

Company Registration No. SC428645 (Scotland)

LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE
REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2015

LIVING LERWICK LIMITED COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION

Directors

B L Mullay
E R Gibson
G G Jamieson
S Mathieson
C J Adamson
H S Jamieson
G M Bain
C Caldwell

Company number

SC428645

Registered office

c/o Christena Irvine
7 Mounthooly Street
Lerwick
ZE1 0BJ

Accountants

RSM UK Tax and Accounting Limited
Chartered Accountants
St Olaf's Hall
Church Road
Lerwick
Shetland Isles
ZE1 0FD

Bankers

Bank of Scotland
117 Commercial Street
Lerwick
Shetland
ZE1 0DN

LIVING LERWICK LIMITED COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2015

The directors present their report and financial statements for the year ended 31 August 2015.

Principal activities

The principal activity of the company during the year was to operate within the regulations set by the Government on Business Improvement Districts and ensure that the company's strategy creates long-term value for businesses within the Lerwick Business Improvement District.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

B L Mullay	
E R Gibson	
G G Jamieson	
S Mathieson	
K W S Rae	(Resigned 3 February 2016)
H Wiggins	(Resigned 18 August 2015)
C J Adamson	
D W Silver	(Appointed 18 August 2015 and resigned 19 January 2016)
H S Jamieson	(Appointed 19 January 2016)
G M Bain	(Appointed 19 January 2016)
C Caldwell	(Appointed 19 January 2016)

Directors' insurance

The company has purchased and maintains insurance to cover its directors in relation to their duties to the company.

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

On behalf of the board

.....
C J Adamson
Director
.....

ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS OF LIVING LERWICK LIMITED ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

In order to assist you to fulfil your duties under the Companies Act 2006, we prepared for your approval the financial statements of Living Lerwick Limited which comprise the Income and Expenditure Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Living Lerwick Limited, as a body, in accordance with the terms of our engagement letter dated 12 November 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Living Lerwick Limited and state those matters that we have agreed to state to them in accordance with AAF 2/10 as detailed at icaew.com/compilation. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against RSM UK Tax and Accounting Limited for any purpose or in any context. Any party other than the Board of Directors which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representation in this report.

It is your duty to ensure that Living Lerwick Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Living Lerwick Limited under the Companies Act 2006. You consider that Living Lerwick Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Living Lerwick Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

RSM UK Tax and Accounting Limited
Chartered Accountants
St Olaf's Hall
Church Road
Lerwick
Shetland Isles
ZE1 0FD

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**LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE**

**UNAUDITED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Notes	2015 £	2014 £
Income		96,153	108,179
Project expenditure		(74,926)	(55,458)
Gross surplus		21,227	52,721
Administrative expenses		(33,385)	(26,624)
(Deficit)/surplus on ordinary activities before taxation	2	(12,158)	26,097
Tax on (deficit)/surplus on ordinary activities		-	-
(Deficit)/surplus for the financial year	9	(12,158)	26,097

**LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE**

**UNAUDITED BALANCE SHEET
AS AT 31 AUGUST 2015**

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	4		18,938		21,532
Current assets					
Debtors	5	41,749		35,191	
Cash at bank and in hand		5,994		21,715	
		<u>47,743</u>		<u>56,906</u>	
Creditors: amounts falling due within one year	6	(8,629)		(7,378)	
Net current assets			39,114		49,528
Total assets less current liabilities			<u>58,052</u>		<u>71,060</u>
Accruals and deferred income	7		(6,320)		(7,170)
Net assets			<u>51,732</u>		<u>63,890</u>
Reserves					
Income and expenditure account	9		51,732		63,890
Members' funds			<u>51,732</u>		<u>63,890</u>

For the financial year ended 31 August 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 3 to 7 were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....
S Mathieson
Director

.....
C J Adamson
Director

LIVING LERWICK LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Income

Income represents the net value of levy contributions that were invoiced in the period, exclusive of value added tax.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	3 - 5 years
Fixtures, fittings and equipment	3 - 5 years

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2 (Deficit)/surplus on ordinary activities before taxation	2015 £	2014 £
(Deficit)/surplus on ordinary activities before taxation is stated after charging/(crediting):		
Amortisation of government grants	(3,160)	(2,160)
Depreciation of tangible fixed assets		
- owned	9,469	6,893
Loss on disposal of tangible assets	59	-
Reallocation of projects' depreciation and amortisation	(5,864)	(4,357)
	<u> </u>	<u> </u>

**LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

3 Directors' remuneration

Directors' remuneration for the year was £Nil.

