

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

**Report of the Trustees and
Financial Statements for the Year Ended 31 December 2015
for**

**THE HARRIS TWEED AUTHORITY EDUCATIONAL
TRUST**

THURSDAY



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SCT 07/04/2016 #159
COMPANIES HOUSE

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

**THE HARRIS TWEED AUTHORITY EDUCATIONAL
TRUST**

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for the Year Ended 31 December 2015**

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**THE HARRIS TWEED AUTHORITY EDUCATIONAL
TRUST**

**Report of the Trustees
for the Year Ended 31 December 2015**

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 2015. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

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.

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Report of the Trustees
for the Year Ended 31 December 2015**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Weaver of a life in Colour by Malcolm Campbell

In August 2015, the Educational Trust worked in partnership with Malcolm Campbell and the British Wool Marketing Board to distribute 35 copies of Malcolm's second book 'The Rainbow that Mixed Colours'. This book explains in an age appropriate way, the use of colour in clothing, fibres, wool etc.

150th Year Gift to Stornoway Port Authority

To mark the 150th anniversary of Stornoway Port, the Educational Trust arranged for a Hattersley loom to be restored and made safe, as a piece of community art. This piece is now displayed in a prominent position close to the ferry terminal in Stornoway. A cast iron plaque was commissioned and attached to the loom explaining the role of 'the Hattersley' in the Harris Tweed industry over the preceding 100 year period.

Harris Tweed Authority Demonstration Loom

A second Hattersley loom was purchased in August 2015 from the family of a deceased weaver. This loom is currently being fully refurbished by Mr Andrew Hammacott, an experience loom engineer. This loom will again become a working loom for use on island at demonstration and educational events. There is a strong view that as the number of single width weavers declines, it is important that the Harris Tweed Authority, through the Educational Trust, captures for the archives, information, language and other aspects of this vital piece of equipment's role in the industry's history.

Recruitment Analysis by Orbit Agency

A local HR agency was commissioned to carry out an audit of the skills base and availability of some 70 individuals whose names are held on a database as having expressed an interest in entering the Harris Tweed industry as weavers. This exercise sought to ensure that these people all had access to the necessary information on the skills, numeracy and literacy in particular required of weavers and also that they fully understood the isolated working conditions weavers work in.

Careers in the Harris Tweed Industry - Case Studies

High gloss hard copy printed and on-line case study material featuring 6 young people working across various roles in the Harris Tweed industry was prepared for use in schools, careers events etc.

Harris Tweed Cloth for the Barra Luaidh Group (Waulking Group)

Six metres of single width Harris Tweed was purchased by the HTAET and donated to the Barra Luaidh group to support their participation in the National Mod in Oban in 2015. Trustees considered this application appropriate as the tradition of Luaidh is now also only used in performance and in the arts. Trustees are keen to ensure youth and school groups continue the tradition. The Harris Tweed Authority has for many years sponsored the luaidh competition at the National Mod. Sadly however, entrants to this competition are falling year on year.

Harris Tweed NPA course - The Nicolson Institute

The Trust continues to support a range of the school based qualifications in Harris Tweed, both certificated and uncertificated. The Authority's Education and Information Officer intensively supports both the certificated National Progression award and Elective Course at S2 in 2 schools on the island. The NPA course, delivered over 60 hours in S4 and S5 provides an insight into the Harris Tweed industry, manufacturing techniques used within the sector, including yarn manufacture, weaving, designing and making products. The NPA units also raises awareness of the career opportunities which are available in the industry. Financial support covers external tuition, field trips and materials. The Trust has also supported several primary school enterprise projects.

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Report of the Trustees
for the Year Ended 31 December 2015**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Harris Tweed Art Competition

A Harris Tweed Art and Photography Competition was designed, launched and project managed by HTA staff and funded by the HTAET in order to interact with and educate secondary school pupils, studying Art at intermediate and Higher level about Harris Tweed. The project had a strong support and buy-in from staff within the art department and senior management of the Nicolson Institute. The following Expressive Art Outcomes, as defined and created by Education Scotland, were met through the competition:

1. Allowing children to be inspired by the power of the arts
2. Highlighting creative and aesthetic talents
3. Deepening an understanding of local culture and heritage and Harris Tweed
4. Creating a partnership with the school and the HTA (an outside body)
5. Developing drawing skills and techniques

The submitted pieces of art and photography were judged and commendations across several categories awarded. Three winning pieces were professionally framed and displayed in the HTA Board room and exhibited in An Lanntair's public space.

