

Charity Registration No. SC023575

Company Registration No. SC157417 (Scotland)

**GLENURQUHART CARE PROJECT**

**(A COMPANY LIMITED BY  
GUARANTEE)**

**DIRECTORS' REPORT AND  
ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
LEGAL AND ADMINISTRATIVE INFORMATION**

---

**Directors**

Neil MacInnes  
Edward G Redmond  
Allan Lemon  
Erik Trefler  
Lesley-Ann Inglis  
David Fraser

**Secretary**

Neil MacInnes

**Charity number**

SC023575

**Company number**

SC157417

**Registered office**

The Glenurquhart Centre  
31 Coiltie Crescent  
DRUMNADROCHIT  
IV63 6TR

**Auditor**

Johnston Carmichael LLP  
Clava House  
Cradlehall Business Park  
INVERNESS  
IV2 5GH

**Bankers**

Lloyds TSB Scotland plc  
2 - 4 Inglis Street  
INVERNESS  
IV1 1HN

Bank of Scotland plc  
2 - 6 Eastgate  
INVERNESS  
IV2 3NA

CAF Bank Ltd  
Kings Hill  
WEST MALLING  
Kent  
ME19 4JQ

**Investment adviser**

City Financial (Aberdeen) Ltd  
Duncan House  
Wester Inshes Place  
INVERNESS  
IV2 5HZ

**Solicitors**

South Forrest  
8 Ardross Terrace  
INVERNESS  
IV3 5NW

Ledingham Chalmers LLP  
Kintail House  
Beechwood Business Park  
INVERNESS  
IV2 3BW

---

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
CONTENTS**

---

	<b>Page</b>
Directors' report	1 - 7
Independent auditor's report	8 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the accounts	12 - 20

---

# **GLENURQUHART CARE PROJECT (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

The directors present their report and accounts for the year ended 31 March 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard for Smaller Entities (FRSSE) (effective January 2015) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective January 2015).

## **Structure, governance and management**

The charity is a company limited by guarantee and does not have share capital. The charity was incorporated on 12 April 1995 and was recognised as a charity by the Inland Revenue for tax purposes on 27 April 1995.

The directors who served the charity during the year and/or at the date of this report were:

Neil MacInnes	
Dianne J Fraser	(Resigned 31 August 2015)
Claire Dixon-Carter OBE	(Resigned 9 December 2015)
Vanessa A Ferguson	(Resigned 20 May 2016)
Edward G Redmond	
Allan Lemon	(Appointed 10 June 2015)
Erik Trelfer	(Appointed 10 February 2016)
Lesley-Ann Inglis	(Appointed 11 May 2016)
David Fraser	(Appointed 8 September 2016)

Under the charity's 'Articles of Association' the directors are volunteers elected from Glenurquhart Care Project's (GCP'S) Membership at the AGM, or by directors' invitation, to manage the charity and its projects. Members must be local, or nominated by a local body, and a majority of directors must be locally resident. Glen Urquhart Rural Community Association has the right as 'prime support body' to nominate 4 Members. The directors welcome and encourage more people to apply for membership in order to widen the base for electing directors on behalf of the local community.

The directors elected all have pre-existing professional or other skills and experience in one or more areas of management, finance, social work, construction and business.

Glenurquhart Care Project's policy, before proposing election/reappointment of any potential directors, is to invite any potential directors to several board meetings to identify the skills/experience they feel able to offer and to acquaint them with documents relevant to the responsibilities of directors. If appointed, their induction advises them of Glenurquhart Care Project's governing documents, the responsibilities of directors, OSCAR guidelines, GCP's activities and policies including confidentiality adopted in the operation of The Glenurquhart Centre. After the AGM there is a review of individual directors' roles relevant to their skills. Our induction procedures are reviewed noting current OSCAR recommendations.

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

Directors hold a Board meeting every 4-6 weeks. The GCP Resources Manager is invited to attend and report. Our Patron is also invited to attend. Sub-committees of the Board meet to review specific areas including, this year, Finance, Professional Quality, Fundraising and Transport.

The charity's employed care staff includes the professionally qualified Resources Manager who manages the operations of GCP and the Glenurquhart Centre, its working contact with outside care/health professionals, and its annual budget. One director is delegated to manage and review the manager's employment.

