

REGISTERED COMPANY NUMBER: SC142456 (Scotland)
REGISTERED CHARITY NUMBER: SC020879

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2015
for
Cothrom**

Campbell Stewart MacLennan & Co
Chartered Accountants
8 Wentworth Street
Portree
Highland
IV51 9EJ

Cothrom

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for the Year Ended 31 March 2015**

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**Cothrom
Chairman's Report
for the Year Ended 31 March 2015**

This year was extremely busy for the organisation. Included in the "usual" range of tasks was the culmination of years of work to provide the capital funding for the new recycling centre. Thanks go to Janice Fraser, who has now left the organisation for all her hard work in this respect. I am delighted to say that the full £825,635 required for the new building is in place and a site start is anticipated in September 2015.

This project will greatly increase the range of services we are able to offer to learners and the community in general. The building includes new workshop areas, a larger retail outlet and more storage space. The main difference that learners will see is a larger variety of training courses including SQA accredited programmes and work with textiles.

Each year Cothrom has approximately 200 learners on its register. This includes SVQ courses, computing, literacy and numeracy, employability programmes and practical skills in woodworking and gardening. This requires a team of dedicated Tutors to provide the individual courses that are needed to make sure that each learner can reach their own potential in a way that suits them.

As usual we must thank our funders for their continued support. This year as always there are some new funders but we also recognise others that have provided their support for many years, allowing us to deliver the services to the community of Uist and Barra.

Thanks also to Directors, Staff and Volunteers for their continued efforts, which makes Cothrom the vibrant, successful organisation it is.

David Blaney

Chair

**Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC142456 (Scotland)

Registered Charity number

SC020879

Registered office

Ormiclate
South Uist
Western Isles
HS8 5SB

Trustees

D Blaney
G Wells
S J MacLean
L MacLeod
I F MacDonald
A Campbell

Retired Bank Officer
Gaelic Development Sabhal Mor Ostaig
Small Business Owner
Finance Administration, Storas Uibhist/Former Learner
Retired HIE Development Manager/Accountant
Chairperson of Share/Daliburgh - appointed May 2014

Company Secretary

Mrs B MacDonald

Independent examiner

Faye MacLeod
Member of ICAS
Campbell Stewart MacLennan & Co
Chartered Accountants
8 Wentworth Street
Portree
Highland
IV51 9EJ

Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015

REFERENCE AND ADMINISTRATIVE DETAILS

Staff Full-time

Barbara MacDonald
Agnes MacDonald
Shona MacKay
Marion Matheson
Christopher Steele

Manager
Training Co-ordinator
Senior Nursery Practitioner
Support Worker/SVQ Tutor/Peripatetic Nursery Manager
Recycling Assistant

Staff Part-time

Helen Cherry
Lynne Thomson
Morag MacKinnon
Mairead MacCormick
Paula MacInnes
Jessie MacPhee
Rebecca Steele
Thomas Fisher
Janice Fraser
Natalie Matheson
Jade Cantos
Mary MacIntyre
Graham Manchester
Maria MacDonald
Helen MacKinnon
Suzanne Morrison
Mairi Thomson
Shona MacIntyre

Finance Administrator
Finance Administrator
Deputy Nursery Manager
Nursery Assistant
Nursery Assistant
Nursery Assistant
Trainee Nursery Assistant
Enterprise Development
Development Officer
Enterprise Support Worker
Enterprise Worker/Trainee Admin Assistant
Trainee Admin Assistant
Adult Learning Tutor
Adult Learning Tutor
Adult Learning Tutor
Adult Learning Tutor
Hospitality SVQ Tutor
Cleaner

Freelance Staff

Janice Mackay
Mary Morrison
Alastair Wilson
Suzanne Simpson
Sarah MacLean
Susan Walker
Laura Donkers
Martin Davies

Volunteers

Iain Dingwall
Tom Rankin
Roddy Bowie
Robert MacIntyre
Alessandro Giuliani

Nursery Relief Staff

Morag MacLissac
Donna Beaton
Audrey Peers

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Cothrom is a membership organisation of over 500, most of whom live in Uists and Barra. It is from this membership that Directors are elected each year at the AGM.

Organisational structure

The board of trustees are responsible for approving and reviewing budgets, developing the charity's long term strategy/policies and monitoring the charity's financial position. Employees are responsible for the day-to-day operations of the charity.

Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

To provide community based learning and training, supported by quality Gaelic childcare, which enables inclusion and encourages full participation in the economic, social and cultural life of the Western Isles.

1. To Provide Support and Learning Opportunities for the local community.
2. To Develop a Sustainable Economic and Environmental Strategy for the Organisation.
3. To Promote the Language and Culture of our local community.
4. To Support the local Community to become more Resilient, Enterprising and Sustainable.

**Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Cothrom Óg 14-15

Cothrom Óg is the only full time nursery in the Uist which is run as total Gàidhlig immersion facility. The nursery provision can accommodate 36 children at any one time from the ages of 3 months to 5 years. The facility also provides a breakfast club, after school and holiday clubs. 37 children were registered to use the nursery service in this year.