FINANCIAL REVIEW

Reserves policy

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

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC173554 (Scotland)

Registered Charity number

SC026202

Registered office

Town Hall
Cromwell Street
Stornoway
Isle of Lewis
HS1 2DB

Trustees

C Stewart

Director

M Morrison

Director

N L Macdonald

Director

**THE HARRIS TWEED AUTHORITY EDUCATIONAL
TRUST**

**Report of the Trustees
for the Year Ended 31 December 2015**

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

L MacAulay

Independent examiner

Mann Judd Gordon Ltd

Chartered Accountants

26 Lewis Street

Stornoway

Isle of Lewis

HS1 2JF

Approved by order of the board of trustees on 11 March 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C Stewart', written in a cursive style.

C Stewart - Trustee

**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 2015 set out on pages six to eleven.

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.



John E Moffat BA FCA
Institute of Chartered Accountants in England and Wales
Mann Judd Gordon Ltd
Chartered Accountants
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

11 March 2016

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Statement of Financial Activities
for the Year Ended 31 December 2015**

	Notes	31.12.15 Unrestricted fund £	31.12.14 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		40,307	30,168
Total		<u>40,307</u>	<u>30,168</u>
EXPENDITURE ON			
Charitable activities			
Other resources expended		37,966	13,939
Other		19	
Total		<u>37,985</u>	<u>13,939</u>
NET INCOME		<u>2,322</u>	<u>16,229</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		77,287	61,058
TOTAL FUNDS CARRIED FORWARD		<u><u>79,609</u></u>	<u><u>77,287</u></u>

The notes form part of these financial statements

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Balance Sheet
At 31 December 2015**

	Notes	£	31.12.15 Unrestricted fund £	31.12.14 Total funds £
CURRENT ASSETS				
Debtors	4	-	-	1,200
Cash at bank		79,727	79,727	81,815
			<u>79,727</u>	<u>83,015</u>
CREDITORS				
Amounts falling due within one year	5	(118)	(118)	(5,728)
NET CURRENT ASSETS				
			<u>79,609</u>	<u>77,287</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
			<u>79,609</u>	<u>77,287</u>
NET ASSETS				
			<u>79,609</u>	<u>77,287</u>
FUNDS				
Unrestricted funds	6		79,609	77,287
TOTAL FUNDS				
			<u>79,609</u>	<u>77,287</u>

The notes form part of these financial statements

**THE HARRIS TWEED AUTHORITY EDUCATIONAL
TRUST**

**Balance Sheet - continued
At 31 December 2015**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2015 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 January 2015).

The financial statements were approved by the Board of Trustees on 11 March 2016 and were signed on its behalf by:



C Stewart -Trustee

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Notes to the Financial Statements
for the Year Ended 31 December 2015**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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 2015 nor for the year ended 31 December 2014.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2015 nor for the year ended 31 December 2014.

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

INCOME AND ENDOWMENTS FROM

Donations and legacies

Total

Unrestricted fund £
30,168
<hr/>
30,168

EXPENDITURE ON

Charitable activities

Other resources expended

Total

13,939
<hr/>
13,939

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015**

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
NET INCOME	16,229
RECONCILIATION OF FUNDS	
Total funds brought forward	61,058
TOTAL FUNDS CARRIED FORWARD	77,287

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.15 £	31.12.14 £
Other debtors	-	1,200

A loan of £1,200 was paid to a Harris Tweed artisan in December 2014 to facilitate the purchase of a sewing machine. The loan is repayable by monthly instalments commencing January 2015. The loan was fully repaid by 31 December 2015.

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.15 £	31.12.14 £
Other creditors	118	5,728

At 31 December 2015 the sum of £nil (2014 - £5,728) was due to Harris Tweed Authority for expenses paid on behalf of Harris Tweed Authority Educational Trust during the year.

6. MOVEMENT IN FUNDS

	At 1.1.15 £	Net movement in funds £	At 31.12.15 £
Unrestricted funds			
General fund	77,287	2,322	79,609
TOTAL FUNDS	77,287	2,322	79,609

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015**

6. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	40,307	(37,985)	2,322
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>40,307</u>	<u>(37,985)</u>	<u>2,322</u>

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2015.

THE HARRIS TWEED AUTHORITY EDUCATIONAL TRUST

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2015**

	31.12.15 £	31.12.14 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	40,307	30,168
Total incoming resources	40,307	30,168
EXPENDITURE		
Charitable activities		
Grants	-	4,244
Professional fees	1,558	9,695
Loom costs	3,064	
Course costs	1,169	
Exhibition costs	32,175	
	37,966	13,939
Support costs		
Finance		
Bank charges	19	
Total resources expended	37,985	13,939
Net income	2,322	16,229