The directors have reviewed and assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company. They are satisfied that systems are in place to mitigate any exposure.

---

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

The staff structure has been under review and restructure, to accommodate the changing work-load. The remuneration of the Manager was established by reference to equivalent posts in other social work organisations, and that of other key personnel to a scale developed within GCP over the years.

The directors retain an independent financial adviser, City Financial (Aberdeen) Ltd, Inverness, to assist in managing investments according to GCP's specified medium risk profile. The investments are regularly reviewed to ensure satisfactory returns are achieved and all realised returns form part of the unrestricted funds of the charity and are used in running the day-to-day operations. The directors are satisfied with investment performance to date.

GCP established a wholly-owned subsidiary limited company Glenurquhart Care (Developments) Limited, incorporated 10 August 2016, to manage the Housing Project and, from then, employ the Project Manager. It has 5 directors, two of whom are also directors of GCP.

**Objectives and activities**

The charity's main aim is to further the health and social welfare of the inhabitants of Glen Urquhart, Strathglass, Kiltarlity, Abriachan and environs (its 'Area of Benefit') and to provide appropriate local facilities.

This year's main objectives were:

1. to own and operate 'The Glenurquhart Centre' to continuing high operational standards, and ensure it remains financially sustainable;
2. to continue to develop and maintain partnerships with the Highland Health and Social Care Partnership (HHSCP) and others in providing existing services and developing new services;
3. to continue developing Dementia and Carer Support services;
4. to complete a revised Business Plan, reviewing expenditure, staff structure and efficiencies, and potential new income generators;
5. to develop the options for building supported housing on the adjacent land, and for efficient and sustainable energy supply for the Centre.

The Manager and Directors continue to promote the work of the Glenurquhart Centre and GCP within the areas served, and to explore and share ideas that help to enhance the Centre's services.

The directors have paid due regard to guidance issued by the Scottish Charity Regulator in deciding what activities the charity should undertake.

GCP aims to deliver an excellent service and to encourage more local residents to become involved in their community business and offer their skills/experience/time in developing new initiatives.

**Achievements and performance**

The charity's Glenurquhart Centre completed its sixteenth year of operation. In March 2016 the high-needs Service Users attending the Centre were near the maximum registration staffing capacity. This still allowed some use by additional Users and visiting groups.

The Home Care service maintained its client numbers, varying from 170 to 220 hours per week during the year to end of March 2016. The Home Care Service continues to fit in well alongside the Day Care Service and the building of GCP's Integrated Care Services Partnership model.

GCP's Integrated Care service has at its core, well established working relationships with GP's, Community Nurses, Social Workers, the Pharmacy, Occupational Therapists, Physiotherapists and other allied professionals.

The Care Inspectorate made unannounced inspections of the Day Care and Care at Home services in January 2016. These again confirmed Good/Very Good grades achieved, but with useful indicators for further improvements.

# **GLENURQUHART CARE PROJECT (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2016***

---

Joint working relationships with Health, Social Work and other agencies remain strong, and include regular 'integrated professionals meetings'. The Centre continues to provide a base and effective link for all community based staff. This provides added benefit to service users at times when they may require increased support.

The Centre continues to have more service users with complex and higher needs, and to review and add services. Details of all services provided are summarised in the 2016 Information Booklet, and on the Centre's Website. The activity and outings programme for service users continues to be imaginative and well supported by the many skills of volunteers.

The Centre hosts a regular Carers support Group, providing the opportunity for carers to obtain advice and support and includes much-welcome professional volunteer support.

The management and Directors continue to seek discussions with NHS Highland/Highland Council on possible developments/services which are needed and help maintain the Centre's financial viability.

The catchment area for Centre service users can extend from Drumnadrochit, Glen Urquhart and Strathglass to Beaully and Abriachan. The minibus, donated in 2012 (but needing funding for replacement soon), remains much appreciated and enables GCP to continue to provide transport to the Glenurquhart Centre for Service Users.

Catering by in-house cooking staff continues to be popular and our staff respond flexibly to our service user choices and dietary requirements.

The staff training programme and continuous assessment and reviews continue. This programme includes dementia care, vulnerable adults, carer support, fire awareness and working toward Personal Development Award and Manager's awards. Staff and others received valuable training on diet in Care delivery, from our temporarily employed Dietician.