Activities

- Kerry MacPhee from South Uist who was selected to represent Scotland in the Commonwealth Games cycling team came to talk to the children and showed them the bike she would be using to compete.
- We ran a Mum's Group for 6 weeks providing information sessions on First Aid, Healthy snacks, relaxation techniques, beauty therapy, child smile, alcohol and drug awareness. The feedback was very positive "Don't know what I would have done without the group" "I feel so much better". The impact of the group was evident and the mum's stated they felt more confident, more able to cope, felt more relaxed regarding food and healthy snacks. We held our first nativity play and had tea and mince pies for our audience. The play is available to view on our website www.cothrom.net
- We held our first nativity play and had tea and mince pies for our audience. The play is available to view on our website www.cothrom.net
- Five children graduated this year. All the children who graduated went out for lunch to Kildonan Museum and then we held our graduation ceremony.
- The Gaelic Bookbug staff came from Stornoway to hold a session with the children and the parents in the Nursery, it was a very successful session and both the children and parents enjoyed it.
- We were very fortunate to have Sineag MacIntyre visit us recently for a singing workshop with the children. Sineag taught the children a few action songs which the children thoroughly enjoyed. This was arranged by Mary Anne Campbell through CnaG.

Triple P

The Triple P - Positive Parenting Programme is a multi-level system of family intervention for parents of children who have or are at risk of developing behaviour problems. It is a preventative orientated programme which aims to promote positive, caring relationships between parents and their children, and to help parents develop effective management strategies for dealing with a variety of childhood behaviour problems and common developmental issues. An 8 week Group Triple P took place at Cothrom, ten parents attended and the outcomes were very successful.

Outings

The children took part in a local sports event held in Balivanich School which included all nurseries and primary schools throughout the Southern Isles. All the children received a medal which was presented by Kerry MacPhee. Linked to this theme was the arrival of the Commonwealth Baton in South Uist where they were all able to touch it. Afterwards we visited the play park and enjoyed a picnic lunch.

The children also visited the local thrift shop for juice and bought a jigsaw to take back to nursery. A group of older children went to the walled garden and planted flowers and vegetables; they also helped to pick the potato crop. In the nursery they then used what they had picked to make soup. These activities make the children more aware of diet, healthy eating, and the growing cycle, which are included in the experiences and outcomes of Health and Well Being in the Curriculum for Excellence.

Game on Challenge

The children also took part in The Game on Challenge which was an initiative to encourage children to participate in more sport. This was run in conjunction with the Commonwealth Games. We had to devise a sporting programme for the children and send evidence when we had completed the challenge and the benefits this had for the children. The nursery was awarded the Game on Challenge plaque, this was the only one awarded in the Western Isles. We were also given Clyde the Mascot for the Commonwealth Games. The children all took Clyde home for a sleep-over. The pictures and our story were then added to the Game on Challenge website. <http://www.gameonscotland.org/gameonchallenge/>

Staff Training

Over the course of the year staff have attended training on Child Protection, First Aid, Risk Assessment, Food Hygiene, Understanding Attachment, Mind Stretchers, Planning, and Foetal Alcohol Spectrum Disorder as well as In-house training on Observation. Staff found all the training useful for their professional development. This has allowed us to develop our planning and observation and has raised awareness of parental inclusion. Through attending training staff are keeping abreast of new legislation which has a positive impact on the nursery.

Fundraising

The children raised money for Save the Children by wearing a Christmas jumper. They raised the amount of £31.00

**Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Recycling

Within the nursery kitchen we have recycling bins which the children use to recycle tins, plastic and glass, raising their Eco awareness. This area is linked to the experiences and outcomes for Sciences in the Curriculum for excellence. The children were also involved in a topic about recycling highlighting the importance of recycling at home and the impact that being eco-friendly has on the environment.

Family Room

The Family Room is now being used by visiting professionals such as the Health Visitor, Speech and Language therapist, optician etc. This benefits parents as they do not have to take time off from work for their children's check-ups. This room is also used for Multi-agency meetings to discuss any issues regarding children attending the nursery. We also use the room to provide supervised access for parents and families.

Story Chair

Piotr Wronecki, one of our adult learners has been busy at Re-Store making a beautiful story chair for our story corner. The chair will be used by the children when telling us their news or stories.

Parent's Evening

A parents evening was held in December was very well attended. In the family room we also provided information stalls on healthy lunchboxes, Triple P and Childsmile.

Parent's Committee

Four of the Nursery parents have come forward to form a parents committee. We look forward to working with them to improve our nursery provision and to offer practical support to the nursery.

International Women's Day

This event was held in March providing various sessions for women to participate in and was attended by ninety women, once again the Nursery provided the childcare for the event. Feedback included comments "Couldn't have come without childcare 'Great to have a day to myself' 'Made me feel good about myself' 'I deserve this'.

