

North West Highland Community Enterprises Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2017

North West Highland Community Enterprises Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A Nicolson
J Laing
A Jones
R Liley – Appointed 20 June 2016
A MacCalman - Resigned 20 June 2016

SECRETARY

L MacDonald

REGISTERED OFFICE

Morrison House
Bayfield
Portree
Isle of Skye
IV51 9EW

AUDITOR

RSM UK Audit LLP
Third Floor
Centenary House
69 Wellington Street
Glasgow
G2 6HG

BANKERS

Royal Bank of Scotland
Bank Street
Portree
Isle of Skye
IV51 9BX

North West Highland Community Enterprises Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of North West Highland Community Enterprises Limited for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was the provision of housing properties for letting at mid-market rents.

DIRECTORS

The directors who served the company during the year and up to the date of this report are listed on page 1.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

By order of the Board



L MacDonald

Company Secretary

Date: 27 June 2017

North West Highland Community Enterprises Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 directors 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 company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH WEST HIGHLAND COMMUNITY ENTERPRISES LIMITED

Opinion on financial statements

We have audited the financial statements on pages 5 to 8. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

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 financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements 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 (APB's) Ethical Standards for Auditors.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



KELLY ADAMS CA MA (Hons) (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Third Floor
Centenary House
69 Wellington Street
Glasgow G2 6HG

Date: 4/7/17

North West Highland Community Enterprises Limited

INCOME STATEMENT

for the year ended 31 March 2017

	<i>Notes</i>	2016/17 £	2015/16 £
TURNOVER		28,192	27,876
Administrative expenses		28,033	27,638
OPERATING PROFIT	1	<u>159</u>	<u>238</u>
Interest payable and similar charges		-	-
PROFIT BEFORE TAXATION		<u>159</u>	<u>238</u>
Tax on profit		-	-
PROFIT AFTER TAXATION FOR THE FINANCIAL FOT THE FINANCIAL YEAR		<u><u>159</u></u>	<u><u>238</u></u>

North West Highland Community Enterprises Limited

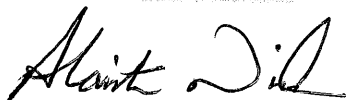
STATEMENT OF FINANCIAL POSITION

as at 31 March 2017

		31/03/2017		31/03/2016	
	Notes	£	£	£	£
CURRENT ASSETS					
Stocks		1		1	
Debtors	2	151		443	
Cash at bank and in hand		57		189	
		<u>209</u>		<u>633</u>	
CREDITORS					
Amounts falling due within one year	3	(2,255)		(2,838)	
NET CURRENT LIABILITIES					
			<u>(2,046)</u>		<u>(2,205)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>(2,046)</u>		<u>(2,205)</u>
NET LIABILITIES					
			<u>(2,046)</u>		<u>(2,205)</u>
CAPITAL AND RESERVES					
Called up share capital	5		1		1
Profit and loss account	6		(2,047)		(2,206)
SHAREHOLDERS' FUNDS					
			<u>(2,046)</u>		<u>(2,205)</u>

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

The financial statements on pages 5 to 8 were approved by the Board of Directors and authorised for issue on 27 June 2017 and are signed in their behalf by:



A Nicolson

Director

North West Highland Community Enterprises Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

FIRST TIME ADOPTION OF FRS 102

These financial statements are the first financial statements the Company has prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102. The financial statements of the Company for the year ended 31 March 2016 were prepared in accordance the Financial Reporting Standard for Smaller Entities (effective January 2015).

TURNOVER

Turnover represents the rental income receivable from the letting of properties.

VALUE ADDED TAX

The company is registered for VAT as part of a group registration with Lochalsh and Skye Housing Association. The income to 31 March 2017 is exempt and therefore expenditure is shown inclusive of VAT.

GOING CONCERN

The financial statements have been prepared on a going concern basis. There were net current liabilities of £2,046 at 31 March 2017 (£2,208 at 31 March 2016) and the company relies on the continued support of the company's Parent organisation which has been confirmed in writing.

FINANCIAL INSTRUMENTS

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

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument, and are offset only when the Association currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss.

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

North West Highland Community Enterprises Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2017

1	OPERATING PROFIT		
	Operating profit is stated after charging:		
		2016/17	2015/16
		£	£
	Auditor's fees	<u>1,296</u>	<u>1,200</u>
2	DEBTORS:		
		31/03/17	31/03/16
		£	£
	Former tenant rent arrears	1,482	1,974
	Provision for doubtful debts	<u>(1,331)</u>	<u>(1,531)</u>
		<u>151</u>	<u>443</u>
3	CREDITORS: Amounts falling due within one year		
		31/03/17	31/03/16
		£	£
	Amounts owed to group undertakings	1,007	1,144
	Corporation tax	-	-
	Rents in advance	-	494
	Other creditors	<u>1,248</u>	<u>1,200</u>
		<u>2,255</u>	<u>2,838</u>
4	RELATED PARTY TRANSACTIONS		
	During the year ended 31 March 2017, rent of £19,035 (£18,847 2015/16) was charged from Lochalsh and Skye Housing Association, the company's ultimate parent company, to North West Highland Community Enterprises Limited for the rental properties to be made available for letting.		
	Lochalsh and Skye Housing Association also charged a management fee of £7,783 (£5,939, 2015/16) to the company in the year for the provision of administration services.		
	Amounts due from North West Highland Community Enterprises Limited to Lochalsh and Skye Housing Association amounted to £1,007 at 31 March 2017 (£1,144, 31 March 2016).		
5	SHARE CAPITAL		
		31/03/17	31/03/16
		£	£
	Allotted, called up and fully paid:		
	1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
6	PROFIT AND LOSS ACCOUNT		
		2016/17	2015/16
		£	£
	At the beginning of the year	(2,206)	(2,444)
	Profit for the financial year	159	238
	At the end of the year	<u>(2,047)</u>	<u>(2,206)</u>
7	ULTIMATE PARENT COMPANY		
	The company's parent undertaking at the balance sheet date was Lochalsh and Skye Housing Association, a charitable registered society under the Co-operative and Community Benefit Societies Act 2014 and registered with the Financial Conduct Authority, registration number 2132 RS.		
8	FIRST TIME ADOPTION OF FRS 102		
	The adoption of FRS 102 has no effect on the amounts reported in the Financial Statements for previous years.		