Director/Trustees have attended courses and events useful to maintain effective management and key contacts for GCP. This included taking part in an HIE-supported 'Board Health Check' process in late 2015.

Donations continue toward the facilities for the Centre and GCP, much is being achieved by the fundraising work of the independent 'Friends of the Glenurquhart Centre', and from other donations. The GCP Directors wish to acknowledge and thank the many contributors to GCP. Soirbheas and their Community Officer have also given valuable support.

Paula Cooper succeeded Carolanne Mainland as our Resources Manager in August 2015. She oversaw management of the Centre and of our wider community Services including our Home Care service. We thank both for their excellent work and that of the staff during the transition period.

GCP appointed a Project Manager in February 2015, on behalf of the wider Community, to study the feasibility of developing supported housing on land adjacent to the Centre, in partnership or otherwise. The Project Manager consulted the Community and ensured full Grant support for the study. By March 2016 GCP agreed to proceed with the land purchase supported by a major sum from the Scottish Land Fund. Since then a subsidiary operating company has been set up and an Architectural team appointed to design 12 housing units.

GCP's Business Plan 2015-20 was developed with our consultant during the year and finalised in January 2016. Progress against the Action Plan is reviewed by the Manager and Board.

Earlier energy reports and costings were re-evaluated, for making the Centre's Energy system more efficient and renewables-sourced. The Centre did not succeed in a 2015 national Solar Panel funding competition but did install an 11kW solar PV roof system by December. Other water and space heating, and lighting efficiency measures are proceeding.

The Centre's fifteenth year of opening was celebrated in July 2015 by completion of imaginative outdoor facilities around the Centre building with much voluntary input. These include garden buildings, paved and decked areas, accessible planters and a greenhouse. A sensory garden is also planned.

Glenurquhart Care Project was represented on the working group for the new Drumnadrochit Health Centre which opened officially on 11 December 2015.

# **GLENURQUHART CARE PROJECT (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

## **Social & Community Benefit**

The directors are required by the Articles to report on the social and community benefits achieved during the year.

Community involvement and interest in The Glenurquhart Centre continues through local fundraising and donations, and our Buildings continue to be well used. Volunteer helpers for the Centre enhance the flexibility for which the Centre is known. The Centre remains a community meeting point by having a 'public welcome' policy, within security considerations, and is a partner in events organised by other local charities for senior citizens. It continues to welcome any visitors interested in this community enterprise.

Good contacts continue with all schools in our area, and with the Glenurquhart Child Care Centre. We have hosted several school 'work-experience' placements.

Contacts with other Highland community care companies have included staff visits to Lochcarron and Wick.

The Glenurquhart Care Project provided an average during the year of 28 employment positions and continues to pay Care staff at least the UK "Living Wage".

About 50 people attended our social Open Annual Meeting, Talk and AGM in December 2015 for all Centre 'stakeholders'. The achievements of the Centre's staff were acknowledged.

GCP Company Membership grew by 115 during the year, stimulated by the Solar PV Grant competition and support for the Housing Project.

The independent 'Friends of the Glenurquhart Centre' continues to support and contribute to the Centre's work, and holds a monthly open drop-in coffee morning. Their fundraising continues to provide facilities extra to those affordable through the Centre's restricted revenue budget, and to help towards Christmas and other activities.

We thank the 3 Trustees/Directors who stood down during the reporting period, all having done long service.

## **Financial review**

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

During the year the charity recorded a net income of £116,002 (2015 – net expenditure of £36,608). The 2016 total comprised (i) £202,548 of net income due to Housing Project restricted grant funds and (ii) £86,546 net expenditure elsewhere (of which £21,239 reflects net expenditure relating to earlier years). In addition, there were net investment gains of £553 (2015 - £13,402). The unrestricted reserves at 31 March 2016 amounted to £371,468 (2015 - £362,336) and restricted reserves amounted to £558,181 (2015 - £450,758), including unrealised investment gains of £74,572 (2015 - £74,019).

The year's substantial deficit (excluding Housing Project funds) has been addressed by a thorough review of the Centre cost-monitoring system and an independent analysis to develop additional cost saving and income-generation measures. Some measures already in place indicate significant improvement in the revised forecast for 2016-17 against the budget.

