

**Report of the Directors and
Financial Statements for the Year Ended 31 March 2009
for
Halkirk District Benefit Fund**

Reid & Fraser
15 Princes Street
Thurso
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Halkirk District Benefit Fund

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for the Year Ended 31 March 2009**

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Halkirk District Benefit Fund

**Company Information
for the Year Ended 31 March 2009**

DIRECTORS:	P J W Blackwood W Manson Mrs K Cartwright S Mills Mrs J Mowat
SECRETARY:	Macleod & MacCallum Solicitors
REGISTERED OFFICE:	28 Queensgate Inverness Highland IV1 1YN
REGISTERED NUMBER:	281781 (Scotland)
INDEPENDENT EXAMINER:	Stuart Walker BAcc CA Reid & Fraser 15 Princes Street Thurso Caithness KW14 7BQ
BANKERS:	Royal Bank of Scotland plc
CHARITY NUMBER:	SC039254

Halkirk District Benefit Fund

Report of the Directors for the Year Ended 31 March 2009

The directors present their report with the financial statements of the company for the year ended 31 March 2009.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company was incorporated on 18 March 2005 and is limited by guarantee, not having a share capital. The company was registered by the Office of the Scottish Charity Regulator as a charity under the Scottish Charity number SC039254 on 16 February 2008.

Each member of the company has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of Halkirk District Benefit Fund being placed in liquidation.

Directors

The directors during the year of review to the date of this report are detailed on company information page 1.

One third of the directors retire in rotation annually but may be re-appointed for a further period of three years provided that no director shall serve continuously for a period of more than six years without there being a period of not less than one year when that person does not act as a director.

OBJECTIVES AND ACTIVITIES

The principal activity of the company in the year under review was that of the promotion of the general interests of the Halkirk District Community Council area.

ACHIEVEMENTS AND PERFORMANCE

During the year to 31 March 2009 the membership was invited to apply for grants to assist with projects which would benefit both Group and Individual members. A number of applications were received and by 31 March 2009 the directors had considered and paid grants to:

- a) Spittal Village Hall to assist with the renovations of Spittal Village Hall.
- b) Halkirk Primary School Parents Council to assist with travel and accommodation costs for a school trip.
- c) Halkirk Sports & Recreation Club towards the cost of goal posts and equipment for junior football.

Grants had also been awarded, but remain unpaid at the year end, to the following:

- a) Halkirk Community Sports Foundation for the provision of sports equipment.
- b) Archie Sinclair Fossil Centre towards the cost of constructing a full scale broch.
- c) Halkirk Village Council for the installation of floodlighting.
- d) Halkirk Football Club for football strips.

FINANCIAL REVIEW

The directors consider the financial status of the company to be in a satisfactory state with surplus funds being invested on the Money Market at competitive rates of interest producing additional revenue so increasing the company's reserves available for grants.

Reserves

The reserve balances represent the unrestricted and restricted fund balances arising from past operating results. The directors are satisfied that the reserves will meet the working capital requirements of the company.

Halkirk District Benefit Fund

**Report of the Directors - continued
for the Year Ended 31 March 2009**

PLANS FOR FUTURE PERIODS

The directors will continue to publicise the fund and raise its profile through advertising and holding membership meetings. Member Groups and Individuals will be invited to apply for grants for projects that will benefit the community.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to

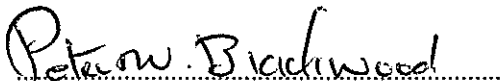
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1985. 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.

SMALL COMPANY EXEMPTIONS

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:


.....
Director

Date: 18/06/2009.....

**Independent Examiners' Report on the Unaudited Accounts
to the Directors of Halkirk District Benefit Fund**

I report on the financial statements for the year ended 31 March 2009 set out on pages 5 to 9. The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and the Statement of Recommended Practice – Accounting and Reporting by Charities (2005).

Respective responsibilities of directors and independent examiners

As described on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK accounting standards. The directors consider that the audit requirement of Regulation 10(1)(d) of the Accounts Regulations does not apply. In accordance with the directors' instructions and in order to assist them to fulfil their responsibilities, I have prepared the financial statements from the accounting records and from the information and explanations supplied to me.

It is my responsibility to examine the financial statements in accordance with section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My work was conducted 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 the directors related to 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.

Report of the independent examiner

In the course of my examination, nothing has come to my attention 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 9 of the 2006 Accounts Regulations

have not been met.

In my opinion, the accounts for the year ended 31 March 2009 are in accordance with those records. Further, nothing has come to my attention in connection with my examination that, in my opinion, should be drawn to your attention in order to enable a proper understanding of the accounts to be reached.

Stuart Walker BAcc CA
Reid & Fraser
Chartered Accountants
15 Princes Street
Thurso
KW14 7BQ

Date: 10.8.09

Halkirk District Benefit Fund

Income and Expenditure Account incorporating Statement of Financial Activities for the Year Ended 31 March 2009

	Notes	Unrestricted Funds 2009 £	Restricted Funds 2009 £	Total funds 2009 £	Total funds 2008 £
Incoming resources					
Sponsorship and Donations		-	-	-	-
Activities to further the Trust's objectives:					
Wind farm – Community income		61,321	-	61,321	58,664
Bank interest		25,343	-	25,343	26,427
Miscellaneous income		-	-	-	-
Total incoming resources		86,664	-	86,664	85,091
Resources expended					
Costs of activities in furtherance of charitable objectives:					
Grants awarded	2	281,100	-	281,100	12,648
Management & administration	3	4,181	-	4,181	2,578
Donations		-	-	-	-
Total resources expended		285,281	-	285,281	15,226
Net (outgoing)/ incoming resources before transfers		(198,617)	-	(198,617)	69,865
Funds transferred		-	-	-	-
Net movement in funds for period		(198,617)	-	(198,617)	69,865
Total funds brought forward		513,424	-	513,424	443,559
Total funds carried forward		314,807	-	314,807	513,424

