

**Company Registration No. SC388110**  
**Charity Registration No. SC042118**

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE**

**DIRECTORS REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2012**

**SIGNPOST INC**  
Highland Rail House  
Station Square  
Inverness  
IV1 1LE

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

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**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES ANNUAL REPORT  
YEAR ENDED 30 NOVEMBER 2012**

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The trustees, who are also directors for the purpose of company law, have pleasure in presenting their annual report and the unaudited financial statements of the charity for the year ended 30 November 2012.

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	Nairn Improvement Community Enterprise
<b>Charity registration number</b>	SC042118
<b>Company registration number</b>	SC388110
<b>Registered office</b>	Drumdelnies Delnies by Nairn IV12 5NT

**THE TRUSTEES**

The trustees under charity law, who are also the directors under company law, who served the charity during the year were as follows:

D M Barnett  
J M Ferguson (*resigned 16 May 2012*)  
M J Hilton  
I Fairweather  
Mrs R S Young  
Dr A L Noble  
L G Kerr  
R H Furze (*appointed 25 July 2012, and terminated 11 February 2013*)  
J N Hart (*appointed 25 July 2012*)  
M P Swanson (*appointed 19 October 2012*)

**Secretary** Douglas Michael Barnett

**Bankers** Royal Bank of Scotland  
20 High Street  
Nairn  
IV12 4AY

**Independent Examiner** Mohamed Ashour ACIE  
Signpost INC  
Highland Rail House  
Station Square  
Inverness  
IV1 1LE

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES ANNUAL REPORT (*continued*)  
YEAR ENDED 30 NOVEMBER 2012**

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The directors, who are also the trustees under charity law, submit their report and financial statements for the year ended 30 November 2012.

The company was incorporated on 3 November 2010 as a Company Limited by Guarantee and was recognised by OSCR (the Office of the Scottish Charities Regulator) as a Scottish Charity on 7 February 2011. Recognition under the Land Reform Act (Scotland) 2003 - the 'Right to Buy' legislation - was granted on 25 September 2012.

At the year end the company had received membership applications from 578 adult individuals resident in Nairnshire.

**Financial Review**

The company incurred an operating deficit of £15,527 during the year, which was funded by personal interest-free loans from the directors. A grant from Awards For All was also received during the year.

**Objectives and Activities**

The company's initial activity was to act as lobbying group with particular regard to the town centre of Nairn. The company expressed the views of its members on proposals for the town centre development put forward by Highland Council and others, and also submitted its own alternative ideas supported by a detailed plan. Recognition as a Community Body was granted by the Minister on 25<sup>th</sup> September 2012, and the directors then sought and received a grant of £10,000 from Awards For All to conduct a feasibility study for the acquisition, conversion, and use of the 'Old Social Work' building in Nairn town centre.

**Plans for the Future**

The feasibility study is underway and due to be complete in July 2013, and the directors have agreed with Highland Council to develop a partnership approach and to consult with elected Highland Councillors.

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES ANNUAL REPORT *(continued)*  
YEAR ENDED 30 NOVEMBER 2012**

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**Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Examiner**

The directors decided to take advantage of the changes brought in by the Companies Act 2006 in respect of the audit requirements for small companies and opted to have an Independent Examination.

Mohamed Ashour ACIE of Signpost INC was appointed to act as Independent Examiner.

**Small Company Provisions**

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

This report was approved by the Trustees on      May 2013 and signed on their behalf by

**D M Barnett**

Date:    /05/2013

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT EXAMINER'S REPORT  
YEAR ENDED 30 NOVEMBER 2012**

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I report on the accounts of the charity for the year ended 30 November 2012 which are set out on pages 6 to 11.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors of the company for the purposes of Company Law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

**Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity, and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention

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

**Mohamed Ashour ACIE**

Date: /05/2013

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND  
EXPENDITURE ACCOUNT)  
YEAR ENDED 30 NOVEMBER 2012**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Donations	2	40	-	40	302
Grants	3	-	10,000	10,000	300
<b>TOTAL INCOMING RESOURCES</b>		<b>40</b>	<b>10,000</b>	<b>10,040</b>	<b>602</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities	4	(15,442)	-	(15,442)	(220)
Governance Costs	5	(125)	-	(125)	(89)
<b>TOTAL RESOURCES EXPENDED</b>		<b>(15,567)</b>	<b>-</b>	<b>(15,567)</b>	<b>(309)</b>
<b>NET INCOME FOR THE YEAR</b>		<b>(15,527)</b>	<b>10,000</b>	<b>(5,527)</b>	<b>293</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		293	-	293	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(15,234)</b>	<b>10,000</b>	<b>(5,234)</b>	<b>293</b>

The charitable company's operations are classed as continuing and recognised gains and losses and movement on reserves are shown above.

