

Setting up various sub groups to deal with crofting and leases, sporting and angling, renewables and communications.

Establishing a moorland walk across the estate through a successful volunteering project. The project is enabling young people to engage with their land while working towards their John Muir Discovery Award.

Administering the island wide goose scheme on behalf of Scottish National Heritage.

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

Report of the Trustees for the Year Ended 31 March 2017

FINANCIAL REVIEW

Principal funding sources

The principal funding sources in the year are as follows:

Highlands and Islands Enterprise - revenue grant
Estate income including croft rents, leases, wayleaves and land sales
Voluntary Action Fund - volunteering support grant
Scottish National Heritage - goose management project.

Reserves policy

Due to the infancy of the charity, the trustees have not yet formulated a reserves policy.

FUTURE PLANS

Working with other community owned estates to develop a renewables scheme that would provide benefit for all estates, this includes working with Community Energy Scotland and is reliant on the recently announced inter-connector to the island.

Working with Highlands and Islands Enterprise to retain the post of Development Officer for the estate.

Working with Callanish Visitor Centre and Historic Environment Scotland to develop a tourism project around Doune Carloway Broch.

Work collaboratively with other organisations to secure the continuation of the goose scheme following the completion of the current scheme.

Working together Tighean Innse Gall and Urras Oighreachd Ghabhsainn on the LED Community energy efficiency project for the community.

Land management issues will include developing the angling sport on Carloway Estate and renewing shooting leases.

The trust will mitigate any risks by retaining skilled directors, planning for succession and encouraging members to stand for election at the AGM.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a limited company, limited by guarantee, as defined by the Companies Act 2006. It is governed by its articles of association. Following an EGM on 27 July 2016 a special resolution was passed. In future, one half of the elected Trustees (or the nearest number upwards) shall retire from office at each biennial AGM, with retiring Trustees remaining in office until the close of the meeting. A retiring Trustee shall be eligible for re-election.

Recruitment and appointment of new trustees

The Board may be comprised of not less than 5 and not more than 12 Trustees, drawn from the postcode areas specified in the charitable purposes.

Half of the Elected Trustees will retire from office bi-annually at the AGM, with retiring Trustees remaining in office until close of the meeting. Retiring Trustees are eligible for re-election.

Up to 3 individuals may also be co-opted from time to time by the Board, although such Trustees will not be eligible to vote at any Board meetings which he or she attends.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC472722 (Scotland)

Registered Charity number

SC044779

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

28b Breascleite
Isle Of Lewis
HS2 9EF

Trustees

A R Fraser
E MacBain
A A MacDonald
M N Maciver
K J MacLennan - Chair
I D.M Macleod
D Macleod
D Macleod
I N Macleod
C M Macmillan
E N Reid
C Neil

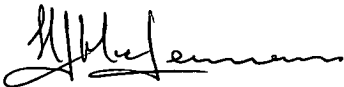
Company Secretary

N MacDonald

Independent examiner

John E Moffat BA FCA
Institute of Chartered Accountants in England & Wales
Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

Approved by order of the board of trustees on 25 October 2017 and signed on its behalf by:



K J MacLennan - Trustee

**Independent Examiner's Report to the Trustees of
Carloway Estate Trust (Urras Oighreachd Charlabhaigh)**

I report on the accounts for the year ended 31 March 2017 set out on pages five to thirteen.

Respective responsibilities of trustees and examiner

The charity's trustees 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's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 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 the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeking explanations from you as 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.

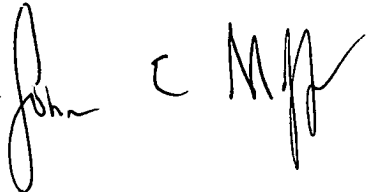
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to 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.



John E Moffat BA FCA
Institute of Chartered Accountants in England & Wales
Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

25 October 2017

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

		Unrestricted fund	Restricted funds	31.3.17 Total funds	31.3.16 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	308	35,307	35,615	228,305
Charitable activities					
Charitable activities		7	-	7	67
Other trading activities	3	6,320	-	6,320	3,400
Investment income	4	<u>13,107</u>	<u>-</u>	<u>13,107</u>	<u>10,308</u>
Total		19,742	35,307	55,049	242,080
 EXPENDITURE ON					
Charitable activities					
Charitable activities		7,158	45,091	52,249	32,504
Governance Costs		<u>1,211</u>	<u>2,464</u>	<u>3,675</u>	<u>-</u>
Total		8,369	47,555	55,924	32,504
NET INCOME/(EXPENDITURE)		<u>11,373</u>	<u>(12,248)</u>	<u>(875)</u>	<u>209,576</u>
Transfers between funds	13	<u>870</u>	<u>(870)</u>	<u>-</u>	<u>-</u>
Net movement in funds		12,243	(13,118)	(875)	209,576
RECONCILIATION OF FUNDS					
Total funds brought forward		12,718	222,721	235,439	25,863
TOTAL FUNDS CARRIED FORWARD		<u><u>24,961</u></u>	<u><u>209,603</u></u>	<u><u>234,564</u></u>	<u><u>235,439</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