Cothrom Training 14-15

The number of learners accessing the Adult Learning Service for 2014/15 was 85, with 55 of them being new to the service. The learners are accessing a variety of courses from driving theory support; preparatory tuition for CSCS card; core skill qualifications in numeracy and communication; personal development units; basic computing and many more. From the youngest learner at 15 to the eldest at over 80, it shows that there is always a place in learning for each of us.

Helen MacKinnon has settled in well to the role of Adult Learning Tutor in the Barra Office and has supported learners to build on existing skills and explore new ones. Officially the Office is open Mondays and Thursdays 9.30am to 2.30pm, but Helen is flexible with her time so is always willing to change to fit the learner's needs. All the training courses available in the Ormiclate Learning Centre can be delivered in Barra, and during this year, 2 students completed the Children's Care Learning and Development SVQ. A further 2 students completed the Modern Apprenticeship in Hospitality Services, through working in local establishments, with the Tutor travelling fortnightly for tutorials and live observations in the workplace.

There were a few changes of staff within the Adult Learning Service with Suzanne Morrison leaving us for a more important job of mother to Orla Mae who arrived in May 2014; Graham Manchester who retired in August 2014; and Alistair Wilson who moved to the mainland. Maria MacDonald joined us in September 2014 and is developing into a confident Tutor, providing very good support for learners. Maria, Helen and Susan (Freelance Tutor) are presently studying for the Introductory Training in Adult Learning Literacies (ITALL) with support from colleagues in Lewis & Harris. This SQA accredited course will allow them to develop new skills, share good practice and be certificated for their work.

Skills Development Scotland Individual Learning Accounts(ILAs) can provide up to £200 towards the cost of employability focused learning or training, and are a great way to improve your skills and move into, or up, in the workplace. A number of learners have applied for ILAs and are now studying PC Passport at Intermediate and Advanced levels. This course gives you an excellent underpinning knowledge of Microsoft programmes and the practical skills to complete administrative tasks.

Classes for ESOL learners continue to be held weekly in Balivanich Hall and these have been popular for both the learning and social aspects. New learners have continued to join the beginner and intermediate groups, and 9 learners have completed an SQA accredited qualification. All learners are keen to progress to the next level of the Everyday Communication unit as they find this is a great way to improve their spoken and written English.

**Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Cothrom Adult Learners Forum (CALF) continues to meet regularly in the Learning Centre to discuss any issues they may have and have their say on what they would like to happen within the service. Some of the Lewis & Harris Adult Learners travelled from Stornoway to join us at our Celebration of Learning in September 2014. This was a great way for all learners to meet so that they could share experiences, and work together to promote and develop learning provision in the Western Isles. Since then both groups have had meetings through Skype and this has become a fun way to keep in touch. CALF has also been busy fundraising for a return trip to Stornoway where Western Isles Learners Forum (WILF) will play host.

'Learning on the Edge' Adult Literacies in the Western Isles, the Annual Report jointly produced by Cothrom and the Learning Shop, CnES, was circulated in September 2014. This included stories of their learning journey from learners who attend the Ormiclate Learning Centre. Hard copies are still available at the Ormiclate Learning Centre so please feel free to pick up a copy.

Learners continue to be involved in the progress of the small social enterprise called strupag@cothrom that was developed in 2012. This has allowed them to increase their skills, gain a Personal Development qualification at individual level and for some of them to progress onto work experience outwith Cothrom. This is open on Wednesdays, from 1pm to 3pm, for tea, coffee and homemade cake and fits in well with a visit to the Post Office which is open in the Centre from 2pm to 4pm. The learners love meeting and greeting customers so why not find the time to call in to enjoy a relaxing cup of tea at strupag@cothrom soon.

The Lifeskills programme ran for 8 weeks with a group of 12 learners covering topics including budgeting, lifestyle, healthy eating and of course the making and enjoying of a meal. Once the weather improved some of the learners progressed to work at Falachan Cothrom, the Walled Garden in Daliburgh. The learners have been busy digging, weeding and planting and have been joined by a number of volunteers who share the workload. This is an excellent area that brings together members of the community and of course produces a wide selection of vegetables. The produce is shared by the learners and any excess sold within Cothrom and the monies raised used to purchase the next lot of seeds or plants. Funding has been secured to further develop the garden and this work will take place over the next year.

JobCentrePlus (JCP) and Cothrom are working together in the Southern Isles to help all working age people in that area, and you can now meet a JCP representative at the Ormiclate Learning Centre.

Drop in sessions are available fortnightly on Tuesdays between 10.00am and 12.00 noon and help is available for those claiming benefits to set up e-mail addresses; help with digital signing; access Universal Jobmatch; how to navigate to other sites; how to complete a Better of Calculations online for those who are returning to work; claim Jobseekers Allowance On Line and answer any other queries that claimants may have. Individual appointments can be made by telephoning the JobCentrePlus, Benbecula Office.

Modern Apprenticeships were completed by 10 students in Business & Administration, Management, Children's Care, Learning & Development and Hospitality. Feedback from the Employers and Students involved has been positive with employers recognising that these qualifications are an excellent way to prove knowledge and understanding in a particular sector. It was found that students could play a stronger role in the businesses' operation once the MA had been achieved.