The main factors contributing to the year's operating deficit (excluding Housing Project funds) continue to be the continuing freeze in daycare contract rates, reduction during the year in care at home contract rates, transport and other 'rurality' costs during the year, and lower donation/fundraising receipts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three to six month's expenditure. The Directors have re-assessed this level to be at least £140,000 but will review this regularly in light of changing expenditure. The Directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. Unrestricted funds are currently maintained above this level.

# **GLENURQUHART CARE PROJECT (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

Total funds held by the charity amount to £929,649 (2015 - £813,094) and this consists of restricted funds of £558,181 (2015 - £450,758) and unrestricted funds of £371,468 (2015 - £362,336).

Unrestricted funds represent funds to be used at the charity's discretion. No restrictions have been placed on these funds by the donors. No amount of unrestricted funds has been designated for specific purposes. Unrestricted funds are required to meet the charity's day-to-day activities.

Restricted funds represent funds received for specific charitable objectives outlined by the donor. The restricted funds balance at the reporting date consists of four separate funds. A total of £355,633 (2015 - £446,130) relates to the Fixed Asset Fund which arose from bequests, donations and grants received towards the construction of the Glenurquhart Centre for which ongoing restrictions continue to apply. A total of £206,555 (2015 - £nil) relates to the Housing Project Capital Fund which represents funding received during the year towards the purchase of land and directly associated legal and professional fees relating to the Housing Project. At the reporting date the land and directly associated legal and professional fees have been capitalised within tangible fixed assets. A deficit balance of £4,007 (2015 - £nil) relates to the Housing Project Revenue Fund which represents funding received towards expenditure relating to the Housing Project which is not directly associated with the purchase of land and therefore not capitalised within tangible fixed assets. The fund deficit at the year end is a result of short term timing differences however there is a realistic expectation that future funding will be received to cover this in the next accounting period. A total of £nil (2015 - £4,628) relates to VSDF Training Fund which had a balance carried forward from the prior year. The balance was expended during the year in line with the agreed terms and the unexpended balance was repaid to the donor. This fund represented monies received to enable GCP to provide SVQ training to twelve staff members to meet Scottish Social Services Council Registration requirements.

The directors consider the company's "free reserves" to be £255,765 (2015 - £203,618), comprising total unrestricted funds of £371,468 (2015 - £362,336), less unrestricted tangible fixed assets of £115,703 (2015 - £158,718). Investments are included in "free reserves" as the directors consider that the investment portfolio can be readily liquidated. The remainder of this amount, in excess of the £140,000 referred to previously, could be available for future development projects in addition to ongoing fundraising.

Glenurquhart Care Project's Pension Scheme became an auto-enrolment scheme, as per government requirements, and was established from March 2016.

Principal risks and uncertainties facing GCP are (1) in negotiating adequate contracts with NHS Highland for our current core services, (2) establishing sufficient additional income from other services or donation/grant sources, (3) retaining, evolving and adequately training the key personnel, (4) maintaining an adequate level of qualified volunteer support for Centre operations and overall management of GCP. Mitigation of these risks is by regular review by the Board and Manager, including engagement of community and political support as needed.

The employed Housing Project Manager ensured that the Project produced no significant deficit for GCP during the year. Substantial GCP Board Meeting time was taken up on the Project, from February 2015, but appropriate GCP Members were recruited by early 2016 to establish a subgroup that became the Board of GCP subsidiary Glenurquhart Care (Developments) Limited.

## **Plans for the future**

We continue to explore additional and continued effective uses for the space and facilities of the extended Centre with NHS Highland, Highland Council, other Health Services, Support Groups, and other relevant bodies.

We work with the Highland Health and Social Care Partnership (HHSCP) in line with our 'Integrated Care' concept for flexible delivery of integrated care services.

We continue Grant applications, including to local charity Soirbheas, to provide support for new services.

The Action Plan from our January 2016 Business Plan for 2015-2020 will continue to be monitored and reviewed.

Negotiations continue to assist the scope of our Home Care Service in our area, and we still seek to encourage 'outreach' Lunch Clubs where support is available and to work with neighbouring local care-provision charity "Beauy Cares."



# **GLENURQUHART CARE PROJECT (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

Establishment of a 'Section 22' Bus service, for which registration has been obtained, awaits agreement with Highland Council.

