

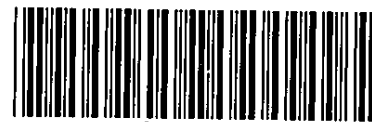
REGISTERED COMPANY NUMBER: SC173554 (Scotland)  
REGISTERED CHARITY NUMBER: SC026202

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012  
FOR

THE HARRIS TWEED AUTHORITY EDUCATIONAL  
TRUST

Mann Judd Gordon Ltd  
Chartered Accountants  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

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**THE HARRIS TWEED AUTHORITY EDUCATIONAL  
TRUST**

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for the Year Ended 31 December 2012**

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**THE HARRIS TWEED AUTHORITY EDUCATIONAL  
TRUST**

**REPORT OF THE TRUSTEES  
for the Year Ended 31 December 2012**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
SC173554 (Scotland)

**Registered Charity number**  
SC026202

**Registered office**  
6 Garden Road  
Stornoway  
Isle Of Lewis  
HS1 2QJ

|                 |          |
|-----------------|----------|
| <b>Trustees</b> |          |
| D Martin        | Director |
| C Stewart       | Director |
| M Morrison      | Director |

**Company Secretary**  
L MacAulay

**Independent examiner**  
Mann Judd Gordon Ltd  
Chartered Accountants  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The trust is a charitable company limited by guarantee, incorporated on 18 March 1997. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Recruitment and appointment of new trustees**

The directors of the company are also charity trustees for the purposes of charity law.

The directors are appointed at the Annual General Meeting under the terms of the Memorandum and Articles of Association. One third of the directors retire at each Annual General Meeting.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST**

**REPORT OF THE TRUSTEES  
for the Year Ended 31 December 2012**

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The main objects of the charity are to advance the education of the public in the history, production and properties of Harris Tweed.

The charity aims to achieve these objectives by:-

- assisting financially by way of grant or loan in any other appropriate manner any person undertaking a course of study relevant to the above project;
- contributing financially or otherwise to the establishment and maintenance of a Harris Tweed Centre designed to educate the public in the history, production and properties of Harris Tweed.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

Throughout 2012 the Trust has been focused on project planning and development of the Harris Tweed Educational Centre within The Harris Tweed Authority offices in Stormoway Town Hall. Plans are progressing well to construct a small exhibition and a series of educational activities which will be open to the public. Design concepts have been prepared by students of The Glasgow School of Art as part of a long standing academic partnership with Harris Tweed, and it is hoped that a full design brief and project management tender will be issued early in 2013.

The Harris Tweed Authority has made a significant donation of £60,000 to the Educational Trust to realise this important project.

Following a generous donation from an ancestor of the Dunmore family, the Trustee's agreed during the year to partner with a community group in South Harris to renovate a small monument on the site of the home of the Paisley Sisters. The Paisley Sisters were two local women, who in 1864 were supported by Catherine, Countess of Dunmore, to leave the island to attend training in the town of Paisley to learn the skill of weaving. The Paisley sisters later returned to the island and cascaded their newly acquired skills to local people. It is widely considered that it was from this act that the Harris Tweed industry was born. At present the focus is on acquiring the land and improving footpath access to the remote coastal site.

**FINANCIAL REVIEW**

**Reserves policy**

As charitable expenditure will always be restricted by available funds the charity has not yet formulated a detailed reserves policy.

**FUTURE DEVELOPMENTS**

The Trustees expect to produce a full design brief and project management tender in early 2013, with the aim of having the Centre operational during the summer of 2013. The facility will allow groups from local schools to visit and further provide a research base for visiting fashion and textile students wishing to focus on Harris Tweed as part of their studies. The project, which will be open in the evening and on Saturday, will create 2 part time seasonal jobs.

It is anticipated also that the sale of a limited range of products, exclusively available through the Harris Tweed Educational Centre, will generate a small income for the project, which it is hoped will be sufficient to refresh elements of the centre annually.

The Trustees, together with South Harris Community Council, intend to purchase the land, obtain all the necessary planning consents, and apply for grant funding to erect the monument to the Paisley Sisters. They further hope to erect bilingual interpretation and information panels to mark this historically important site. The Trustees are aware of the delay that can arise in seeking to progress this project particularly in relation to land acquisition and planning. However every effort will be made during 2013, together with the South Harris Community Council, to expedite this important project.