In January 2015 Cothrom gained accreditation for the SVQ in Horticulture at Level 1 and 2. This qualification is integral to the Hebridean Gardeners course, offered in partnership with Lews Castle College, Benbecula Campus. With the Tutors, Laura Donkers and Sue MacDonald, the 11 students who enrolled in March 2015 are busy gaining knowledge and understanding of horticulture. As the weather improves this theory will be put into practice while they dig, plant and weed.

The Employability Fund programme funded by Skills Development Scotland continues to be delivered in partnership with Comhairle nan Eilean Siar (Accredited Training & Skills) and Lews Castle College. This programme is aimed at providing employability skills, work experience and sector-specific qualifications. 46 participants engaged in this programme with over 70% progressing to further training, apprenticeships and employment.

Community Economic Development 14-15
Enterprise on the Edge

This project, funded by RBS Inspiring Youth Enterprise, was launched in April 2014. Over the course of a year, we trained people in mentoring, engaged in extensive community outreach to young people, provided intensive coaching for those wanting to launch an enterprise, delivered the Inspiring New Business competition, and undertook significant evaluation.

Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The project boosted the number of young people on the islands going into business by up to 50%, and significantly enhanced the geographic spread of these young entrepreneurs across the Outer Hebrides, and not just in or around Stornoway. In figures, Enterprise on the Edge:

- Engaged with 120 young people to help them explore enterprise, and followed up with a third of these to help them explore whether they wanted to take their enterprising idea forward
- Worked with 28 young people to develop their enterprise idea
- 8 of the young people are currently expected to set up in business in 2015, almost all of whom would not have developed their business idea without the support of Enterprise on the Edge.
- Two group enterprises, one on Lewis and one on Uist, will be also be launched in 2015
- 8 young people worked towards an accredited qualification in enterprise.

Of the eight young people likely to set up in business in 2015, all were referred to the Prince's Trust Youth Business Scotland, who are able to invest in business start-ups.

Enterprise work with partners

In this financial year, we continued our partnership with the CnES Skills & Enterprise team to deliver an enterprise workshop for senior pupils in Harris, and with the Social Enterprise Academy to complete the Wide Horizons programme for unemployed and other young people on Barra, and deliver additional programmes in Uist and Stornoway (the last in partnership with CnES' First Steps). For their enterprise experience, the young people organised a film fest (Barra), a café (Uist) and a bubble football event (Stornoway). We also continued to support the Social Enterprise Academy's training for primary school teachers on Uist to support pupils setting up social enterprises using Gaelic.

Fundraising

The CED team continued to engage significantly in fundraising. The key successes include securing:

- Funding from the Climate Challenge Fund for a one-year horticulture project to promote local growing and develop local training provision in horticulture, in partnership with Tagasa Uibhist.
- A small pot of funding from the North Alliance (won at a Dragon's Den event at their annual conference) to promote mentoring on Uist.

Cothrom ReStore 14-15

The Re-Store project continues to be busy with plenty of donated furniture. This year the total sales figures were £17,761 and this reflects the additional work being done via small landscaping/gardening contracts. The income from the textiles has remained steady at £2,684 although this is forecast to reduce in the future as this market is falling globally.

Repair and return of restored furniture is a growing area of work and this not only helps to save the items from landfill but it ensures that many of the older pieces of furniture receive the care and attention they need to continue to be useful. In addition to this, Re-Store also makes wooden items such as benches, bookcases to order.

New Recycling Centre

In November 2014 a full funding package of £825,635 for the new Recycling Centre was completed as below:

Funder	Amount
The Big Lottery	£412,818
Council Capital Grants	£100,000
Scottish Government Regeneration Fund	£160,000
Highlands and Islands Enterprise	£100,000
LandAid	£40,000
Cothrom Ltd	£12,817
Total	£825,635

**Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Work continues to complete the revenue funding to provide extra staffing for the project which will allow us to:

1. Offer a wider scope of bespoke learning to more people who need intensive support to reach a positive destination.
2. Offer external and internal accreditation of learning, through a range of courses, bringing the quality of experience at ReStore onto a par with the training already delivered at Cothrom's main learning centre.
3. Become more financially resilient - at a time when budgets are constrained, we want the ability to offer support to those who need it most. Greater control of our own income will help us to do that.
4. Provide an appropriate level of dedicated staffing with the experience and training they need to develop ReStore in terms of both its training provision and its economic sustainability.
5. Deliver our services in attractive custom-built facilities, carbon-neutral, well equipped and economical to run, which are designed to be an inclusive, accessible and practical setting, fully fit for purpose.

Highlights

- A chair was recovered by Chris in partnership with Uist Wool for the Hebtember festival. The wool was spun in the mill in Grimsay, woven in Harris and then used to recycle the chair in South Uist.
- Funding was received from the People's Postcode Trust for the development of the walled garden at St Peters in Daliburgh. This funding will allow us to replace the gate, lay paving slabs to make the garden more accessible and buy a shed for shelter for rainy days.
- Please follow our website and facebook page for the latest sale items and any news from the project.