GCP subsidiary Glenurquhart Care (Developments) Limited, was incorporated 10 August 2016 to manage the Housing Project. GCP has funding to ensure the Housing Project and design proceeds to Planning and Warrant consents and to return of construction tenders. It is hoped, on behalf of our Community, to confirm Project viability at that stage, to allow construction to proceed in 2017.

NHS Highland has again not been able to increase our Day Care services funding, nor propose it for the next year. Negotiations with NHS/HHSCP will continue on Home Care services funding and to explore options for additional services and revenue streams within their Senior Care plans.

Other local needs, which the charity's objects and financial ability enable it to provide, may be considered, through The Glenurquhart Centre or by a separate project.

We had four Trustees/Directors by the end of the financial year, but by October 2016 we had six with one vacancy. New and existing Members with appropriate skills continue to be encouraged to volunteer their services, and to help GCP develop successfully. This is particularly important as we proceed with a social housing project. Appropriately assessed new Members will continue to be invited to work with the Board with a view to joining it.

## **Statement of Directors' Responsibilities**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Disclosure of information to auditor**

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

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

On behalf of the board of directors

*Neil MacInnes*

.....  
**Neil MacInnes**

Director

Dated: *14 Dec 2016*

# **GLENURQUHART CARE PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT**

## **TO THE TRUSTEES AND MEMBERS OF GLENURQUHART CARE PROJECT**

---

We have audited the accounts of Glenurquhart Care Project for the year ended 31 March 2016 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable for smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

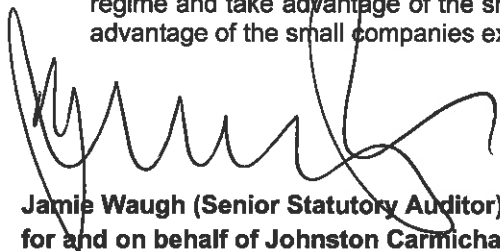
**TO THE TRUSTEES AND MEMBERS OF GLENURQUHART CARE PROJECT**

---

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper records and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information or explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



**Jamie Waugh (Senior Statutory Auditor)  
for and on behalf of Johnston Carmichael LLP**

**Chartered Accountants**

**Statutory Auditor**

Clava House

Cradlehall Business Park

INVERNESS

IV2 5GH

Dated: 15 December 2016

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b><u>Income from:</u></b>					
Donations and legacies	2	13,269	237,693	250,962	8,429
Investments	3	424	-	424	415
Charitable activities	4	419,940	-	419,940	410,159
Other	5	5,737	-	5,737	7,516
<b>Total income</b>		<b>439,370</b>	<b>237,693</b>	<b>677,063</b>	<b>426,519</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	2,811	-	2,811	2,265
<b>Charitable activities</b>					
Direct charitable expenditure		510,605	43,965	554,570	460,862
Other		-	3,680	3,680	-
<b>Total expenditure</b>		<b>513,416</b>	<b>47,645</b>	<b>561,061</b>	<b>463,127</b>
<b>Net (expenditure)/income</b>		<b>(74,046)</b>	<b>190,048</b>	<b>116,002</b>	<b>(36,608)</b>
<b>Transfers between funds</b>		<b>83,178</b>	<b>(83,178)</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains and losses</b>					
Net gains on investments		-	553	553	13,402
<b>Net movement in funds</b>		<b>9,132</b>	<b>107,423</b>	<b>116,555</b>	<b>(23,206)</b>
<b><u>Reconciliation of funds</u></b>					
Fund balances at 1 April 2015		362,336	450,758	813,094	836,300
<b>Fund balances at 31 March 2016</b>		<b>371,468</b>	<b>558,181</b>	<b>929,649</b>	<b>813,094</b>

The net movement in funds above is after charging non cash depreciation of £24,466 in 2016 and £23,650 in 2015.

