

THE HIGHLAND COUNCIL
PLANNING, DEVELOPMENT AND INFRASTRUCTURE
COMMITTEE

Agenda Item	19
Report No	PDI 53/14

5 NOVEMBER 2014

BEINN THARSUINN WINDFARM COMMUNITY LTD

Report by Director of Planning and Development

Summary

This report details the activities of Beinn Tharsuinn Windfarm Community Limited during Financial Year 2013/14 and recommends that Members accept the Financial Statement 31 March 2014 on behalf of Highland Council.

1. Background

- 1.1 Beinn Tharsuinn Windfarm Community Ltd (hereafter referred to as the Company) is a Charitable Co. Ltd. by Guarantee of which Highland Council is the sole company member. The purpose of the Company is to distribute a community benefit fund paid to the Company by Scottish Power, the developer of the Beinn Tharsuinn Windfarm. Payment commenced in 2007 and will continue for 25 years. The community benefit comprises a fixed payment of £58,000 per year (£2,000 per MW installed capacity) which is due every 1 April plus a generating bonus due on 31 January in the year following the year to which it refers. The bonus payment paid in 2013/14 was £25,514.48 giving a total payment for the year of £83,514.48. The Company also received £1,245.30 in interest, making the total income £84,759.78.
- 1.2 Ten communities are eligible for funding: Alness, Ardgay, Ardross, Creich, Dornoch, Edderton, Invergordon, Kilmuir and Logie Easter, Kiltarn and Tain. The total fund is divided amongst the communities according to a percentage based on the impact of the windfarm on each community. The communities receiving the largest shares are those immediately neighbouring the windfarm: Ardgay, Ardross, Creich and Edderton. The grant-making decisions are made by each Community Council at Community Council meetings, recorded in the minutes and open to public scrutiny.
- 1.3 The Company business is managed by a Board of Directors comprising Directors (and alternate Directors) from each of the ten communities. The Senior Ward Manager for Caithness, Sutherland and Easter Ross has attended to represent the Council. The Company is administered by the Company Secretary who is the Ward Manager for East Sutherland and Edderton. The Company accounts are managed through Highland Council financial systems.

2. Summary of Company Activities in Financial Year 2013/14

2.1 Payment of Grants

The Company paid a total £51,921.60 in grants to 43 projects. The following table shows the amounts paid to projects in each of the ten communities:

Community	No. projects supported	Total grant paid (£)
Alness	0	-
Ardgay	10	12,193.00
Ardross	5	10,668.99
Creich	11	14,591.00
Dornoch	5	4,238.61
Edderton	2	900.00
Invergordon	3	3,280.00
Kilmuir and Logie Easter	4	2,950.00
Kiltearn	1	1,200.00
Tain	2	1,900.00
TOTAL (Note 1)	43	51,921.60

Note 1: The attached Financial Statement shows Charitable Activities totalling £54,922. The reason for this is that a £3,000 grant, payable in FY14/15, was coded to FY13/14 in error. This has been corrected as accrued funds (See Balance Sheet Note 3).

The attached Financial Statement contains details of the Company's balance, income and expenditure.

3 Implications

There are no resource, legal, equality, climate change/Carbon Clever risk or rural implications resulting from this report.

Recommendation

Members of PED Committee are recommended to:

- (i) note the activities of Beinn Tharsuinn Windfarm Community Limited; and
- (ii) accept, on behalf of Highland Council, the Financial Statement of Beinn Tharsuinn Windfarm Community Limited for year ending 31 March 2014.

Designation: Director of Planning and Development

Date: 16 October 2014

Author: Phil Tomalin, Ward Manager East Sutherland and Edderton

Background Paper:

Financial Statement Beinn Tharsuinn Windfarm Community Ltd 31 March 2014

Company Number SC319675

Charity Number SC 041233

Financial Statements

BEINN THARSUINN WINDFARM COMMUNITY LIMITED

31 March 2014

BEINN THARSUINN WINDFARM COMMUNITY LTD
FINANCIAL STATEMENTS

Year Ended 31 March 2014

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BEINN THARSUINN WINDFARM COMMUNITY LTD

DIRECTORS' ANNUAL REPORT

Year Ended 31 March 2014

Chairperson: Peter Allen

Company Secretary: Phil Tomalin

Directors: Russell Taylor (resigned 18 July 2013)
Peter Campbell
Sarah Cartwright (resigned 14 March 2014)
John Whitelaw
Leslie Logan
John Edmondson
Peter Allen
Peter Fairgrieve
Phil Olson
David Macdonald
Alister Ferguson
Alan Lawrence
George Porter
Tina McCaffery
Ewen Simpson
Judith Sutherland
Sharyn Griffin
Iain Clark
Norman Macdonald (appointed 12 August 2013)