Thanks to the community for their continued donations and support of the project and to our tireless volunteers who make the project work so successful.

FINANCIAL REVIEW

Reserves policy

The Trustees regularly review the level of reserves to ensure that they are suitable for the planned activity and have examined the requirement to retain free reserves, which are those unrestricted funds not invested in fixed assets, designated to a specific purpose or otherwise committed and these stood at £91,780 at 31 March 2015 (2014 - £79,848) which the directors consider adequate to maintain operational capacity for the foreseeable future.

In the view of the Trustees it is appropriate to hold at least three months running costs to protect the interests of the charity and it's employees. The Trustees therefore consider that the appropriate minimum level of reserves required to be £80,000.

Principal funding sources

Comhairle nan Eilean Siar
Skills Development Scotland
Highlands and Islands Enterprise
Lankelly Chase Foundation
The Childcare Partnership
Alcohol and Drugs Partnership
Ironmongers Company
The Robertson Trust
Royal Bank of Scotland
Social Enterprise Academy
LandAid Charitable Trust
Peoples Postcode Trust
Lews Castle College

Cothrom (Registered number: SC142456)
Report of the Trustees
for the Year Ended 31 March 2015

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Cothrom for the purposes of company law) are responsible for preparing 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Approved by order of the board of trustees on 10th Sept 2015 and signed on its behalf by:

B MacDonald
B MacDonald - Secretary

**Independent Examiner's Report to the Trustees of
Cothrom (Registered number: SC142456)**

I report on the accounts for the year ended 31 March 2015 set out on pages twelve to twenty two.

Respective responsibilities of trustees and examiner

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

Basis of the independent examiner's report

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

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Faye MacLeod
Member of ICAS
Campbell Stewart MacLennan & Co
Chartered Accountants
8 Wentworth Street
Portree
Highland
IV51 9EJ

Date:10/9/15.....

Cothrom

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2015

	Notes	Unrestricted fund £	Restricted funds £	31.3.15 Total funds £	31.3.14 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Activities for generating funds	2	15,949	-	15,949	19,476
Investment income	3	68	-	68	72
Incoming resources from charitable activities					
Adult Learning	4	53,489	12,755	66,244	57,877
Children's Care		8,776	-	8,776	10,910
National Programmes		67,573	-	67,573	57,499
Business Training		1,644	-	1,644	2,704
Cothrom Og		67,452	-	67,452	74,871
Nightclasses		575	-	575	1,090
Re-store		29,395	20,052	49,447	48,361
Community Development		24,803	31,938	56,741	49,041
Other activities		1,566	-	1,566	509
Gaelic		-	-	-	7,200
Re-store Development		-	17,023	17,023	13,423
Total incoming resources		271,290	81,768	353,058	343,033
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs		(3,175)	-	(3,175)	-
Charitable activities					
Adult Learning		50,453	12,755	63,208	62,985
Children's Care		13,454	-	13,454	10,940
National Programmes		59,820	-	59,820	60,489
Business Training		14,137	-	14,137	15,736
Cothrom Og		66,759	-	66,759	69,566
Nightclasses		75	-	75	210
Cothrom Centre		-	25,152	25,152	25,444
Re-store		24,213	20,052	44,265	56,472
HILLS		-	-	-	10
Community Development		26,164	31,556	57,720	52,562
Other activities		2,852	-	2,852	2,962
Gaelic		-	-	-	7,107
Re-store Development		-	6,438	6,438	11,211
Governance costs		3,782	-	3,782	1,863
Total resources expended		258,534	95,953	354,487	377,557
NET INCOMING/(OUTGOING) RESOURCES		12,756	(14,185)	(1,429)	(34,524)

The notes form part of these financial statements

Cothrom

Statement of Financial Activities - continued
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2015

	Notes	Unrestricted fund £	Restricted funds £	31.3.15 Total funds £	31.3.14 Total funds £
RECONCILIATION OF FUNDS					
Total funds brought forward		93,848	1,133,042	1,226,890	1,261,414
TOTAL FUNDS CARRIED FORWARD		<u>106,604</u>	<u>1,118,857</u>	<u>1,225,461</u>	<u>1,226,890</u>

The notes form part of these financial statements

**Cothrom
Balance Sheet
At 31 March 2015**

	Notes	Unrestricted fund £	Restricted funds £	31.3.15 Total funds £	31.3.14 Total funds £
FIXED ASSETS					
Tangible assets	8	14,824	1,090,088	1,104,912	1,118,273
CURRENT ASSETS					
Stocks		3,175	-	3,175	-
Debtors	9	29,168	-	29,168	48,679
Cash at bank and in hand		<u>79,412</u>	<u>90,441</u>	<u>169,853</u>	<u>120,881</u>
		111,755	90,441	202,196	169,560
CREDITORS					
Amounts falling due within one year	10	(19,975)	(61,672)	(81,647)	(60,943)
NET CURRENT ASSETS		<u>91,780</u>	<u>28,769</u>	<u>120,549</u>	<u>108,617</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>106,604</u>	<u>1,118,857</u>	<u>1,225,461</u>	<u>1,226,890</u>
NET ASSETS		<u>106,604</u>	<u>1,118,857</u>	<u>1,225,461</u>	<u>1,226,890</u>
FUNDS	12				
Unrestricted funds				106,604	93,848
Restricted funds				<u>1,118,857</u>	<u>1,133,042</u>
TOTAL FUNDS				<u>1,225,461</u>	<u>1,226,890</u>