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

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
BALANCE SHEET**

**AS AT 31 MARCH 2016**

	Notes	2016 £	£	2015 £	£
<b>Fixed assets:</b>					
Tangible assets	10	677,891		460,853	
Investments	11	201,641		247,798	
		<u>879,532</u>		<u>708,651</u>	
<b>Current assets:</b>					
Stocks	12	757		285	
Debtors	13	64,570		19,992	
Cash at bank and in hand		24,519		101,068	
		<u>89,846</u>		<u>121,345</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(39,729)</u>		<u>(16,902)</u>	
<b>Net current assets</b>			<u>50,117</u>		<u>104,443</u>
<b>Total net assets</b>			<u>929,649</u>		<u>813,094</u>
<b>Funds of the charity</b>					
Restricted funds	15	558,181		450,758	
Unrestricted funds (including revaluation reserve of £74,572 (2015: £74,019 restricted))		371,468		362,336	
<b>Total charity funds</b>			<u>929,649</u>		<u>813,094</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (FRSSE) (effective January 2015).

The accounts were approved by the Board on.....14 Dec 2016



Neil MacInnes  
Director

Company Registration No. SC157417

# **GLENURQUHART CARE PROJECT (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

## **1 Accounting policies**

### **1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The accounts have been prepared in accordance with applicable charity and company law, the Financial Reporting Standard for Smaller Entities (FRSSE) (effective January 2015) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective January 2015).

The charity has availed itself of s396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charities activities.

### **1.2 Income**

In accordance with the SORP income is recognised when entitlement has passed to the charity, receipt is probable and the amount can be measured reliably.

Donations and legacies are received by way of grants, donations and gifts and are included in full in the Statement of Financial Activities when receivable. Grants that provide funding of a general nature, are recognised where there is an entitlement, receipt is probable and the amount can be measured with sufficient reliability. Gifts in kind are recognised at their estimated gross value to the charity.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided), under contract, or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, receipt is probable, and the amount can be measured with sufficient reliability.

In accordance with the SORP, grants received towards capital expenditure have been recognised as restricted funds income and a depreciation charge has been allocated against restricted funds expenditure over the useful life of the asset concerned. Compliance with the SORP means that there is non-compliance with the Financial Reporting Standard for Smaller Entities which requires the grant to be treated as deferred income in the balance sheet.

Other income is recognised when receipt is probable and the amount can be measured reliably.

### **1.3 Expenditure**

Expenditure is recognised on an accruals basis when a present legal or constructive obligation exists, a transfer of economic benefits is probable and the amount can be measured or estimated reliably. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Raising funds expenditure comprises investment management costs incurred by the charity.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those associated with meeting constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of resources. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

---

**1 Accounting policies**

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings	2 % Straight Line
Office equipment	25 % Straight Line
Fixtures, fittings & equipment	25 % Straight Line
Motor vehicles	25 % Straight Line

**1.5 Investments**

Fixed asset investments are stated at market value. The excess market value above historic cost is recognised within a revaluation reserve.

**1.6 Stocks**

Stocks are valued at the lower of cost and net realisable value.

**1.7 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

**1.8 Cash at bank and in hand**

Cash at bank and in hand includes petty cash and funds held in bank accounts which are readily accessible.

**1.9 Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the 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 after allowing for any trade discounts due.

**1.10 Leasing commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

**1.11 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. Specific restricted fund details are provided in the notes to the financial statements.



**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

**2 Income from donations and legacies**

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Donations and gifts	13,269	-	13,269	8,429
Housing project grants	-	237,693	237,693	-
	<u>13,269</u>	<u>237,693</u>	<u>250,962</u>	<u>8,429</u>
<b>For the year ended 31 March 2015</b>				
Unrestricted funds				7,411
Restricted funds				1,018
				<u>8,429</u>

During the year the following grants over £2,000 were received:

Scottish Land Fund £201,000 (2015 - £nil)  
HIE £10,000 (2015 - £nil)  
Big Lottery Fund £7,900 (2015 - £nil)  
Siorbheas £9,193 (2015 - £nil)  
Highland Council - Ward Discretionary £8,950 (2015 - £nil)

**3 Income from investments**

	2016 £	2015 £
Income from listed investments	413	412
Interest receivable	11	3
	<u>424</u>	<u>415</u>
<b>For the year ended 31 March 2015</b>		
Unrestricted funds		3
Restricted funds		412
		<u>415</u>

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

**4 Income from charitable activities**

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Daycare income	184,153	-	184,153	187,811
Lunch income	17,988	-	17,988	20,202
Homecare income	217,799	-	217,799	202,146
	<u>419,940</u>	<u>-</u>	<u>419,940</u>	<u>410,159</u>
<b>For the year ended 31 March 2015</b>				
Unrestricted funds				410,159
Restricted funds				<u>-</u>
				<u>410,159</u>

