

Company Registration No. SC428645 (Scotland)

LIVING LERWICK LIMITED
REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2020

LIVING LERWICK LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | D E Coe E E L Irvine H S Jamieson L M Laurensen M J Laurensen S Mathieson B L Mulla G M Tonge J W Tonge |
| Company number | SC428645 |
| Registered office | 179 Commercial Street Lerwick Shetland ZE1 0HX |
| Accountants | RSM UK Tax and Accounting Limited Chartered Accountants St Olaf's Hall Church Road Lerwick Shetland Isles ZE1 0FD |

LIVING LERWICK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their annual report and financial statements for the year ended 31 August 2020.

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:

D E Coe

E E L Irvine

H S Jamieson

L M Laursen

(Appointed 3 September 2020)

M J Laursen

S Mathieson

B L Mullay

G M Tonge

J W Tonge

D J Williams

(Resigned 10 June 2020)

Directors' insurance

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

Small companies exemption

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

On behalf of the board?



S Mathieson

Director

17 May 2021

ACCOUNTANT'S REPORT TO THE BOARD OF DIRECTORS OF LIVING LERWICK LIMITED ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

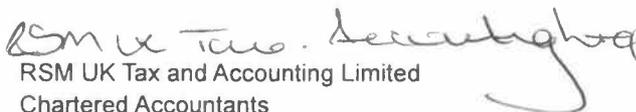
In order to assist you to fulfil your duties under the Companies Act 2006 ("the Act"), we prepared for your approval the financial statements of Living Lerwick Limited which comprise the statement of comprehensive income, the statement of financial position and the related notes in accordance with the financial reporting framework set out therein 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 7 December 2017. 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 ICAEW Technical Release 07/16 AAF. 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 representations 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 surplus of Living Lerwick Limited under the Act. 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

21 May 2021

LIVING LERWICK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2020

| | 2020 £ | 2019 £ |
|---------------------------------------|--------------|--------------|
| Income | 177,618 | 78,720 |
| Project expenditure | (149,684) | (43,823) |
| | <hr/> | <hr/> |
| Gross surplus | 27,934 | 34,897 |
| Administrative expenses | (26,051) | (27,824) |
| | <hr/> | <hr/> |
| Surplus before taxation | 1,883 | 7,073 |
| Taxation | - | - |
| | <hr/> | <hr/> |
| Surplus for the financial year | <u>1,883</u> | <u>7,073</u> |

LIVING LERWICK LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-----------|--------|-----------|--------|
| Fixed assets | | | | | |
| Tangible assets | 3 | | 8,824 | | 7,729 |
| Current assets | | | | | |
| Debtors | 4 | 40,435 | | 25,363 | |
| Cash at bank and in hand | | 22,765 | | 43,670 | |
| | | 63,200 | | 69,033 | |
| Creditors: amounts falling due within one year | 5 | (5,055) | | (11,676) | |
| Net current assets | | | 58,145 | | 57,357 |
| Total assets less current liabilities | | | 66,969 | | 65,086 |
| Reserves | | | | | |
| Comprehensive income account | | | 66,969 | | 65,086 |

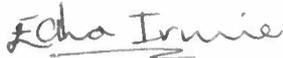
For the financial year ended 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

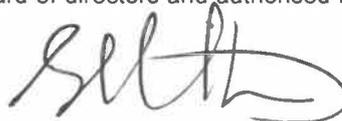
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 17 May 2021 and are signed on its behalf by:



E E L Irvine
Director



S Mathieson
Director

LIVING LERWICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Company information

Living Lerwick Limited is a private company limited by guarantee and is registered and incorporated in Scotland. The registered office is 179 Commercial Street, Lerwick, Shetland, ZE1 0HX.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. 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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Income

Income represents the net value of levy contributions that were invoiced in the period, exclusive of value added tax. Grant income is included in the Statement of Comprehensive Income when the company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-------------------------|-------------|
| Plant and machinery etc | 3 - 5 years |
|-------------------------|-------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Taxation

The company has obtained exemption from HMRC in respect of corporation tax, it being a company not carrying on a business for the purposes of making a profit.

LIVING LERWICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Government grants

Grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to assets are classified as deferred income and recognised in income over the expected useful life of the asset to which they relate.

Going concern

The company is in the final year of the current BID term and an application will be submitted for another term. Budgets show that the company has sufficient resources in place for the company's operations for the next 12 months at least. The directors have therefore prepared the accounts on the going concern basis.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was Nil (2019 - Nil). Directors remuneration for the year was £Nil (2019 - £Nil).

