

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 March 2023
for
The Dornoch Area Community Interest
Company

The Dornoch Area Community Interest
Company

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for the Year Ended 31 March 2023

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The Dornoch Area Community Interest
Company

Company Information
for the Year Ended 31 March 2023

DIRECTORS: Mrs J C Bishop
J McGillivray
N D Hampton
A P Murray
Mrs SIC MacDougall
A G McGill
L S Watson

SECRETARY: Mrs P White

REGISTERED OFFICE: The Dornoch Hub
Argyle Street
Dornoch
Sutherland
IV25 3LA

REGISTERED NUMBER: SC327565 (Scotland)

ACCOUNTANTS: Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

The Dornoch Area Community Interest
Company

Report of the Directors
for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY

The Company's principal activity, as a Community Interest Company, is to carry on activities which benefit the community included within the post code area IV25. This includes the disbursement of expenditure for specific projects which are fully reimbursed through grant assistance from various sources.

REVIEW OF BUSINESS

Grants

The following grants were received during the year:

Rural Tourism Infrastructure Fund (Dornoch South) - £57,533
Highlands & Islands Enterprise (Dornoch South) - £15,686
DTAS (Transport) - £7,000
Dornoch Common Good (BID) - £5,000
Community Regeneration Fund (Transport) - £11,200
HC Economic Development (BID) - £5,000
Highlands & Islands Enterprise (BID) - £1,066
The National Lottery Community Fund (Hub Activities) - £9,920
Food Plus Grant (Hub Activities) - £1,167

Loans

A loan of £65,000 (repayable over 10 years) was secured from Highland Opportunity (Investments) Limited for the car park at Dornoch South of which £21,000 has been repaid.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

Mrs J C Bishop
J McGillivray
N D Hampton
A P Murray
Mrs SIC MacDougall
L S Watson

Other changes in directors holding office are as follows:

G J Sutherland - resigned 15 December 2022
A G McGill - appointed 26 May 2022

The Dornoch Area Community Interest
Company

Report of the Directors
for the Year Ended 31 March 2023

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink that reads "Joan Bishop". The signature is written in a cursive style with a large initial 'J'.

Mrs J C Bishop - Director

20 July 2023

The Dornoch Area Community Interest
Company

Income Statement
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
TURNOVER		185,671	162,938
Cost of sales		<u>5,421</u>	<u>7,653</u>
GROSS SURPLUS		180,250	155,285
Administrative expenses		<u>171,780</u>	<u>150,960</u>
		8,470	4,325
Other operating income		<u>500</u>	<u>3,502</u>
OPERATING SURPLUS	4	8,970	7,827
Interest payable and similar expenses		<u>440</u>	<u>-</u>
SURPLUS BEFORE TAXATION		8,530	7,827
Tax on surplus		<u>-</u>	<u>-</u>
SURPLUS FOR THE FINANCIAL YEAR		<u><u>8,530</u></u>	<u><u>7,827</u></u>

The notes form part of these financial statements

The Dornoch Area Community Interest
Company (Registered number: SC327565)

Balance Sheet
31 March 2023

	Notes	31.3.23		31.3.22	
		£	£	£	£
FIXED ASSETS					
Tangible assets	5		1,619,410		1,517,165
CURRENT ASSETS					
Debtors	6	14,973		172,851	
Cash at bank and in hand		111,497		353,282	
		<u>126,470</u>		<u>526,133</u>	
CREDITORS					
Amounts falling due within one year	7	159,381		542,827	
		<u>159,381</u>		<u>542,827</u>	
NET CURRENT LIABILITIES			<u>(32,911)</u>		<u>(16,694)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,586,499</u>		<u>1,500,471</u>
CREDITORS					
Amounts falling due after more than one year	8		1,483,976		1,406,478
			<u>1,483,976</u>		<u>1,406,478</u>
NET ASSETS			<u>102,523</u>		<u>93,993</u>
RESERVES					
Income and expenditure account			102,523		93,993
			<u>102,523</u>		<u>93,993</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which 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 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 company.

The notes form part of these financial statements

The Dornoch Area Community Interest
Company (Registered number: SC327565)

Balance Sheet - continued
31 March 2023

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 20 July 2023 and were signed on its behalf by:

A handwritten signature in black ink that reads "Mrs J C Bishop". The signature is written in a cursive style with a large initial 'M' and 'B'.

