

Living Lerwick Limited  
Company Limited by Guarantee  
UNAUDITED FINANCIAL STATEMENTS  
for the period ended  
31 August 2013

Living Lerwick Limited  
Company Limited by Guarantee  
OFFICERS AND PROFESSIONAL ADVISERS

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DIRECTORS

C J Adamson  
E M Eunson  
E R Gibson  
G G Jamieson  
H A N Jamieson  
S Mathieson  
B L Mullay  
K W S Rae  
I Scott  
J R Watt  
I Webb  
H Wiggins

REGISTERED OFFICE

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

BANKERS

Bank of Scotland  
117 Commercial Street  
Lerwick  
Shetland  
ZE1 0DN

# Living Lerwick Limited

## Company Limited by Guarantee

### DIRECTORS' REPORT

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The directors submit their report and unaudited financial statements of Living Lerwick Limited for the period from 19 July 2012 to 31 August 2013.

#### 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 served the company during the period were as follows:

C J Adamson  
E M Eunson  
E R Gibson  
G G Jamieson  
H A N Jamieson  
S Mathieson  
B L Mullay  
K W S Rae  
I Scott  
J R Watt  
I Webb  
H Wiggins  
B J Callieu

C J Adamson was appointed as a director on 14 August 2012.  
E M Eunson was appointed as a director on 2 August 2012.  
E R Gibson was appointed as a director on 2 August 2012.  
G G Jamieson was appointed as a director on 26 February 2013.  
H A N Jamieson was appointed as a director on 19 July 2012.  
S Mathieson was appointed as a director on 2 August 2012.  
B L Mullay was appointed as a director on 2 August 2012.  
K W S Rae was appointed as a director on 2 August 2012.  
I Scott was appointed as a director on 14 August 2012.  
J R Watt was appointed as a director on 14 August 2012.  
I Webb was appointed as a director on 2 August 2012.  
H Wiggins was appointed as a director on 2 August 2012.  
B J Callieu was appointed as a director on 7 March 2013.

B J Callieu retired as a director on 9 August 2013.

#### DIRECTORS' INSURANCE

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

Living Lerwick Limited  
Company Limited by Guarantee  
DIRECTORS' REPORT

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SMALL COMPANY PROVISIONS

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

On behalf of the board



E M Eunson

Director

24 September 2013

Living Lerwick Limited  
Company Limited by Guarantee  
UNAUDITED INCOME AND EXPENDITURE ACCOUNT  
for the period from 19 July 2012 to 31 August 2013

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		Period from 19 Jul 12 to 31 Aug 13 £
INCOME	<i>Notes</i>	97,031
Project expenditure		34,987
Gross surplus		<u>62,044</u>
Administrative expenses		24,251
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>37,793</u>
Taxation		-
SURPLUS FOR THE FINANCIAL PERIOD	10	<u>37,793</u>

Living Lerwick Limited  
 Company Limited by Guarantee  
 UNAUDITED BALANCE SHEET  
 31 August 2013


	Notes	31 Aug 13 £
FIXED ASSETS		
Tangible assets	4	24,163
CURRENT ASSETS		
Debtors	5	22,615
Cash at bank and in hand		8,096
		30,711
CREDITORS		
Amounts falling due within one year	6	6,601
NET CURRENT ASSETS		24,110
TOTAL ASSETS LESS CURRENT LIABILITIES		48,273
Government grants	7	10,480
		37,793
RESERVES		
Income and expenditure account	9 10	37,793
MEMBERS' FUNDS		37,793


For the period from 19 July 2012 to 31 August 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the company to have an audit of its financial statements for the period 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 with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 4 to 8 were approved by the board of directors and authorised for issue on 24 September 2013 and are signed on their behalf by:

  
 E M Eunson  
 Director

  
 C J Adamson  
 Director

# Living Lerwick Limited

## Company Limited by Guarantee

### UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

for the period from 19 July 2012 to 31 August 2013

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#### 1 ACCOUNTING POLICIES

##### BASIS OF ACCOUNTING

The financial statements have been 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.

##### FIXED ASSETS

All fixed assets are initially recorded at cost.

##### DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	5 years
Equipment	-	5 years

##### OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

##### FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial 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.

##### DEFERRED 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.

Living Lerwick Limited  
 Company Limited by Guarantee  
 UNAUDITED NOTES TO THE FINANCIAL STATEMENTS  
 for the period from 19 July 2012 to 31 August 2013

2 OPERATING SURPLUS

Operating surplus is stated after charging/(crediting):

	Period from 19 Jul 12 to 31 Aug 13 £
Amortisation of government grants	(2,621)
Depreciation of owned fixed assets	<u>6,040</u>

3 DIRECTORS' REMUNERATION

Directors' remuneration for the period was £Nil.

