

Charity Registration No. SC042018 (Scotland)

Company Registration No. SC349971 (Scotland)

SOUTH KINTYRE DEVELOPMENT TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

SOUTH KINTYRE DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Felicity Kelly, Chair Raymond P McIntosh-Walley, Vice Chair Les Van Acker, Finance Director David Wares R Colville Sandra Spence Cameron M Mclellan	(Appointed 11 April 2018)
Charity number (Scotland)	SC042018	
Company number	SC349971	
Principal address	Campbeltown Town Hall 54 Main Street Campbeltown ARGYLL PA28 6AB	
Registered office	Campbeltown Town Hall 54 Main Street Campbeltown ARGYLL PA28 6AB	
Independent examiner	Iain D C Webster The Old Surgery School Road Tarbert Argyll PA29 6UL	
Bankers	Clydesdale Bank 19 Longrow Campbeltown Argyll PA28 6ES	

SOUTH KINTYRE DEVELOPMENT TRUST

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SOUTH KINTYRE DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report and financial statements for the year ended 31 March 2019.

The Trustees would like to acknowledge the hard work and dedication of the Trust Manager and staff throughout the financial year.

Nature of governing document

The company is governed by its Memorandum and Articles of Association as approved at the AGM in December 2016. In the event of the company being wound up members are required to contribute an amount not exceeding £1. SKDT implemented changes to our Articles of Association which were adopted at an Extraordinary General Meeting held in December 2018 to meet the criteria for Scottish Land Fund support. The Board are very grateful to Mr Patrick Stewart, our Company Secretary, for the volume and time given to assist the Board in this matter, particularly in dealings with Scottish Government agencies.

Objectives and activities

SKDT has a broad set of charitable objectives designed to benefit both the people of South Kintyre and its environment. The company's main purpose is consistent with furthering the achievement of sustainable development. Its purposes are:

- To provide or advance the accessibility of recreational facilities, and/or organizing recreational activities, which will be available to members of the Community and public at large, with the object of improving the conditions of life of the Community.
- Advancement of citizenship or Community development, including rural or urban regeneration.
- To advance the provisions for educational opportunities in the Community relating to environment, culture, heritage and/or history.
- 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.

Since it began operation in October 2008, the company has pursued its objectives in the Community without distinction on racial, political, religious, or other grounds. Mindful of the interests of social welfare and the need to ensure that public benefits arising from its activities clearly outweigh any private benefits to individuals, SKDT has followed 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") to achieve its objectives.

SOUTH KINTYRE DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Objectives, Strategies and Activities

SKDT is a grassroots anchor organization advancing Community led regeneration in Kintyre. It has 9 staff, 6 Directors, over 600 members and regular volunteers.

The Trust delivers several substantial projects and support other Community and voluntary organisations to implement economic and employment priorities identified in the local Action Plans.

In 2014 SKDT purchased Campbeltown Town Hall on behalf of the Kintyre Community as a focal point for community activity to provide information and services which meet community need. The Trust's broad objectives incorporate the provisions for opportunities in the Community relating to environment, culture, heritage and/or history and it has successfully taken forward a number of major projects.

In late 2018, the Trust purchased the Red Cross Hall to provide an additional community facility for third sector organisations. This opened for business in March 2019.

Our current strategic plan focusses on growing the organisation and expanding services through a Community Access Project which reduces inequalities and raises people's aspirations. In October 2018, a new staff member was appointed following a successful bid for revenue funding to the Big Lottery –People and Communities.

We continually refer to the guidance contained in OSCR's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities.

Grant making policies

SKDT does not yet give grants or make social or programme related cash investments. Rather, its employees and volunteers invest time in promoting the Trust objectives and activities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake.

SOUTH KINTYRE DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Achievements and performance

The activities prioritised for the current period have been as follows:

Objective 1

To provide or advance the accessibility of recreational facilities, and/or recreational activities, which will be available to members of the Community and public at large with the object of improving the conditions of life of the Community.

The main focus of SKDT's activities during this financial period continue to be the redevelopment of the Town Hall.