Mrs J C Bishop - Director

The Dornoch Area Community Interest
Company

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. **STATUTORY INFORMATION**

The Dornoch Area Community Interest Company is a private company, limited by guarantee, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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	- 4% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 4 (2022 - 6).

4. **OPERATING SURPLUS**

The operating surplus is stated after charging:

	31.3.23	31.3.22
	£	£
Depreciation - owned assets	74,400	67,344
	<u> </u>	<u> </u>

5. **TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2022	1,638,953	8,844	85	1,647,882
Additions	176,703	-	-	176,703
Disposals	-	(58)	-	(58)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	1,815,656	8,786	85	1,824,527
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 April 2022	128,931	1,769	17	130,717
Charge for year	72,626	1,757	17	74,400
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	201,557	3,526	34	205,117
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 March 2023	1,614,099	5,260	51	1,619,410
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	1,510,022	7,075	68	1,517,165
	<hr/>	<hr/>	<hr/>	<hr/>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.23	31.3.22
	£	£
Trade debtors	5,034	2,148
Other debtors	8,564	108,320
VAT	-	62,383
Prepayments and accrued income	1,375	-
	<hr/>	<hr/>
	14,973	172,851
	<hr/>	<hr/>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.23	31.3.22
	£	£
Other loans	5,412	-
Trade creditors	1,535	375,629
Social security and other taxes	991	165
VAT	47	-
Grants and funds received in advance	146,107	159,277
Accrued expenses	1,452	2,671
Prepayments and accrued income	3,837	5,085
	<hr/>	<hr/>
	159,381	542,827
	<hr/>	<hr/>

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN
ONE YEAR**

	31.3.23	31.3.22
	£	£
Other loans - 2-5 years	21,648	-
Other loans more than 5 years by instalments	16,940	-
Deferred grants	1,445,388	1,406,478
	<u>1,483,976</u>	<u>1,406,478</u>

Amounts falling due in more than five years:

Repayable by instalments		
Other loans more than 5 years by instalments	16,940	-
	<u>16,940</u>	<u>-</u>

9. FUNDS IN ADVANCE

Grants, levies & donations received and either not fully expended by the year end date or deferred and being released to the Profit and Loss Account over the lifetime of the related asset were:-

	2023	2022
	£	£
Visitor Centre Community Donation Fund	6,830	6,931
DTAS Transport Grant - Revenue	7,000	0
Dornoch Common Good Fund - Revenue - BID	172	0
Visit Scotland - Revenue	0	5,731
Anne Duchess of Westminster - Revenue - Transport	5,000	5,000
Scottish Government - Revenue - BID	19,948	20,000
Town Centre Fund - Capital - Hub	45,298	47,357
Town Centre Fund - Capital - Dornoch South	25,808	26,930
The Highland Council Pot 170 - Capital - Hub	22,880	23,920
The National Lottery Community Fund - Revenue	332	7,738
The National Lottery Community Fund - Capital - Hub	35,623	37,243
Highlands & Islands Enterprise - Capital - Hub	158,515	165,720
Highlands & Islands Enterprise - Capital - Dornoch South	53,067	39,661
SSE Renewable Fund - Capital - Hub	153,521	160,500
Asset Reserve Fund	48,984	50,000
Vacant & Derelict Land Fund - Capital - Dornoch South	43,691	45,660
Community Regeneration Fund - Revenue - Transport	7,230	0
Scottish Land Fund - Capital - Dornoch South	205,834	215,188
Scottish Land Fund - Capital - Hub	342,711	358,988
Highland Coastal Community Fund - Capital - Dornoch South	74,240	69,120
Rural Tourism Infrastructure Fund - Capital - Dornoch South	55,347	57,753
Rural Tourism Infrastructure Fund - Capital - Dornoch South	182,482	132,783
Dornoch Common Good Fund - Capital - Dornoch South	36,579	38,170
Inspiring Scotland RCIA - Capital - Dornoch South	44,620	46,560
Ward Discretionary Grant - Capital - Dornoch South	4,600	4,800
HC Economic Development - Revenue - BID	1,160	0
Transport Scotland - Capital - Dornoch South	10,024	0
	1,591,496	1,565,754
	1,591,496	1,565,754

The Visitor Centre fund is a reserve for future expenses with £2,532 applied against capital costs being released over time in line with the asset depreciation.

The National Lottery Community Fund - Revenue relates to funding for a community activities co-ordinator and the costs of running workshops.