The notes form part of these financial statements

Cothrom (Registered number: SC142456)

**Balance Sheet - continued
At 31 March 2015**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2015 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 10th Sept 2015 and were signed on its behalf by:



D Blaney -Trustee



I F MacDonald -Trustee

The notes form part of these financial statements

Cothrom

Notes to the Financial Statements for the Year Ended 31 March 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income consists of bank interest received.

Income from charitable activities includes grants for the provision of goods or services to beneficiaries, including income from service level agreements, and other fees and income raised from activities carried out in furtherance of the charitable objectives.

The sale of donated furniture which is restored by the charity users is recognised as charitable activity income when the transaction takes place.

Grants are deferred where the funder imposed pre-conditions regarding the timing of services performed by the charity.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the company in the delivery of its activities and services to beneficiaries. It includes both costs that can be directly allocated to such activities and those costs of an indirect nature necessary to support them. Support costs in connection with generating voluntary and investment income are not significant and have therefore not been apportioned.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include accountancy fees and costs relating to the strategic management of the company.

Cothrom is not VAT registered and expenditure therefore includes the related irrecoverable VAT.

Stock

Restored finished stock for resale is valued at the price the item is likely to realise upon sale.

Donated furniture stock held at the year end which is yet to be restored, has not been recorded within the balance sheet, as the value of the furniture greatly increases upon restoration and has little value until this point.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost
Plant and machinery etc	- 25% on reducing balance and 20% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2015**

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

A designated fund is that part of the charity's unrestricted funds that the charity trustees have decided to earmark or designate, for a particular purpose.

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

Lease commitments

Rentals paid under operating leases are charged to the SOFA as incurred. Lease obligations are disclosed in the notes to the financial statements.

2. ACTIVITIES FOR GENERATING FUNDS

	31.3.15	31.3.14
	£	£
Fundraising events	406	987
Hire of rooms	12,540	13,078
Wind turbine income	2,853	5,261
Broadband mast income	<u>150</u>	<u>150</u>
	<u>15,949</u>	<u>19,476</u>

3. INVESTMENT INCOME

	31.3.15	31.3.14
	£	£
Deposit account interest	<u>68</u>	<u>72</u>

Cothrom

Notes to the Financial Statements - continued
for the Year Ended 31 March 2015

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Activity	31.3.15 £	31.3.14 £
Comhairle nan Eilean Siar	Adult Learning	31,006	34,600
Grants	Adult Learning	12,755	-
ESOL	Adult Learning	4,297	4,865
Fees charged and sales	Adult Learning	175	312
Training income	Adult Learning	18,011	18,100
Childcare Partnership	Children's Care	6,522	7,950
Other income	Children's Care	2,254	2,960
Comhairle nan Eilean Siar	National Programmes	18,871	4,647
Get Ready for Work	National Programmes	14,077	25,999
Other income	National Programmes	3,793	2,783
Modern Apprenticeships	National Programmes	30,832	24,070
Individual Learning Accounts	Business Training	980	480
Other income	Business Training	42	-
Fees charged and sales	Business Training	622	2,224
Comhairle nan Eilean Siar	Cothrom Og	33,156	19,951
Childcare Partnership	Cothrom Og	1,117	-
Other income	Cothrom Og	1,221	3,788
Cothrom Og fees	Cothrom Og	31,767	50,068
Fees charged and sales	Cothrom Og	191	1,064
Comhairle nan Eilean Siar	Nightclasses	500	1,000
Fees charged and sales	Nightclasses	75	90
Comhairle nan Eilean Siar	Re-store	6,057	2,690
Highlands and Islands	Re-store	2,625	-
Grants	Re-store	20,052	32,000
Future Jobs Fund	Re-store	-	1,522
Other income	Re-store	266	346
Textile Bank income	Re-store	2,685	1,648
Fees charged and sales	Re-store	17,762	10,155
Comhairle nan Eilean Siar	Community Development	6,196	4,675
Highlands and Islands	Community Development	-	19,574
Grants	Community Development	31,938	13,500
Other income	Community Development	3,233	482
Fees charged and sales	Community Development	-	2,435
Social Enterprise Academy	Community Development	15,374	5,825
CSPP	Community Development	-	2,550
Comhairle nan Eilean Siar	Other activities	601	-
Other income	Other activities	965	509
Bord na Gaidhlig	Gaelic	-	7,200
Grants	Re-store Development	17,023	13,423
		<u>337,041</u>	<u>323,485</u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2015**

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued

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

	31.3.15	31.3.14
	£	£
Alcohol Drug Partnership	24,807	8,000
Ironmonger's Company	5,000	5,000
Robertson Trust	3,000	19,000
Lankelly Chase Foundation	5,000	12,500
Big Lottery Fund Grant	17,023	13,423
RBS Inspiring Enterprise		
	<u>26,938</u>	<u>1,000</u>
	<u>81,768</u>	<u>58,923</u>

5. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.15	31.3.14
	£	£
Depreciation - owned assets	28,033	28,818
Fees for accountancy and other services	5,219	2,309
Independent Examination Fees	<u>1,580</u>	<u>910</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2015 nor for the year ended 31 March 2014.