**Balance Sheet
At 31 March 2017**

		Unrestricted fund	Restricted funds	31.3.17 Total funds	31.3.16 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11	-	198,300	198,300	198,300
CURRENT ASSETS					
Cash at bank and in hand		25,831	11,304	37,135	37,739
CREDITORS					
Amounts falling due within one year	12	(871)	-	(871)	(600)
NET CURRENT ASSETS		<u>24,960</u>	<u>11,304</u>	<u>36,264</u>	<u>37,139</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>24,960</u>	<u>209,604</u>	<u>234,564</u>	<u>235,439</u>
NET ASSETS		<u>24,960</u>	<u>209,604</u>	<u>234,564</u>	<u>235,439</u>
FUNDS					
Unrestricted funds	13			24,960	12,718
Restricted funds				<u>209,604</u>	<u>222,721</u>
TOTAL FUNDS				<u>234,564</u>	<u>235,439</u>

The notes form part of these financial statements

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

**Balance Sheet - continued
At 31 March 2017**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

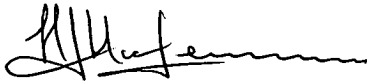
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 25 October 2017 and were signed on its behalf by:



K J MacLennan -Trustee



A A MacDonald -Trustee

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The presentation currency of the financial statements is the Pound Sterling (£).

The accounts are rounded to the nearest £1.

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.

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.

Freehold property - not provided

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.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

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.

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
Donations	308	-	308	1,332
Grants	<u>-</u>	<u>35,307</u>	<u>35,307</u>	<u>226,973</u>
	<u>308</u>	<u>35,307</u>	<u>35,615</u>	<u>228,305</u>

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

	31.3.17 £	31.3.16 £
Highlands & Islands Enterprise	21,558	9,947
Community Land Scotland	-	781
Scottish Land Fund	-	179,104
Comhairle nan Eilean Siar	-	37,141
Voluntary Action Fund - Volunteering Support Grant towards Bonnet Laird Walk project	9,999	-
Western Isles Development Trust - Lighting Up project	<u>3,750</u>	<u>-</u>
	<u>35,307</u>	<u>226,973</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
Lewis & Harris Grey Goose Adaptive Management Project - Co-ordinator fee	<u>6,320</u>	<u>-</u>	<u>6,320</u>	<u>3,400</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
Carloway Estate Income	<u>13,107</u>	<u>-</u>	<u>13,107</u>	<u>10,308</u>

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

4. INVESTMENT INCOME- continued

Investment income includes all of the income generated by the estate lands acquired by the Trust.

	2017	2016
Wayleaves	3,810	3,530
Leases	6,954	3,786
Croft Rents	1,993	1,742
Land Sales	350	1,250
	<u>13,108</u>	<u>10,308</u>
Carloway Estate Income	<u>13,108</u>	<u>10,308</u>

5. NET INCOME/(EXPENDITURE)

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

	31.3.17	31.3.16
	£	£
Other operating leases	<u>3,000</u>	<u>2,250</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

During the period expenses totalling £862 were reimbursed to Noreen Macdonald for charity costs incurred.

7. STAFF COSTS

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

	31.3.17	31.3.16
Development Officer	<u>1</u>	<u>1</u>

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

8. MATERIAL TRANSFERS

In the year ended 31 March 2015 funds were not split between restricted and unrestricted in the accounts. The funds at 31 March 2015 had 3 distinct sources - a general fund, a restricted capital fund and a restricted revenue fund. In order to rectify the position the opening funds in the unrestricted general fund which relate to the restricted capital fund and the restricted revenue fund have been transferred and are recorded as such in the accounts as follows:

Opening transfer to Restricted Capital Fund	£ 652
Opening transfer to Restricted Revenue Fund	£23,353
Reduction in Opening Unrestricted General Fund	£24,005

The closing balances on each fund per the SOFA, Balance Sheet and supporting notes are correctly stated.