4 Tangible fixed assets

	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 September 2014	32,584	1,881	34,465
Additions	7,624	-	7,624
Disposals	(1,248)	-	(1,248)
	<u>38,960</u>	<u>1,881</u>	<u>40,841</u>
At 31 August 2015	38,960	1,881	40,841
Depreciation			
At 1 September 2014	12,387	546	12,933
On disposals	(499)	-	(499)
Charge for the year	9,024	445	9,469
	<u>20,912</u>	<u>991</u>	<u>21,903</u>
At 31 August 2015	20,912	991	21,903
Net book value			
At 31 August 2015	<u>18,048</u>	<u>890</u>	<u>18,938</u>
At 31 August 2014	<u>20,197</u>	<u>1,335</u>	<u>21,532</u>

5 Debtors

	2015	2014
	£	£
Other debtors	38,144	29,297
Prepayments and accrued income	3,605	5,894
	<u>41,749</u>	<u>35,191</u>

Included in other debtors is £29,963 (2014 - £17,705) BID levies due.

6 Creditors: amounts falling due within one year

	2015	2014
	£	£
Other creditors	-	3,060
Accruals and deferred income	8,629	4,318
	<u>8,629</u>	<u>7,378</u>

**LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

7 Accruals and deferred income

	Government grants £
Balance at 1 September 2014	7,170
Grants received during the year	3,000
Grants cost debited to profit and loss account	(1,150)
Amortisation in the year	(3,160)
Grants amortisation credited to profit and loss account	460
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Balance at 31 August 2015	6,320
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8 Company Limited by Guarantee

The company is limited by guarantee and had no authorised or issued share capital. In the event of the company being wound up, each member's liability may not exceed £1.

9 Income and expenditure account

	Income and expenditure account £
Balance at 1 September 2014	63,890
Deficit for the year	(12,158)
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Balance at 31 August 2015	51,732
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10 Contingent liabilities

There are contingent liabilities to repay any of the grants received should their conditions be breached.

11 Related party relationships and transactions

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective April 2008).

LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2015

The following pages do not form part of the statutory accounts

**LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE**

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015**

		2015		2014
	£	£	£	£
Income				
BID levies receivable		75,401		75,946
World Host Income		1,300		-
Lerwick Community Council grants received		2,000		2,956
Shetland Islands Council core funding		16,500		20,000
Miscellaneous income		952		702
Lottery grants received		-		8,575
		<u>96,153</u>		<u>108,179</u>
Project expenditure				
Street Market	520		329	
Small Town, Big Heart	46,845		41,892	
Improve What We Have	15,636		11,848	
Park and Bide	2,590		13	
Give a Little - Gain a Lot	8,760		1,102	
Let's Keep Lerwick Safe	575		274	
		<u>(74,926)</u>		<u>(55,458)</u>
Gross surplus	22.08%	<u>21,227</u>	48.73%	<u>52,721</u>
Administrative expenses		<u>(33,385)</u>		<u>(26,624)</u>
Operating (deficit)/surplus		<u><u>(12,158)</u></u>		<u><u>26,097</u></u>

LIVING LERWICK LIMITED
COMPANY LIMITED BY GUARANTEE
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 AUGUST 2015

	2015	2014
	£	£
Administrative expenses		
Project Management	21,495	17,037
Rent	5,048	3,900
Insurance	509	626
Light and heat	674	-
Repairs and maintenance	237	-
Printing, postage and stationery	642	1,491
Computer running costs	1,377	402
Telephone	303	579
Travelling and meeting expenses	72	293
Accountancy	940	1,813
Bad and doubtful debts	1,128	-
Sundry expenses	423	107
Subscriptions	33	-
Amortisation	(3,160)	(2,160)
Depreciation	9,469	6,893
Reallocation of projects' depreciation and amortisation	(5,864)	(4,357)
(Profit) / loss on sale of tangible assets	59	-
	<u>33,385</u>	<u>26,624</u>