Trustees' expenses

S Maclean, was paid £136 (2014 - £Nil) for travelling expenses to attend trustee meetings.

The trustees have taken out trustee liability insurance. The annual premium is £42 (2014 - £42).

7. STAFF COSTS

	31.3.15	31.3.14
	£	£
Wages and salaries	210,291	229,989
Social security costs	<u>9,825</u>	<u>14,184</u>
	<u>220,116</u>	<u>244,173</u>

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

	31.3.15	31.3.14
Cothrom staff members	<u>23</u>	<u>20</u>

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

A breakdown of staff members, freelance tutors, volunteers and nursery relief staff is provided in the trustees report.

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2015**

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2014	1,249,999	56,611	18,000	9,805	1,334,415
Additions	<u>10,704</u>	<u>1,200</u>	<u>-</u>	<u>2,768</u>	<u>14,672</u>
At 31 March 2015	<u>1,260,703</u>	<u>57,811</u>	<u>18,000</u>	<u>12,573</u>	<u>1,349,087</u>
DEPRECIATION					
At 1 April 2014	145,843	47,064	16,198	7,037	216,142
Charge for year	<u>24,342</u>	<u>2,687</u>	<u>450</u>	<u>554</u>	<u>28,033</u>
At 31 March 2015	<u>170,185</u>	<u>49,751</u>	<u>16,648</u>	<u>7,591</u>	<u>244,175</u>
NET BOOK VALUE					
At 31 March 2015	<u>1,090,518</u>	<u>8,060</u>	<u>1,352</u>	<u>4,982</u>	<u>1,104,912</u>
At 31 March 2014	<u>1,104,156</u>	<u>9,547</u>	<u>1,802</u>	<u>2,768</u>	<u>1,118,273</u>

Included in cost or valuation of land and buildings is freehold land of £30,656 (2014 - £30,656).

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.15 £	31.3.14 £
Trade debtors	25,638	44,592
Other debtors	<u>3,530</u>	<u>4,087</u>
	<u>29,168</u>	<u>48,679</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.15 £	31.3.14 £
Bank loans and overdrafts	189	3,609
Trade creditors	2,472	8,822
Taxation and social security	3,300	-
Other creditors	<u>75,686</u>	<u>48,512</u>
	<u>81,647</u>	<u>60,943</u>

Grants totalling £61,672 (2014 - £42,572) were deferred at the 31 March 2015 to reflect the timing of services performed by the charity. Grant income of £42,572 was released from the previous year.

Cothrom

Notes to the Financial Statements - continued
for the Year Ended 31 March 2015

11. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	31.3.15 £	31.3.14 £
Expiring:		
Within one year	-	1,800
Between one and five years	<u>3,662</u>	<u>-</u>
	<u>3,662</u>	<u>1,800</u>

12. MOVEMENT IN FUNDS

	At 1.4.14 £	Net movement in funds £	At 31.3.15 £
Unrestricted funds			
General fund	93,848	12,756	106,604
Restricted funds			
Cothrom Centre	1,130,829	(25,151)	1,105,678
Enterprise on the Edge	-	382	382
Big Lottery Fund Grant	<u>2,213</u>	<u>10,584</u>	<u>12,797</u>
	<u>1,133,042</u>	<u>(14,185)</u>	<u>1,118,857</u>
TOTAL FUNDS	<u>1,226,890</u>	<u>(1,429)</u>	<u>1,225,461</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	271,290	(258,534)	12,756
Restricted funds			
Community Development	5,000	(5,000)	-
Enterprise on the Edge	26,938	(26,556)	382
Big Lottery Fund Grant	17,023	(6,439)	10,584
Robertson Trust	3,000	(3,000)	-
Iron Mongers Company	5,000	(5,000)	-
Alcohol & Drugs Partnership	24,807	(24,807)	-
Cothrom Centre	<u>-</u>	<u>(25,151)</u>	<u>(25,151)</u>
	<u>81,768</u>	<u>(95,953)</u>	<u>(14,185)</u>
TOTAL FUNDS	<u>353,058</u>	<u>(354,487)</u>	<u>(1,429)</u>

Cothrom

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2015**

12. MOVEMENT IN FUNDS - continued

The Cothrom Centre fund is for the charity's centre situated at Ormiclate, South Uist which combines training rooms, a workshop, offices and a Gaelic Nursery.

