

Registered Company No: SC 172897

Registered Charity No: SC 025995



MULL & IONA

COMMUNITY TRUST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

MULL AND IONA COMMUNITY TRUST
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REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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Report of the Trustees for the year ended 31 March 2017

The Trustees of Mull and Iona Community Trust (MICT) present their annual report and financial statements of the charity for the year ended 31st March 2017.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Purposes

The following is an extract from the Articles of Association:

- 4.1 *To manage community land and associated assets for the benefit of the Community and the public in general.*
- 4.2 *To provide, or assist in providing, recreational facilities, and/or organising recreational activities, which will be available to members of the Community and public at large with the object of improving the conditions of life of the Community.*
- 4.3 *To advance community development, including rural regeneration and the promotion of civic responsibility, volunteering, the voluntary sector or the effectiveness or efficiency of charities within the Community.*
- 4.4 *To advance the education of the Community.*
- 4.5 *To advance environmental protection or improvement including preservation, sustainable development and conservation of the natural environment, the maintenance, improvement or provision of environmental amenities for the Community and/or the preservation of buildings or sites of architectural, historic or other importance to the Community;*
- 4.6 *The prevention and relief of poverty.*
- 4.7 *The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.*
- 4.8 *The provision of housing in the Community for those who are in conditions of need and/or the provision of land within the Community on which housing for those in conditions of need will be constructed, provided that this Purpose shall not extend to relieving any local authorities or other bodies of a statutory duty to provide housing.*
- 4.9 *Any other purpose that may reasonably be regarded as analogous to any of the preceding purposes.*

Main activities

MICT furthers its charitable purposes through a wide range of projects and by the support provided to residents and to local organisations. These projects are checked against the strategic objectives of the Trust to ensure that the strategic objectives are prioritised and are not diluted when



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e.g. funding opportunities arise for non-priority projects.

The islands of Mull and Iona are recognised by the Scottish Index of Multiple Deprivation as being in the 5% most deprived post code districts in Scotland under the measure of geographic isolation. The islands have a growing population which is ageing, as young economically active families leave (due to lack of suitable housing and employment prospects) and are replaced by older people seeking a lifestyle change.

The Trust has continued to pursue projects in line with its social purpose addressing a huge range of issues including fuel poverty, recycling, geographic and social isolation, housing, sustainable transport and economic development.

All of the projects during the period are considered by the Trustees to be successful in delivering the specific project outcomes which in turn are in alignment with our Strategic Objectives.

The Trust has a wide ranging remit under the banner of:

“working to improve the quality of life for the residents of Mull and Iona”.

The strategy to deliver this aim is two-fold:

- By consulting the community to identify priorities and recording these in the Community Development Plans
- By responding to unplanned situations or opportunities as and when they arise.

The Trust gives out grants arising from the MESS (Mull Environmentally Sensitive Solutions) project. The grant making policy is simple in that applications are restricted to groups or projects which benefit residents on the island. Grants are not given to individuals or businesses. Applicant organisations must have a bank account.

Volunteers make a very significant contribution to the work of the Trust, in three main ways:

MESS Island Castaways – there are three charity shops operated predominantly by approximately 30 volunteers. The volunteers are very committed and help to ensure that the shop provides an outlet for clothing, bric-a-brac and furniture donated by residents. The profits from the shops are divided between the support costs of the Trust and the MESS grant giving scheme.

Steering groups – every project is supported by a steering group which comprises of one or more MICT Directors and a number of volunteers. The number is constantly changing as projects start and finish but a conservative estimate would be approximately 100. The time commitment varies but typically the steering group will meet on a monthly basis with some input in between meetings.

Board Directors – the volunteer board Directors are essential to the work of the Trust and give their time freely.

Funding for Local Groups

We provided funding and support for 16 community and voluntary groups, including local

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*schools, sports clubs, and village
halls with £1,985 coming from the Mull Eagle Watch Partnership and £4,000 from MESS.*



Green Energy Mull and the Waterfall Fund

The hydro is now in its third year of operation. Green Energy Mull is an independent company setup to own and operate the scheme donating £25,000 to the Waterfall Fund in 2016/17. The Waterfall Fund distributed £25,000 back to local community groups in 2016/17. It is worth noting that there were 36 applications for amounts totalling £100,779, illustrating the demand and appetite for our communities for developing their own solutions to problems.



MICT Support Service

We offer support to local organisations, including funding and constitutional advice, and where appropriate we can work on a cost recovery basis to search out funding and prepare funding applications on their behalf. We have been supporting Tobermory Scout Hall in efforts to secure funding to rebuild the hall. Two Grants from the Co-op Community Fund totalling £7,000 have been secured.

Dervaig Community Orchard

A group of local volunteers in Dervaig wanted to establish a community orchard on land owned by the Forestry Commission. As this would involve raising and spending money we advised them to form a “voluntary association” and helped put together a simple constitution with them. The group have successfully taken on the land, raised the money and planted the orchard with a truly amazing range of fruit trees. At the time of writing the first crop of fruit is ripening!

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Pennyghael Hall

The trustees of Pennyghael Community Development Association who run Pennyghael Hall were concerned about the accountancy costs required to comply with the requirements of Companies House – they were originally registered as a Company Limited by Guarantee and as a Scottish Charity. We provided reassurance that becoming a Scottish Charitable Incorporated Organisation (SCIO) would alleviate this issue allowing the less expensive “receipts and payments” accounts to be prepared locally by a volunteer.