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	910	227,395	228,305
Charitable activities			
Charitable activities	67	-	67
Other trading activities	3,400	-	3,400
Investment income	<u>10,308</u>	<u>-</u>	<u>10,308</u>
Total	14,685	227,395	242,080
EXPENDITURE ON			
Charitable activities			
Charitable activities	<u>3,985</u>	<u>28,519</u>	<u>32,504</u>
Total	3,985	28,519	32,504
NET INCOME/(EXPENDITURE)	10,700	198,876	209,576
Transfers between funds	<u>(23,845)</u>	<u>23,845</u>	<u>-</u>
Net movement in funds	(13,145)	222,721	209,576
RECONCILIATION OF FUNDS			
Total funds brought forward	25,863	-	25,863
TOTAL FUNDS CARRIED FORWARD	<u>12,718</u>	<u>222,721</u>	<u>235,439</u>

10. FIRST YEAR ADOPTION

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 2015).

The transition to this new accounting framework has not resulted in any material changes to accounting policies or to the previously reported accounting results for the year ended 31 March 2016. As such no restatement of figures reported in either the 2016 Balance Sheet or Statement of Financial Activities was deemed necessary.

Note 9 to the accounts replicates the figures which were published in the Statement of Financial Activities in the Financial Statements for the year ended 31 March 2016 and confirms that there has been no change when these are compared to the comparative figures shown on the Statement of Financial Activities on page 5.

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2016 and 31 March 2017	<u>198,300</u>
NET BOOK VALUE	
At 31 March 2017	<u>198,300</u>
At 31 March 2016	<u>198,300</u>

Included in cost of land and buildings is freehold land of £185,000 (2016 - £185,000) which is not depreciated.

Land and buildings represents the value of land acquired as a result fo the Community Land Buyout from Carloway Estates Limited during the year. The value of the land was £185,000 and the cost in the balance sheet includes the legal fees incurred on the ultimate purchase.

No depreciation will be provided on the cost of the land and legal fees held in the balance sheet.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Accruals and deferred income	<u>871</u>	<u>600</u>

13. MOVEMENT IN FUNDS

	At 1.4.16	Net movement in funds	Transfers between funds	At 31.3.17
	£	£	£	£
Unrestricted funds				
General fund	12,718	11,372	870	24,960
Restricted funds				
Restricted Capital Fund	201,696	-	(3,396)	198,300
Restricted Revenue Fund	21,025	(16,867)	3,396	7,554
Voluntary Action Fund Bonnet Laird Walk	-	870	(870)	-
Western Isles Development Fund - Lighting Up	<u>-</u>	<u>3,750</u>	<u>-</u>	<u>3,750</u>
	<u>222,721</u>	<u>(12,247)</u>	<u>(870)</u>	<u>209,604</u>
TOTAL FUNDS	<u>235,439</u>	<u>(875)</u>	<u>-</u>	<u>234,564</u>

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	19,742	(8,370)	11,372
Restricted funds			
Restricted Capital Fund	348	(348)	-
Restricted Revenue Fund	21,209	(38,076)	(16,867)
Voluntary Action Fund Bonnet Laird Walk	10,000	(9,130)	870
Western Isles Development Fund - Lighting Up	<u>3,750</u>	<u>-</u>	<u>3,750</u>
	<u>35,307</u>	<u>(47,554)</u>	<u>(12,247)</u>
TOTAL FUNDS	<u><u>55,049</u></u>	<u><u>(55,924)</u></u>	<u><u>(875)</u></u>

14. RELATED PARTY DISCLOSURES

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

CARLOWAY ESTATE TRUST (URRAS OIGHREACHD CHARLABHAIGH)

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

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2016 and 31 March 2017	<u>198,300</u>
 NET BOOK VALUE	
At 31 March 2017	<u>198,300</u>
At 31 March 2016	<u>198,300</u>

Included in cost of land and buildings is freehold land of £185,000 (2016 - £185,000) which is not depreciated.

Land and buildings represents the value of land acquired as a result of the Community Land Buyout from Carloway Estates Limited during the year. The value of the land was £185,000 and the cost in the balance sheet includes the legal fees incurred on the ultimate purchase.

No depreciation will be provided on the cost of the land and legal fees held in the balance sheet.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Accruals and deferred income	<u>871</u>	<u>600</u>

13. MOVEMENT IN FUNDS

	At 1.4.16	Net movement in funds	Transfers between funds	At 31.3.17
	£	£	£	£
Unrestricted funds				
General fund	12,718	11,372	870	24,960
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Restricted Capital Fund	201,696	-	(3,396)	198,300
Restricted Revenue Fund	21,025	(16,867)	3,396	7,554
Voluntary Action Fund Bonnet Laird Walk	-	870	(870)	-
Western Isles Development Fund - Lighting Up	<u>-</u>	<u>3,750</u>	<u>-</u>	<u>3,750</u>
	<u>222,721</u>	<u>(12,247)</u>	<u>(870)</u>	<u>209,604</u>
 TOTAL FUNDS	<u>235,439</u>	<u>(875)</u>	<u>-</u>	<u>234,564</u>