The Lankelly Chase Foundation awarded grant funding towards the charity's community development program. During the year ended 31 March 2015, £5,000 of grant funding was recognised as income against costs paid of £5,000.

The Enterprise on the Edge fund is a program designed to help young people across the Outer Hebrides explore enterprising opportunities in their own communities and provide support in setting up their own enterprises. £26,938 of grant funding was recognised during the year against costs paid of £26,938. A balance of £9,160 has been deferred and will be released during the year ended 31 March 2016.

The Big Lottery Fund Grant was received for the planning and design of a new workshop for the charity's re-store project. During the year ended 31 March 2015, £17,023 of income was recognised against costs paid of £6,438 and capitalised expenditure of £10,585. The balance of funds carried forward consists of capitalised expenditure £12,797.

The Robertson Trust funding was received for the charity's re-store project. During the year ended 31 March 2015, £3,000 of grant funding was recognised as income against costs paid of £3,000.

The Iron Monger Company funding was received for the charity's re-store project. During the year ended 31 March 2015, £5,000 of grant funding was recognised as income against costs paid of £5,000.

The Alcohol & Drug Partnership funding was received for the charity's re-store and adult learning project. During the year ended 31 March 2015, £24,807 of grant funding was recognised as income against costs paid of £24,807.

During the year ended 31 March 2015, £12,512 of grant funding was received from the People's Postcode Trust. This income has been deferred as it was provide for charity's walled garden project, which had yet to commence at 31 March 2015.

During the year ended 31 March 2015, £40,000 of grant funding was received from the Landaid Charitable Trust. This income has been deferred as it was provide for the purchase of land in relation to the new Re-store building, which had yet to occur at 31 March 2015.

13. ULTIMATE CONTROLLING PARTY

The company is limited by guarantee and is controlled by its board of directors.

Cothrom

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2015**

	31.3.15 £	31.3.14 £
INCOMING RESOURCES		
Activities for generating funds		
Fundraising events	406	987
Hire of rooms	12,540	13,078
Wind turbine income	2,853	5,261
Broadband mast income	<u>150</u>	<u>150</u>
	15,949	19,476
Investment income		
Deposit account interest	68	72
Incoming resources from charitable activities		
Comhairle nan Eilean Siar	96,387	67,563
Highlands and Islands	2,625	19,574
Grants	81,768	58,923
Childcare Partnership	7,639	7,950
Get Ready for Work	14,077	25,999
Future Jobs Fund	-	1,522
Individual Learning Accounts	980	480
ESOL	4,297	4,865
Other income	11,774	10,868
Cothrom Og fees	31,767	50,068
Modern Apprenticeships	30,832	24,070
Textile Bank income	2,685	1,648
Fees charged and sales	18,825	16,280
Social Enterprise Academy	15,374	5,825
CSPP	-	2,550
Bord na Gaidhlig	-	7,200
Training income	<u>18,011</u>	<u>18,100</u>
	<u>337,041</u>	<u>323,485</u>
Total incoming resources	353,058	343,033
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Closing stock	(3,175)	-
Charitable activities		
Wages	210,291	229,989
Social security	9,825	14,184
Rent, rates and water	9,788	9,506
Light and heat	7,253	5,363
Staff travel	15,155	6,030
Course materials, fees	3,530	6,445
Tutor payments	10,843	13,709
Carried forward	266,685	285,226

This page does not form part of the statutory financial statements

Cothrom

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2015**

	31.3.15 £	31.3.14 £
Charitable activities		
Brought forward	266,685	285,226
Consumable supplies	4,135	2,815
Care costs	191	1,064
Trainee payments and travel	17,374	19,461
Repairs	2,907	3,601
Cleaning	1,593	1,711
Disclosures and inspections	1,026	122
Motor expenses	2,481	2,566
Staff/student events	4,949	3,879
Strupag costs	110	121
Deprn of equipment	1,806	2,007
Deprn of vehicles	<u>451</u>	<u>601</u>
	303,708	323,174
Governance costs		
Accountancy	3,156	1,820
Sundry expenses	<u>626</u>	<u>43</u>
	3,782	1,863
Support costs		
Management		
Insurance	3,820	3,706
Telephone	3,569	3,694
Postage and stationery	4,053	4,487
Advertising	2,200	2,994
Memberships and subscriptions	1,058	759
Water cooler	375	310
Computer support	570	595
Staff training	605	3,314
Bad debt	120	545
Sundry expenses	2,071	2,170
Professional fees	3,641	1,399
Deprn of property	24,343	24,342
Deprn of equipment	881	1,175
Computer equipment	<u>554</u>	<u>692</u>
	47,860	50,182
Finance		
Bank charges	425	452
Human resources		
Software licences	605	604
HR Mentoring	<u>1,282</u>	<u>1,282</u>
	<u>1,887</u>	<u>1,886</u>
Total resources expended	354,487	377,557
Net expenditure	<u><u>(1,429)</u></u>	<u><u>(34,524)</u></u>

This page does not form part of the statutory financial statements