An application to The Big Lottery for a Community led grant was successful. £75,000 has been awarded which will enable the Trust to sustain and develop activities at Campbeltown Town Hall, which contribute towards the regeneration of Campbeltown and the surrounding areas. This funding will help towards staffing costs which is crucial to the development of further projects and increased sustainability of the Town Hall.

The inaugural "Gintyre" Gin Festival in April was a huge success with plans already in place for April 2019. This has proved to be extremely popular and has now become an annual event.

The first Tea Dance was held in March 2018 and another has already taken place again in this financial year.

Block bookings for room hire have increased with regular hires coming from organisations such as The Community Council and fitness groups like Pilates Class and dance workshops.

Exhibitions are planned for late summer. The Main Hall has a lack of wall space due to the expanse of windows however, £750 was donated by Laggan Community Council towards the cost of exhibition boards "Rooting For You" for Gateway Garden and Putting Green, which are in the process of being made.

Promoting Opportunities for Partnership working and volunteering:

The support of volunteers has helped SKDT with a range of activities and community landscape projects, which not only benefit the public but offer opportunities to improve skills, build confidence and reduce social isolation. The Daft About Craft Group in partnership with Shopper-Aide raised over £900 from the sale of crafts and provides a platform for intergenerational activities.

Objective 2

Advancement of citizenship or community development, including rural or urban regeneration.

SKDT continues to offer a range of activities from the Town Hall, which meet social and economic objectives. It provides learning and volunteering opportunities, social, recreational, cultural and civil activities and events that enrich people's lives. The Trust is working in partnership with Argyll & Bute Council Community Education to offer a range of new training opportunities ranging from cooking to photography.

East Kintyre Broadband Group, part of SKDT, continues to seek funding to provide internet access to the area where there is no broadband available. The latest Government initiative – The Gigabyte Scheme – is currently being investigated in the hope that provision, which others take for granted can at last enable the 20 + houses and businesses in the area to receive broadband now essential not only for social purposes but also for the economy of part of Kintyre.

SOUTH KINTYRE DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

Objective 3

To advance the provisions for educational opportunities in the Community relating to environment, culture, heritage and/or history.

SKDT has a range of community landscape projects, which increase opportunities for the unemployed to gain skills and experience on their employment journey and improve maintenance and local amenities for the community.

Awarded Heritage funding to introduce new cultural project called Top Skippers Choice to document and celebrate the history of shipbuilding in Kintyre.

Objective 4

Environmental protection/improvement/preservation and conservation, provision of environmental amenities.

The Community Gateway Park funding from Tesco's Greenspace Project was completed in July 2017, bringing a derelict space back to life for the benefit of the Community. The park continues to be maintained by volunteers. Funding from Fyne Homes People and Communities enabled the putting green to be opened for summer 2017 and slightly earlier in June 2018. The adjoining piece of land has been turned into an herb/vegetable garden and the area has been fenced off.

£1,000 awarded from Tesco Bags of Help for the "Rooting for each other" project, which brings people together to grow seedlings to be nurtured at home until they are ready to be planted out in displays enhancing the local area.

Marketing and Advertising

SKDT has introduced a new website, released in June 2018, following the success of the Campbeltown Town Hall website. The website is linked to our Facebook and Twitter accounts so our blog and social media are kept up to date. The Community are invited to sign up to the blog to receive up-to-date news about SKDT. A hard copy and digital Newsletter is also issued periodically.

SOUTH KINTYRE DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Financial review

Fund Raising

During the period the Trust attracted funding for all key projects undertaken. Core funding was from Scottish Land Fund with £107,750 received in the year for the purchase and upgrade of the Red Cross Building, revenue grants totalling £62,574 were received from Argyll & Bute Council, Fyne Homes, Groundwork UK, NHS Highland and The Big Lottery Fund. Local fund raising and donations for SKDT and the Town Hall amounted to £5,278. Total funds raised and received in the year amounted to £209,673. Expenditure incurred amounted to £208,752 mainly in relation to staff costs, depreciation and the overheads of running the operations.