3 Tangible fixed assets

| | Plant and machinery etc £ |
|------------------------------------|------------------------------------|
| Cost | |
| At 1 September 2019 | 50,503 |
| Additions | 3,448 |
| Disposals | (7,475) |
| | <hr/> |
| At 31 August 2020 | 46,476 |
| | <hr/> |
| Depreciation and impairment | |
| At 1 September 2019 | 42,774 |
| Depreciation charged in the year | 1,879 |
| Eliminated in respect of disposals | (7,001) |
| | <hr/> |
| At 31 August 2020 | 37,652 |
| | <hr/> |
| Carrying amount | |
| At 31 August 2020 | 8,824 |
| | <hr/> <hr/> |
| At 31 August 2019 | 7,729 |
| | <hr/> <hr/> |

4 Debtors

| | 2020 | 2019 |
|---|-------------|-------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Other debtors | 34,685 | 18,433 |
| Prepayments and accrued income | 5,750 | 6,930 |
| | <hr/> | <hr/> |
| | 40,435 | 25,363 |
| | <hr/> <hr/> | <hr/> <hr/> |

LIVING LERWICK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 Debtors (Continued)

Included in other debtors is £25,300 (2019: £13,788) BID levies due.

5 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|-----------------|--------------|---------------|
| | £ | £ |
| Trade creditors | 2,473 | 3,654 |
| Other creditors | 2,582 | 8,022 |
| | <u>5,055</u> | <u>11,676</u> |

6 Financial commitments, guarantees and contingent liabilities

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

7 Related party transactions

There were no disclosable related party transactions during the year (2019- none) .

LIVING LERWICK LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2020

THE FOLLOWING PAGES DO NOT FORM PART OF THE FINANCIAL STATEMENTS

LIVING LERWICK LIMITED

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

| | | 2020 | | 2019 |
|---|--------|---------------------|--------|---------------------|
| | £ | £ | £ | £ |
| Income | | | | |
| BID Levies receivable | | 70,266 | | 71,693 |
| Lerwick Community Council grants received | | - | | 2,000 |
| SIC community development fund | | 2,982 | | - |
| SIC core funding | | 5,000 | | 5,000 |
| Miscellaneous income | | - | | 27 |
| Donations collected from street party and 5k race | | - | | 775 |
| Donations paid to MRI scanner appeal | | - | | (775) |
| Covid Resilliance project | | 22,467 | | - |
| Town Centre Capital Grant Fund income | | 74,782 | | - |
| Improvements Districts Scotland grant | | 1,500 | | - |
| Donations received | | 621 | | - |
| | | <u>177,618</u> | | <u>78,720</u> |
| Project expenditure | | | | |
| More Attractive | 84,494 | | 19,558 | |
| More Business Support | 5,179 | | 3,474 | |
| More Footfall | 22,896 | | 8,251 | |
| More Informed Decisions | 31 | | 125 | |
| More Marketing | 15,505 | | 12,415 | |
| Covid resilliance | 21,579 | | - | |
| | | <u>(149,684)</u> | | <u>(43,823)</u> |
| Gross surplus | 15.73% | <u>27,934</u> | 44.33% | <u>34,897</u> |
| Administrative expenses | | <u>(26,051)</u> | | <u>(27,824)</u> |
| Operating surplus | | <u><u>1,883</u></u> | | <u><u>7,073</u></u> |

LIVING LERWICK LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 AUGUST 2020

| | 2020 | 2019 |
|---|---------------|---------------|
| | £ | £ |
| Administrative expenses | | |
| Management charge | 12,363 | 13,131 |
| Insurance | 635 | 620 |
| Computer running costs | 2,939 | 1,194 |
| Travelling and meeting expenses | 407 | 801 |
| Professional subscriptions | 117 | 1,550 |
| Accountancy | 1,350 | 1,490 |
| Bad and doubtful debts | 6,627 | 7,571 |
| Printing, postage and stationery | 664 | 995 |
| Advertising | - | 369 |
| Telecommunications | 100 | 73 |
| Sundry expenses | 375 | 25 |
| Depreciation | 1,879 | 1,073 |
| Loss on sale of tangible assets | 474 | - |
| Reallocation of projects' depreciation and amortisation | (1,879) | (1,068) |
| | <u>26,051</u> | <u>27,824</u> |