There were no recognised gains or losses for the period other than those included in the Statement of Financial Activities. All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements

Halkirk District Benefit Fund

Balance Sheet 31 March 2009

		2009	2008
	Notes	£	£
CURRENT ASSETS			
Debtors	6	318	4,404
Cash at bank		<u>519,189</u>	<u>509,520</u>
		519,507	513,924
CREDITORS			
Amounts falling due within one year	7	<u>(54,700)</u>	<u>(500)</u>
NET CURRENT ASSETS		<u>464,807</u>	<u>513,424</u>
CREDITORS			
Amounts falling due after more than one year	8	<u>(150,000)</u>	<u>-</u>
NET ASSETS		<u>314,807</u>	<u>513,424</u>
RESERVES			
General Fund	9	<u>314,807</u>	<u>513,424</u>
		<u>314,807</u>	<u>513,424</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 March 2009.

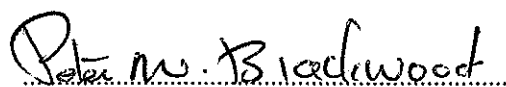
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2009 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Directors on 18/06/2009 and were signed on its behalf by:


Director

The notes form part of these financial statements

Halkirk District Benefit Fund

Notes to the Financial Statements for the Year Ended 31 March 2009

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice – Accounting by Charities (SORP) 2005 and Financial Reporting Standard for Smaller Entities (effective January 2007).

Grants Received

Grants received in respect of capital expenditure are credited to a deferred income account and released to the profit and loss account over the expected useful lives of the relevant assets.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Grants Awarded

Grants awarded are recognised in full in the year in which the directors formally approve an award. Any grant awards unpaid at the year end are shown as liabilities in the balance sheet.

Unrestricted Funds

Unrestricted funds are grants and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

2. GRANTS AWARDED

	Unrestricted Funds	Restricted Funds	2009 Total	2008 Total
	£	£	£	£
Spittal Village Hall	100,000	-	100,000	-
Halkirk Primary School Parent Council	1,000	-	1,000	2,000
Halkirk Sports & Recreation Club	900	-	900	-
Halkirk Community Sports Foundation	150,000	-	150,000	-
Archie Sinclair Fossil Centre	20,000	-	20,000	-
Halkirk Village Council	8,300	-	8,300	-
Halkirk Football Club	900	-	900	-
Tanya Horne Dancers	-	-	-	750
Halkirk Highland Games Assoc	-	-	-	9,848
	281,100	-	281,100	12,648

Halkirk District Benefit Fund

Notes to the Financial Statements - continued
for the Year Ended 31 March 2009

3. MANAGEMENT AND ADMINISTRATION EXPENSES

	Unrestricted Funds	Restricted Funds	2009 Total	2008 Total
	£	£	£	£
Meetings' expenses	165	-	165	-
Postages & Stationery	296	-	296	140
Sundry Expenses	130	-	130	1
Accountancy & Tax	830	-	830	875
Secretarial Expenses	864	-	864	793
Website Development	898	-	898	-
Legal Fees	390	-	390	265
Independent Examiner's Fee	500	-	500	500
Bank Charges	105	-	105	4
Bank Interest	3	-	3	-
	<u>4,181</u>	<u>-</u>	<u>4,181</u>	<u>2,578</u>

4. NET INCOMING RESOURCES

The operating profit is stated after charging:	2009 £	2008 £
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

5. TAXATION

Analysis of the tax charge

The company was registered as a charity on 16 February 2008 with Scottish Charity reference SC039254.

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2009 nor for the year ended 31 March 2008.

The directors do not consider that the company's operating income is taxable. Operating income consists of income payable by a local energy company which will be distributed to local community groups in future periods. As such the directors do not consider that the company's activities give rise to profit which is taxable.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Accrued interest	<u>318</u>	<u>4,404</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Grants awarded payable within one year	54,200	-
Other creditors	500	500
	<u>54,700</u>	<u>500</u>

Halkirk District Benefit Fund

Notes to the Financial Statements - continued for the Year Ended 31 March 2009

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009	2008
	£	£
Grants awarded	150,000	-
	<u>150,000</u>	<u>-</u>

9. MOVEMENT IN FUNDS

	At 31 March 2008	Incoming Resources	Outgoing Resources	Transfers	At 31 March 2009
	£	£	£	£	£
Unrestricted Funds: General Reserve	513,424	86,664	285,281	-	314,807
Restricted Funds	-	-	-	-	-
Total Funds	<u>513,424</u>	<u>86,664</u>	<u>285,281</u>	<u>-</u>	<u>314,807</u>

10. RELATED PARTY TRANSACTIONS

None of the directors were paid any remuneration or expenses during the period.

During the year a grant of £150,000 was awarded to Halkirk Community Sports Foundation, of which Mr W Manson is a director. The grant remains unpaid at 31 March 2009.

A grant of £8,300 was awarded to Halkirk Village Council, of which Mr W Manson is Chairman and Mr Blackwood is assistant treasurer. The grant is due to be paid in July 2009.