During the year the following grants over £2,000 were received:

Highland Council Grant £217,799 (2015 - £202,146)

**5 Other income**

	2016 £	2015 £
Cleaning, laundry and other miscellaneous income	<u>5,737</u>	<u>7,516</u>
<b>For the year ended 31 March 2015</b>		
Unrestricted funds		7,516
Restricted funds		<u>-</u>
		<u>7,516</u>

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

**6 Expenditure**

	Staff costs £	Depreciation £	Other costs £	Total 2016 £	Total 2015 £
<b>Raising funds</b>	-	-	2,811	2,811	2,265
<b>Charitable activities</b>					
<u>Direct charitable expenditure</u>					
Activities undertaken directly	383,120	24,466	83,850	491,436	432,632
Support costs	-	-	63,134	63,134	28,230
Other costs	-	-	3,680	3,680	-
<b>Total expenditure</b>	<b>383,120</b>	<b>24,466</b>	<b>153,475</b>	<b>561,061</b>	<b>463,127</b>
<b>For the year ended 31 March 2015</b>					
Unrestricted funds					444,836
Restricted funds					18,291
					<b>463,127</b>

Expenditure on raising funds consists of investment management costs of £2,811 (2015 - £2,265).

Direct charitable expenditure over £2,000 consists of:

Wages and salaries - £383,120 (2015 - £333,924)  
 Light and heat - £13,328 (2015 - £6,907)  
 Insurance - £6,110 (2015 - £6,501)  
 Cleaning - £2,709 (2015 - £3,788)  
 Repairs and renewals - £10,104 (2015 - £8,706)  
 Telephone - £3,266 (2015 - £3,121)  
 Office expenses - £2,126 (2015 - £5,341)  
 Subscriptions and donations - £4,207 (2015 - £4,066)  
 Sundry - £7,353 (2015 - £6,591)  
 Catering expenses - £14,632 (2015 - £17,620)  
 Motor and travel expenses - £24,393 (2015 - £19,171)  
 Training expenses - £9,158 (2015 - £8,815)  
 Depreciation - £24,466 (2015 - £23,650)  
 Legal and professional fees - £42,680 (2015 - £4,589)  
 Audit fees - £5,000 (2015 - £4,800)

Other costs of £3,680 (2015 - £nil) relates to the repayment of an unexpended grant.

**7 Auditors remuneration**

Fees payable to the company's auditors during the year for audit services provided totalled £5,000 (2015 - £4,800) and fees for other services totalled £3,545 (2015 - £2,050).

**8 Directors**

None of the directors (or any persons connected with them) received any remuneration or had retirement benefits accruing to them during the year.

No director was reimbursed expenses during the year (2015 - none).

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

**9 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
General care	<u>28</u>	<u>26</u>

**Employment costs**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>363,205</b>	315,914
Social security costs	<b>19,915</b>	18,010
	<u><b>383,120</b></u>	<u>333,924</u>

There were no employees whose annual remuneration was £60,000 or more.

**10 Tangible fixed assets**

	<b>Land and buildings</b>	<b>Office equipment</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 April 2015	558,764	6,665	105,240	60,499	731,168
Additions	<u>232,856</u>	<u>2,819</u>	<u>5,829</u>	<u>-</u>	<u>241,504</u>
<b>At 31 March 2016</b>	<u><b>791,620</b></u>	<u><b>9,484</b></u>	<u><b>111,069</b></u>	<u><b>60,499</b></u>	<u><b>972,672</b></u>
<b>Depreciation</b>					
At 1 April 2015	118,662	5,898	103,558	42,197	270,315
Charge for the year	<u>10,212</u>	<u>358</u>	<u>1,695</u>	<u>12,201</u>	<u>24,466</u>
<b>At 31 March 2016</b>	<u><b>128,874</b></u>	<u><b>6,256</b></u>	<u><b>105,253</b></u>	<u><b>54,398</b></u>	<u><b>294,781</b></u>
<b>Net book value</b>					
<b>At 31 March 2016</b>	<u><b>662,746</b></u>	<u><b>3,228</b></u>	<u><b>5,816</b></u>	<u><b>6,101</b></u>	<u><b>677,891</b></u>
At 31 March 2015	<u>440,102</u>	<u>767</u>	<u>1,682</u>	<u>18,302</u>	<u>460,853</u>

Land and buildings includes £249,189 (2015 - £61,189) of land that is not depreciated.