Grants for community transport have been received from Anne Duchess of Westminster, DTAS and Community Regeneration Fund.

The Asset Reserve Fund is a private donation towards the major projects, £25,425 of this has been applied and will be released over time, in line with the depreciation charge on the Dornoch South Project assets.

The BID grants from Scottish Government, HC Economic Development and Dornoch Common Good are to fund investigations for Dornoch becoming a Business Improvement District.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

Capital grants received from other sources, as above, are funding for the main capital projects The Dornoch Hub, Argyle Street, Dornoch (former police station acquired in 2020, then renovated and opened as a business and community hub in 2021) and Dornoch South (ex-abattoir site acquired in 2021) with phase 1 development of Car & Coach park completed in 2022.

Capital funds for these projects will be released over time, in line with the depreciation charge on the buildings and assets - i.e. the expected life of the item.

10. **GRANTS**

Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred. Capital grants will be released over the expected life of the asset.

11. **SHARE CAPITAL**

The company is a community interest company limited by guarantee and therefore has no share capital. The liability of the members is limited but is not to exceed £1 per member.

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
The Dornoch Area Community Interest
Company

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Dornoch Area Community Interest Company for the year ended 31 March 2023 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the Board of Directors of The Dornoch Area Community Interest Company, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of The Dornoch Area Community Interest Company and state those matters that we have agreed to state to the Board of Directors of The Dornoch Area Community Interest Company, as a body, in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that The Dornoch Area Community Interest Company has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of The Dornoch Area Community Interest Company. You consider that The Dornoch Area Community Interest Company is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of The Dornoch Area Community Interest Company. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB



20 July 2023

This page does not form part of the statutory financial statements

The Dornoch Area Community Interest
Company

Detailed Income and Expenditure Account
for the Year Ended 31 March 2023

	31.3.23		31.3.22	
	£	£	£	£
Turnover				
Website	420		978	
Hub income	56,802		40,713	
Business Group Membership	17,593		14,935	
Grant Funds Released - Staffing	15,820		19,126	
Miscellaneous Income	1,570		1,305	
Other Funds released	38		6,736	
Car park income	2,680		-	
Highland & Island Enterprise	-		1,575	
Visit Scotland Covid Support	5,731		12,269	
BID project grant funded non staff costs	1,231		-	
The National Lottery	11,898		-	
Scottish Land Fund - Hub	-		1,250	
Scottish Land Fund - Training	-		224	
Food Plus Grant	914		-	
ADWF - VGS	333		-	
Community Regeneration Fund (transport - non staff costs)	2,349		-	
Grant Funds Released - Capital	68,292		63,827	
	<hr/>	185,671	<hr/>	162,938
Cost of sales				
Community transport costs	1,276		-	
Hub running costs	4,145		7,653	
	<hr/>	5,421	<hr/>	7,653
GROSS SURPLUS		180,250		155,285
Other income				
Sundry receipts	500		-	
Government CJRS grants	-		3,502	
	<hr/>	500	<hr/>	3,502
		180,750		158,787
Expenditure				
Insurance	1,434		994	
Light, heat and water	13,884		10,749	
Wages	46,013		39,531	
Pensions	763		291	
Website costs	550		2,888	
Telephone and broadband	1,548		1,128	
Office & administration costs	3,162		2,825	
Travelling	434		-	
Repairs and renewals	8,599		6,508	
	<hr/>	<hr/>	<hr/>	<hr/>
Carried forward	76,387	180,750	64,914	158,787

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The Dornoch Area Community Interest
Company

Detailed Income and Expenditure Account
for the Year Ended 31 March 2023

	31.3.23		31.3.22	
	£	£	£	£
Brought forward	76,387	180,750	64,914	158,787
Marketing	10,507		14,333	
Sundry expenses	139		(2)	
Accountancy	925		800	
Subscriptions	314		313	
Workshop expenses	7,608		885	
Professional fees	1,500		2,373	
	<hr/>	97,380	<hr/>	83,616
		83,370		75,171
Finance costs				
Loan		440		-
		<hr/>		<hr/>
		82,930		75,171
Depreciation				
Freehold property	72,626		65,558	
Fixtures and fittings	1,757		1,769	
Computer equipment	17		17	
	<hr/>	74,400	<hr/>	67,344
NET SURPLUS		<hr/>		<hr/>
		8,530		7,827
		<hr/>		<hr/>

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