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET  
YEAR ENDED 30 NOVEMBER 2012**

	Note	2012		2011	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Cash at bank and in hand		11,510		362	
<b>CREDITORS: Amounts due within one year</b>	<b>6</b>	<u>(1,344)</u>		<u>(69)</u>	
<b>NET CURRENT ASSETS</b>			<b>10,166</b>		<b>293</b>
<b>CREDITORS: Amounts due after more than one year</b>	<b>7</b>		<u>(15,400)</u>		<u>-</u>
<b>NET ASSETS</b>			<b>(5,234)</b>		<b>293</b>
<b>FUNDS</b>					
Unrestricted funds			(15,234)		293
Restricted funds			<u>(10,000)</u>		<u>-</u>
<b>Total funds</b>			<b>(5,234)</b>		<b>293</b>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 Of the Act.

The trustees acknowledge their responsibilities for:

- i. ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- ii. preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393 and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the committee on 16/07/12 and are signed on their behalf by:

**D M Barnett**  
Date: /05/2013

**I Fairweather**  
Date: /05/2013

The notes on pages 8 and 11 form part of these financial statements.



**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 NOVEMBER 2012**

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**1 Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice, “Accounting and Reporting by Charities” issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

***Incoming Resources***

Incoming resources are recognised in the statement of financial activities when entitlement has passed to the charitable company and the amounts are certain and measurable. Any incoming resources received in an accounting year that relate exclusively to future years are deferred on the Balance Sheet.

***Resources Expended***

Expenditure is recognised in the statement of financial activities when a liability is incurred or increased without a commensurate increase in recognised assets or a reduction in liabilities.

***Funds***

***Unrestricted Funds***

These represent all other funds held for the general purposes of the charitable company.

***Restricted Funds***

These represent income received that is subject to specific restrictions for use determined by the donor which are narrower than the charitable company’s general objects.

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS *(continued)*  
YEAR ENDED 30 NOVEMBER 2012**

**2 Donations**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2012</b>	<b>Total 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Community Councils	-	-	-	300
Other donations	40	-	40	2
<b>Total</b>	<b>40</b>	<b>-</b>	<b>40</b>	<b>302</b>

**3 Grants**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2012</b>	<b>Total 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
The Highland Council	-	-	-	300
Awards For All	-	10,000	10,000	-
<b>Total</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>	<b>300</b>

**4 Charitable Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2012</b>	<b>Total 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Charitable activities	15,442	-	15,442	220
<b>Total</b>	<b>15,442</b>	<b>-</b>	<b>15,442</b>	<b>220</b>

**5 Governance Costs**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2012</b>	<b>Total 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Company formation expenses	-	-	-	20
Independent Examination	125	-	125	69
<b>Total</b>	<b>125</b>	<b>-</b>	<b>125</b>	<b>89</b>

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS *(continued)*  
YEAR ENDED 30 NOVEMBER 2012**

**6 CREDITORS: Amounts due within one year**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2012</b>	<b>Total 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accruals	1,344	-	1,344	69
<b>Total</b>	<b>1,344</b>	<b>-</b>	<b>1,344</b>	<b>69</b>

**7 CREDITORS: Amounts due after more than one year**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2012</b>	<b>Total 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest-free loans	15,400	-	15,400	-
<b>Total</b>	<b>15,400</b>	<b>-</b>	<b>15,400</b>	<b>-</b>

**8 Movement on Funds**

	<b>At 01 December 2011</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>At 30 November 2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted Funds</b>				
Grants	-	10,000	-	10,000
<b>Sub total</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>
<b>Unrestricted Funds</b>				
General Fund	293	40	(15,567)	(15,234)
<b>Sub total</b>	<b>293</b>	<b>40</b>	<b>(15,567)</b>	<b>(15,234)</b>
<b>Total Funds</b>	<b>293</b>	<b>10,040</b>	<b>(15,567)</b>	<b>(5,234)</b>

**NAIRN IMPROVEMENT COMMUNITY ENTERPRISE  
(COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS (*continued*)  
YEAR ENDED 30 NOVEMBER 2012**

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**9 Related Party Transactions**

No trustees or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year. Four Trustees and their associates made interest-free loans totalling £15,400 to the company with no fixed repayment date.

**10 Staff**

During the year, Nairn Improvement Community Enterprise has not employed any staff.

**11 Directors' Remuneration**

No fees or emoluments were payable or paid to the directors in the year, in accordance with the company's Articles. The company secretary was reimbursed printing and postage cost of £234.

**12 Company Limited by Guarantee**

The liability of members is limited by guarantee. In the event of the charity being wound up during the year of membership or in the following year, members would be required to contribute an amount not exceeding £1.

**13 Taxation**

As a charity, Nairn Improvement Community Enterprise is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity. The charity is not registered for VAT.