Against the backdrop of limited resources and insecurities over funding, it continues to be difficult to plan too far ahead. Nevertheless, the charity, with the aid of sound financial management and the support of both its staff and volunteers, generated a very positive financial outcome for the period. Its success in obtaining new funding 2019/20 from The Big Lottery Fund will provide much needed additional resources going forward.

All project budgets now fall under the administration of the Trust Manager who ensures the Board receive updated monthly cash flow figures.

Our pricing policy

We have a tiered pricing strategy with a reduced rate for community organisations and local charities. This offers a chance for everyone in the community to take part in our activities and attend our events.

Policy on Reserves

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organization. It has established a policy to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The reserves policy adopted secures three months employment costs, plus three months building and running costs as follows:

- The reserved that we intend to set aside will provide financial stability and the means for the development of our principal activity.
- As time progresses we aim to maintain reserves at a level which is at least equivalent to three months running costs for the Town Hall, including salaries for staff.
- The Board will annually review the amount of reserves to ensure that they are adequate to fulfil our continuing obligations.

The trustees has assessed the major risks to which the Trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Aims and key objectives for future periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

SOUTH KINTYRE DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Structure, governance and management

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Felicity Kelly, Chair

Raymond P McIntosh-Walley, Vice Chair

Les Van Acker, Finance Director

David Wares R Colville

Sandra Spence

Cameron M McClellan

(Appointed 11 April 2018)

Recruitment and appointment of trustees

SKDT is governed by a board of voluntary Directors who are also Trustees. The Board of Directors comprises of up to 10 members, the majority of whom must be elected ordinary members. There is also provision for the Board to co-opt Directors to ensure a suitable spread of skills and experience within the Board.

One-third of the Directors resign at each Annual General Meeting but are eligible for re-election. There are no persons external to SKDT entitled to appoint Directors.

Potential Directors may be invited to fill vacancies during the year. They can be recruited by word of mouth, local press and social media, by notice on the SKDT website and in the monthly newsletter.

Induction and training of Trustees & Staff

Prospective Directors are provided with a Directors' pack and invited to complete a skills audit, followed by an interview with the Trust Manager to identify possible training or development needs and given the opportunity to discuss what potential role they would like to pursue when they become Directors. They are invited to attend three meetings before being formally proposed by existing Directors.

Each Director is allocated a specific role within the Trust. Examples are Chair, Line Manager, Membership Director, Finance Director, IT, etc. This ensures that Directors' interests and skills match with the role they carry out. Directors are encouraged to attend appropriate training events, both internal and external, where these facilitate the undertaking of their role.

At the first meeting after each AGM the Board of SKDT nominates a Chair, Vice Chair, Finance Director and Company Secretary. All Trustees give their time voluntarily and receive no benefit from the charity. This financial year staff have undergone training in Personal Licence, PAT Testing and IT. The Directors have received training on cash flow management and Directors' Responsibilities.

Organisational structure

Senior Management Team

The Trust Manager ensures that the charity delivers the services specified and meets its strategic aims and administers the Trust's affairs and project development with the support of Directors and volunteers. The Trust Manager has responsibility for the day to day operational management of the Town Hall.

Decision making and Strategic Planning

Strategic decisions are made by the Board of Directors, or a Company General Meeting, in accordance with SKDT's Articles of Association. It is the responsibility of staff to implement these decisions and progress the projects.

SOUTH KINTYRE DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2019***

The trustees' report was approved by the Board of Trustees.

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Trustee

Dated:

SOUTH KINTYRE DEVELOPMENT TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SOUTH KINTYRE DEVELOPMENT TRUST

I report on the financial statements of the Trust for the year ended 31 March 2019, which are set out on pages 9 to 20.

Respective responsibilities of trustees and examiner

The Trust's trustees, who are also the directors of South Kintyre Development Trust for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The 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 financial statements 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements.

Independent examiner's statement

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

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

Iain D C Webster C.A.