4 TANGIBLE FIXED ASSETS

	Plant & Machinery £	Equipment £	Total £
Cost			
Additions	29,352	851	30,203
At 31 August 2013	<u>29,352</u>	<u>851</u>	<u>30,203</u>
Depreciation			
Charge for the period	5,870	170	6,040
At 31 August 2013	<u>5,870</u>	<u>170</u>	<u>6,040</u>
Net book value			
At 31 August 2013	<u>23,482</u>	<u>681</u>	<u>24,163</u>

5 DEBTORS

	31 Aug 13 £
Other debtors	14,626
Prepayments and accrued income	7,989
	<u>22,615</u>

Included in other debtors is £12,232 BID levies due.

6 CREDITORS: Amounts falling due within one year

	31 Aug 13 £
Trade creditors	772
Other creditors	5,829
	<u>6,601</u>



Living Lerwick Limited  
 Company Limited by Guarantee  
 UNAUDITED NOTES TO THE FINANCIAL STATEMENTS  
 for the period from 19 July 2012 to 31 August 2013

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7 GOVERNMENT GRANTS

	31 Aug 13 £
Received and receivable: Receivable during period	<u>13,101</u>
At 31 August 2013	<u>13,101</u>
Amortisation: Credit to profit and loss account	<u>2,621</u>
At 31 August 2013	<u>2,621</u>
Net balance at 31 August 2013	<u>10,480</u>

8 RELATED PARTY 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).

9 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.

10 INCOME AND EXPENDITURE ACCOUNT

	Period from 19 Jul 12 to 31 Aug 13 £
Surplus for the financial period	<u>37,793</u>
At the end of the period	<u>37,793</u>

11 CONTINGENT LIABILITIES

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

Living Lerwick Limited  
Company Limited by Guarantee  
MANAGEMENT INFORMATION  
for the period from 19 July 2012 to 31 August 2013

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The following pages do not form part of the statutory financial statements.

Living Lerwick Limited  
Company Limited by Guarantee  
DETAILED INCOME AND EXPENDITURE ACCOUNT  
for the period from 19 July 2012 to 31 August 2013

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	Period from 19 Jul 12 to 31 Aug 13 £
INCOME	
BID Levies received	
Shetland Islands Council core funding	76,233
Donations received	19,890
Stall rents received	295
	613
	<u>97,031</u>
PROJECT EXPENDITURE	
Small Town, Big Heart	
Improve what we have	9,072
Park and bide	18,415
Give a Little - Gain a Lot	3,000
Let's Keep Lerwick Safe	4,000
	500
	<u>34,987</u>
Gross surplus	<u>62,044</u>
OVERHEADS	
Administrative expenses	24,251
SURPLUS ON ORDINARY ACTIVITIES	<u>37,793</u>

Living Lerwick Limited  
Company Limited by Guarantee

NOTES TO THE DETAILED INCOME AND EXPENDITURE ACCOUNT  
for the period from 19 July 2012 to 31 August 2013

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	Period from 19 Jul 12 to 31 Aug 13 £
ADMINISTRATIVE EXPENSES	
Establishment expenses	
Rent	4,550
Insurance	817
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General expenses	5,367
Telephone	461
Computer expenses	853
Printing, stationery and postage	1,305
Project management and administration costs	10,000
Initial set-up project management and administration costs	3,057
General expenses	680
Room hire	219
Advertising	27
Literature and brochures	74
Accountancy fees	2,024
Depreciation	6,040
Amortisation of government grants	(2,621)
Reallocation projects' depreciation and amortisation	(3,250)
	<hr/>
Financial costs	18,869
Bank charges	15
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	<u>24,251</u>

ACCOUNTANTS' REPORT TO THE DIRECTORS OF LIVING LERWICK  
LIMITED ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE  
PERIOD FROM 19 JULY 2012 TO 31 AUGUST 2013

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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, Balance Sheet and the related notes as set out on pages 4 to 8 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 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](http://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 Baker Tilly Tax and Accounting Limited for any purpose or in any context. Any party other than the 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, Baker Tilly 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 Companies Act 2006. You consider that Living Lerwick Limited is exempt from the statutory audit requirement for the period.

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 financial statements.

*Baker Tilly Tax Accounting Ltd.*

BAKER TILLY TAX AND ACCOUNTING LIMITED

Chartered Accountants

St. Olaf's Hall

Church Road

Lerwick

Shetland ZE1 0FD

*18.2.14*