**THE HARRIS TWEED AUTHORITY EDUCATIONAL  
TRUST**

**REPORT OF THE TRUSTEES  
for the Year Ended 31 December 2012**

**ON BEHALF OF THE BOARD:**

  
D Martin - Trustee

1 February 2013

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE HARRIS TWEED AUTHORITY EDUCATIONAL  
TRUST**

I report on the accounts for the year ended 31 December 2012 set out on pages five to seven.

**Respective responsibilities of trustees and examiner**

The charity's trustees 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's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 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 the independent examiner's report**

My examination was carried out 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 you as 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 connection with 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 to 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.



R Cunningham  
The Institute of Chartered Accountants of Scotland  
Mann Judd Gordon Ltd  
Chartered Accountants  
26 Lewis Street  
Stornoway  
Isle of Lewis  
HS1 2JF

1 February 2013

**THE HARRIS TWEED AUTHORITY EDUCATIONAL  
TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
for the Year Ended 31 December 2012**

|  | Notes | 31.12.12<br>Unrestricted<br>funds<br>£ | 31.12.11<br>Total<br>funds<br>£ |
|--|-------|--|---------------------------------|
| <b>INCOMING RESOURCES</b>                      |       |  |                                 |
| <b>Incoming resources from generated funds</b> |       |  |                                 |
| Voluntary income                               |       | 60,000                                 | 1,293                           |
|  |       | <hr/>                                  | <hr/>                           |
| <b>NET INCOMING RESOURCES</b>                  |       | 60,000                                 | 1,293                           |
| <b>RECONCILIATION OF FUNDS</b>                 |       |  |                                 |
| <b>Total funds brought forward</b>             |       | 1,293                                  | -                               |
|  |       | <hr/>                                  | <hr/>                           |
| <b>TOTAL FUNDS CARRIED FORWARD</b>             |       | <u>61,293</u>                          | <u>1,293</u>                    |

The notes form part of these financial statements

**THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST**

**BALANCE SHEET  
At 31 December 2012**

|  | Notes | 31.12.12<br>Unrestricted<br>funds<br>£ | 31.12.11<br>Total<br>funds<br>£ |
|--|-------|--|---------------------------------|
| <b>CURRENT ASSETS</b>                        |       |  |                                 |
| Cash at bank                                 |       | 61,293                                 | 1,293                           |
| <b>NET CURRENT ASSETS</b>                    |       | <u>61,293</u>                          | <u>1,293</u>                    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |  |                                 |
|  |       | <u>61,293</u>                          | 1,293                           |
| <b>NET ASSETS</b>                            |       |  |                                 |
|  |       | <u><u>61,293</u></u>                   | <u><u>1,293</u></u>             |
| <b>FUNDS</b>                                 |       |  |                                 |
| Unrestricted funds                           | 3     | <u>61,293</u>                          | <u>1,293</u>                    |
| <b>TOTAL FUNDS</b>                           |       | <u><u>61,293</u></u>                   | <u><u>1,293</u></u>             |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2012.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2012 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 1 February 2013 and were signed on its behalf by:

  
D Martin -Trustee



**THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST**

**Notes to the Financial Statements  
for the Year Ended 31 December 2012**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**2. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2012 nor for the year ended 31 December 2011.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2012 nor for the year ended 31 December 2011.

**3. MOVEMENT IN FUNDS**

|                           | At 1.1.12<br>£ | Net<br>movement in<br>funds<br>£ | At 31.12.12<br>£ |
|---------------------------|----------------|----------------------------------|------------------|
| <b>Unrestricted funds</b> |                |                                  |                  |
| General fund              | 1,293          | 60,000                           | 61,293           |
|                           | <hr/>          | <hr/>                            | <hr/>            |
| <b>TOTAL FUNDS</b>        | <u>1,293</u>   | <u>60,000</u>                    | <u>61,293</u>    |

Net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 60,000                     | -                          | 60,000                    |
|                           | <hr/>                      | <hr/>                      | <hr/>                     |
| <b>TOTAL FUNDS</b>        | <u>60,000</u>              | <u>-</u>                   | <u>60,000</u>             |