Independent Examiner: Ian Mackay
c/o Mackay & Co
Chartered Accountants
Main Street
Golspie
KW10 6RH

Registered Office: c/o The Highland Council
Drummuie
Golspie
Sutherland
KW10 6TA

BEINN THARSUINN WINDFARM COMMUNITY LTD

DIRECTORS' ANNUAL REPORT continued

The Directors submit their report and unaudited financial statements for the year ended 31 March 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The governing documents of the company are the Memorandum and Articles of Association of the Company which was incorporated on 27 March 2007. Beinn Tharsuinn Windfarm Community Ltd is a company limited by guarantee of £1 and has no share capital. The company obtained charitable status on 1 February 2010.

The Directors who served during the year ended 31 March 2014 are shown on the previous page.

The company is limited by guarantee and, therefore, no director has an interest in the company.

OBJECTIVES AND ACTIVITIES

The principal aim of the Company is to provide or assist in the provision of finance to community groups which must benefit the community within a 15 km radius of the Beinn Tharsuinn Windfarm and which must demonstrate community support and long term sustainability.

ACHIEVEMENTS AND PERFORMANCE

During 2013/14 the company continued to assist community groups in the area in their charitable purposes, distributing grants totalling £54,922 (2013 - £54,620).

FINANCIAL REVIEW

The company derived its funds from grants received from power generation from the Beinn Tharsuinn Windfarm.

The directors have established a policy whereby sufficient unrestricted funds are held to cover any short term requirements.

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Those procedures are periodically reviewed to ensure that they still meet the needs of the charity.

SMALL COMPANY PROVISIONS


This report has been prepared in accordance with the special provisions for small companies under the Companies Act 2006.

Registered Office

c/o The Highland Council
Drummuie
Golspie
Sutherland
KW10 6TA

23 September 2014

Signed by Order of the Directors


.....
Company Secretary
P Tomalin

BEINN THARSUINN WINDFARM COMMUNITY LTD

Independent Examiner's Report to the Trustees of Beinn Tharsuinn Windfarm Company Ltd

I report on the accounts of the charity for the year ended 31 March 2014 which are set out on pages 4 to 5.

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, and
 - to prepare accounts which accord with the accounting records and 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.



Ian Mackay
Chartered Accountant (ICAS)
Main Street
Golspie
KW10 6RH

23 September 2014

BEINN THARSUINN WINDFARM COMMUNITY LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2014

		31 March	
	Notes	2014	2013
		£	£
INCOMING RESOURCES			
Voluntary income		83514	99389
Investment income		<u>1246</u>	<u>1343</u>
		84760	100732
RESOURCES EXPENDED			
Charitable activities		54922	54620
Governance costs		<u>250</u>	<u>264</u>
		<u>55172</u>	<u>54884</u>
NET INCOMING RESOURCES		29588	45848
Reserves brought forward		<u>226343</u>	<u>180495</u>
Reserves carried forward		<u>255931</u>	<u>226343</u>

BEINN THARSUINN WINDFARM COMMUNITY LTD

BALANCE SHEET – 31 MARCH 2014

		31 March	
		2014	2013
	Notes	£	£
CURRENT ASSETS			
Debtors	2	259201	226613
CURRENT LIABILITIES			
Creditors	3	<u>3270</u>	<u>270</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>255931</u>	<u>226343</u>
RESERVES			
General reserve		<u>255931</u>	<u>226343</u>

For the year ended 31 March 2014 the company was entitled to exemption from audit under section 477(2) of the Companies Act 2006 relating to small companies.


The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring the company keeps accounting records which comply with section 386 of the Companies Act 2006.

The directors acknowledge their responsibility for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

These accounts have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the directors on 23 September 2014 and are signed on their behalf by:


.....
Director
PETER ALLEN

BEINN THARSUINN WINDFARM COMMUNITY LTD

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2014

1 ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with applicable accounting standards, including the Statement of Recommended Practice, Accounting by Charities.

INCOME

Contributions received are accounted for when receivable.

2 DEBTORS	2014 £	2013 £
Funds held in Highland Council Loans Fund	<u>259201</u>	<u>226613</u>

3 CREDITORS	2014 £	2013 £
Accrued charges	<u>3270</u>	<u>270</u>

4 STATUS OF THE COMPANY

The company is limited by guarantee and does not have a share capital. The liability of the members is limited but is not to exceed £1 per member.