The Old Surgery
School Road
Tarbert
Argyll
PA29 6UL

Dated:

SOUTH KINTYRE DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations and legacies	3	5,278	170,324	175,602	125,824
Charitable activities	4	33,845	-	33,845	17,106
Investments	5	226	-	226	11
Total income		39,349	170,324	209,673	142,941
<u>Expenditure on:</u>					
Raising funds	6	722	-	722	573
Charitable activities	7	37,478	170,552	208,030	195,663
Total resources expended		38,200	170,552	208,752	196,236
Net income/(expenditure) for the year/ Net movement in funds		1,149	(228)	921	(53,295)
Fund balances at 1 April 2018		15,692	1,808,261	1,823,953	1,877,248
Fund balances at 31 March 2019		16,841	1,808,033	1,824,874	1,823,953

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SOUTH KINTYRE DEVELOPMENT TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Property, plant and equipment	11		1,740,363		1,754,344
Current assets					
Trade and other receivables	13	46,034		48,640	
Cash at bank and in hand		62,773		27,058	
		<u>108,807</u>		<u>75,698</u>	
Current liabilities	14	(24,296)		(6,089)	
Net current assets			84,511		69,609
Total assets less current liabilities			<u>1,824,874</u>		<u>1,823,953</u>
Income funds					
Restricted funds	16		1,808,033		1,808,261
Unrestricted funds			16,841		15,692
			<u>1,824,874</u>		<u>1,823,953</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These 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 Trustees on

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Trustee

Company Registration No. SC349971

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

South Kintyre Development Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Campbeltown Town Hall, 54 Main Street, Campbeltown, ARGYLL, PA28 6AB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is all considered as expenditure on charitable activities and includes the cost of running the Charity as well as grants. All costs are exclusive of VAT where applicable.

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	4% straight line
Fixtures and fittings	20% straight line
Computers	15% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of non-current assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	5,278	-	5,278	375
Government and other grants	-	170,324	170,324	125,449
	<u>5,278</u>	<u>170,324</u>	<u>175,602</u>	<u>125,824</u>
For the year ended 31 March 2018	<u>375</u>	<u>125,449</u>		<u>125,824</u>

4 Charitable activities

	Town Hall 2019 £	Town Hall 2018 £
Sales within charitable activities	19,914	13,499
Other events income	5,158	2,898
Other trading income	8,773	709
	<u>33,845</u>	<u>17,106</u>

5 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Interest receivable	<u>226</u>	<u>11</u>

6 Raising funds

	Unrestricted funds	Total
	2019 £	2018 £
<u>Fundraising and publicity</u>		
Other fundraising costs	<u>722</u>	<u>573</u>

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

6 Raising funds

(Continued)

722	573
<u>722</u>	<u>573</u>

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7	Charitable activities	Town Hall 2019 £	Town Hall 2018 £
	Share of support costs (see note 8)	204,915	195,663
	Share of governance costs (see note 8)	3,115	-
		<u>208,030</u>	<u>195,663</u>
	Analysis by fund		
	Unrestricted funds	37,478	13,500
	Restricted funds	170,552	182,163
		<u>208,030</u>	<u>195,663</u>
	For the year ended 31 March 2018		
	Unrestricted funds	13,500	
	Restricted funds	182,163	
		<u>195,663</u>	

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	79,695	-	79,695	63,970
Depreciation	82,987	-	82,987	82,623
Rent and rates	3,700	-	3,700	1,425
Insurance	3,752	-	3,752	3,564
Heat, light and power	7,000	-	7,000	4,729
Repairs, maintenance and cleaning	6,023	-	6,023	8,569
Equipment repairs and renewals	-	-	-	164
Telephone, website and internet	3,406	-	3,406	4,499
Advertising, postage and stationary	2,755	-	2,755	4,239
Office expenses	1,099	-	1,099	1,129
Travel and accommodation	304	-	304	552
Consultancy	14,194	-	14,194	18,659
Independent examination	-	500	500	1,000
Accountancy	-	2,120	2,120	541
Legal and professional	-	495	495	-
	<u>204,915</u>	<u>3,115</u>	<u>208,030</u>	<u>195,663</u>
Analysed between				
Charitable activities	<u>204,915</u>	<u>3,115</u>	<u>208,030</u>	<u>195,663</u>

Governance costs includes payments to the independent examiners of £500 (2018- £1,000) for Independent Examination and £1,270 (2018: £541) for other services.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year.