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

<b>11</b>	<b>Fixed asset investments</b>		£
	<b>Listed investments</b>		
	Market value at 1 April 2015		247,798
	Disposals at opening book value		(48,183)
	Acquisitions at cost		1,101
	Change in value in the year		925
			<u>201,641</u>
	<b>Market value at 31 March 2016</b>		<u>201,641</u>
	Historical cost:		
	At 31 March 2016		<u>127,069</u>
	At 31 March 2015		<u>173,779</u>
<b>12</b>	<b>Stocks</b>	<b>2016</b>	<b>2015</b>
		£	£
	Catering stocks	656	65
	Stationery stocks	101	220
		<u>757</u>	<u>285</u>
<b>13</b>	<b>Debtors</b>	<b>2016</b>	<b>2015</b>
		£	£
	Trade debtors	34,716	-
	Prepayments and accrued income	29,854	19,992
		<u>64,570</u>	<u>19,992</u>
<b>14</b>	<b>Creditors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
		£	£
	Trade creditors	7,547	227
	Other taxation and social security	6,835	-
	Accruals	25,347	16,675
		<u>39,729</u>	<u>16,902</u>

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

**15 Restricted funds**

	Balance at 1 April 2015	Movement in funds			Transfers	Balance at 31 March 2016
		Income	Expenditure	Investments gains/losses		
	£	£	£	£		£
Fixed Asset Fund	446,130	-	(7,872)	553	(83,178)	355,633
Housing Project Capital Fund	-	206,555	-	-	-	206,555
Housing Project Revenue Fund	-	31,138	(35,145)	-	-	(4,007)
VSDF Training Fund	4,628	-	(4,628)	-	-	-
	<u>450,758</u>	<u>237,693</u>	<u>(47,645)</u>	<u>553</u>	<u>(83,178)</u>	<u>558,181</u>

The Fixed Asset Fund arose from bequests, donations and grants received towards the construction of the Glenurquhart Centre. The transfer to unrestricted funds represents the value of fixed asset investments for which no ongoing restrictions apply.

The Housing Project Capital Fund recognises restricted funding received towards the purchase of land for the development project. At the date of the financial statements the project is at the planning stage. The charity used the funds to purchase land during the year.

The Housing Project Revenue Fund recognises restricted funding received towards legal and professional fees incurred as part of the housing project that are not considered to be capital items. The fund deficit at the year end is a result of short term timing differences however there is a realistic expectation that future funding will be received to cover this in the next accounting period.

The VSDF Training Fund represented monies received to enable GCP to provide SVQ training to twelve staff members to meet future Scottish Social Services Council Registration requirements. Upon expiry of the grant the charity repaid £3,680 of unexpended income.

**GLENURQUHART CARE PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2016**

**16 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2016 are represented by:			
Tangible fixed assets	115,703	562,188	677,891
Investments	201,641	-	201,641
Current assets	93,853	(4,007)	89,846
Creditors: amounts falling due within one year	(39,729)	-	(39,729)
	<u>371,468</u>	<u>558,181</u>	<u>929,649</u>
Unrealised gains included above:			
On investments	74,572	-	74,572
	<u>74,572</u>	<u>-</u>	<u>74,572</u>
Reconciliation of movements in unrealised gains			
Unrealised gains at 1 April 2015	74,019	-	74,019
Realised losses on disposals	(372)	-	(372)
Net gains on revaluations in year	925	-	925
Unrealised gains at 31 March 2016	<u>74,572</u>	<u>-</u>	<u>74,572</u>

**17 Contingent liabilities**

The Highland Council hold a standard security over the Glenurquhart Centre in respect of restricted capital funding provided.

**18 Commitments under operating leases**

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Expiry date:		
Between two and five years	<u>955</u>	<u>955</u>

**19 Related party transactions**

There are no related party transactions to disclose for the current or prior year.

**20 Control**

The charity is controlled by its directors on behalf of its members.