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
	9	5

Employment costs

	2019 £	2018 £
Wages and salaries	78,738	63,641
Other pension costs	957	329
	<u>79,695</u>	<u>63,970</u>

11 Property, plant and equipment

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2018	1,882,655	36,583	-	1,919,238
Additions	66,580	-	2,426	69,006
At 31 March 2019	<u>1,949,235</u>	<u>36,583</u>	<u>2,426</u>	<u>1,988,244</u>
Depreciation and impairment				
At 1 April 2018	148,830	16,064	-	164,894
Depreciation charged in the year	75,306	7,317	364	82,987
At 31 March 2019	<u>224,136</u>	<u>23,381</u>	<u>364</u>	<u>247,881</u>
Carrying amount				
At 31 March 2019	<u>1,725,099</u>	<u>13,202</u>	<u>2,062</u>	<u>1,740,363</u>
At 31 March 2018	<u>1,733,825</u>	<u>20,519</u>	<u>-</u>	<u>1,754,344</u>

12 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>45,242</u>	<u>39,135</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>3,793</u>	<u>2,563</u>

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

13 Trade and other receivables

	2019	2018
	£	£
Amounts falling due within one year:		
Trade receivables	10,138	1,710
Other receivables	35,104	45,788
Prepayments and accrued income	792	1,142
	<u>46,034</u>	<u>48,640</u>

14 Current liabilities

	2019	2018
	£	£
Other taxation and social security	567	34
Deferred income	19,936	3,492
Trade payables	1,665	731
Accruals and deferred income	2,128	1,832
	<u>24,296</u>	<u>6,089</u>

15 Deferred income

	2019	2018
	£	£
Other deferred income	19,936	3,492
	<u>19,936</u>	<u>3,492</u>

SOUTH KINTYRE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2018	Incoming resources	Resources expended	Balance at 31 March 2019
	£	£	£	£
Town Hall - Capital	1,754,344	-	(82,623)	1,671,721
Town Hall - Revenue	52,077	-	(29,678)	22,399
Red Cross Building (Scottish Land Fund) - Capital	-	83,750	-	83,750
Red Cross Building (Scottish Land Fund) - Revenue	-	24,000	-	24,000
Quarry Green Gardens	1,090	-	-	1,090
Laggan Community Council	750	-	-	750
Big Lottery Fund	-	40,000	(40,000)	-
Argyll & Bute Council	-	10,000	(10,000)	-
Fyne Homes	-	7,251	(7,251)	-
Groundwork UK (Tesco)	-	1,000	(1,000)	-
NHS Highland	-	814	-	814
Others	-	3,509	-	3,509
	<u>1,808,261</u>	<u>170,324</u>	<u>(170,552)</u>	<u>1,808,033</u>

Included within Restricted Funds is the cost of the Town Hall (net book value of £1,671,721) that is funded by various grants within "Town Hall - Capital" and the former Red Cross Building (cost of £66,580) which is funded by the "Scottish Land Fund - Capital". The Scottish Land Fund - Capital balance (£83,750) consists of the cost of the building and associated costs (£66,580) plus £17,170 of other capital costs which are yet to be expended by the Charity.

17 Analysis of net assets between funds

	Unrestricted 2019	Restricted 2019	Total 2019	Total 2018
	£	£	£	£
Fund balances at 31 March 2019 are represented by:				
Property, plant and equipment	2,063	1,738,300	1,740,363	1,754,344
Current assets/(liabilities)	14,778	69,733	84,511	69,609
	<u>16,841</u>	<u>1,808,033</u>	<u>1,824,874</u>	<u>1,823,953</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).