Tobermory Snooker Club

The club faced having to pay significant water rates for the building which they’ve owned for a number of years and these charges had not been levied previously. The magnitude of the costs were such that members would have to pay fees out of all proportion to playing a game of snooker. Effectively the club faced closure as a result. The solution was for them to adopt a new constitution as a Community Amateur Sports Club (CASC) which provides exemption from water rates. We helped the committee through this process, completing all the necessary online forms and the club are now a CASC and have the necessary exemption.

Private Landlord advice

A private landlord was seeking advice on bringing an empty house back into the private rented sector. Lack of housing for year round rental is a problem in many areas of the island which impacts on viability of the primary schools and affects the ability of businesses to recruit staff. We provided

advice on support available from the local authority for bringing empty homes back into service and from the Scottish Government’s Rural Housing and Island funds.

Trustee and Director Training

We provided training to the Trustees of Dervaig Village Hall and to the Directors of Tobermory Harbour Association. As volunteers, these roles are often very new and involve legal obligations and liabilities which need to be fully understood. The feedback from those taking part in the training was really positive. Being able to provide training to volunteers is a really good example of “capacity building” and hopefully the volunteers are now more confident in their roles.

Tobermory Evangelical Church

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Tobermory Evangelical Church was considering seeking new premises and needed advice on how to approach this. We provided advice on possible sources of funding and discussed a number of options they might consider in order to better meet their needs in a sustainable way.

An Roth Community Enterprise Centre

Room hire

As well as an office base for 2 local businesses, An Roth continues to be a popular venue for meetings, interviews, training courses and consultations for local groups and off island business. A range of groups used An Roth this year; repeat business customers include Argyll and Bute Council, Mull Community Council, Pearson Vue for driving theory tests, the Scottish Salmon Company, Scottish Sea Farms, Business Gateway and Caledonian MacBrayne.

Training Courses offered

Reike, Mindfulness Workshop, Emergency First Aid at Work, Business Gateway courses, Mental Health First Aid Courses, Food Hygiene courses, Personal Licence training and an Alexander Technique workshop. Although there was a 25% decrease in the income generated through Training Courses through the year we still managed to maintain a variety and fulfil the need of the community with the new courses offered.

Gantry Self-Storage

The Self-Storage site in Craignure has again proved there is a need on the Island and in the local area with occupancy levels in excess of 84% for the second year in a row. The Income generated through the rental of the containers plays an integral part in making the Trust more self-sustaining.

Island Castaways Charity Shop and the MESS Project

MESS (Mull and Iona Environmentally Sensitive Solutions) is a community initiative that provides local solutions to the waste and environmental issues that affect our communities, and brings economic as well as environmental benefits to Mull and Iona. Since the first MESS shop opened in Bunessan in June 2003, they have gone from strength to strength. The project now runs three charity shops, aptly named Island Castaways, in Bunessan, Craignure and Tobermory during the summer season.

Craignure

Our flagship store in Craignure is popular with locals and visitors and has seen an increase in footfall thanks to RET (Road Equivalent Tariff - cheaper ferry fares) and our close proximity to the ferry terminal. The Craignure shop saw an increase in sales of 10%, from £83,700 to £91,900. If this upward trend continues, we hope that next year the shop will pass the £100,000 figure. The Craignure shop has a dedicated team of around 10 volunteers on a weekly rota that allow the shop to be open 7 days a week in the busy summer period. The Craignure shop has a team of 8 staff including a manager, resource worker, van driver and bank staff.

Bunessan

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In 2016, we opened a 24/7 book shop in an outbuilding next to the Buessan Charity shop, with an honesty box for out of hours visitors. It has been very popular with locals and tourists and provides a useful service to the village. The Buessan shops sales increased by 27% this year - this was thanks to a big effort from a core group of volunteers to revitalise the shop and encourage more footfall. The Buessan shop is supported by the Craignure staff team who visit regularly to deliver stock, collect donations and help with visual merchandising.

Tobermory

Tobermory ran its summer charity shop in Aros Hall and had the support of members of the community who assisted with the visual merchandising displays in the shop. Despite a decrease in sales of 12% this year, our presence in the Aros Hall helps keep the hall toilets open for public use, a welcome service in Tobermory. The decrease is mainly due to a smaller number of volunteers who keep the shop open during the week.



Projects

Fionnphort to Creich Hall path

We received further funding from Sustrans and Argyll and Bute Council to continue the path design work and to obtain landowner agreements. Sustrans offered a 50% grant towards the construction cost but delays in obtaining landowner agreement and concerns about visual impact of the path meant that the work is still ongoing. There is strong support locally for the path and the steering group has been reformed with new members.

Broadband Project

At the beginning of the year the scheme was still on course and was hoped to be fully up and running by the end of the year. By February 2017 we were delighted to announce that construction of the GigaPlus Argyll network was now underway. Concrete bases for several masts had been installed, and lattice towers, “telegraph” poles and shorter steel poles with guy ropes were being erected.

Big Bike Revival

The Big Bike Revival was all about encouraging adults and children to use bikes instead of motorised vehicles, in line with our vision for encouraging sustainable transport. Two organised bike rides were held, a Halloween Family Ride through Aros Park with a barbecue and the other around the Ardtun road loop with refreshments afterwards in Buessan Village Hall. In addition to the rides, 8 people from Mull and Coll went through a funded training course to become Cycle Ride Leaders with the aim of creating a legacy of cycling on the islands following the events.

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Childcare

In 2016, the Trust continued to consult with the community on childcare provision needs through surveys, with an excellent response rate. The surveys indicated that parents were seeking childcare for children of varying ages. The Trust continued to look into the possibility of establishing a community nursery facility on the island and staff and steering group members went on several study visits for inspiration. Argyll and Bute Council secured funding from the Scottish Government for a trial on the delivery of the Scottish Governments increased free child care provision of 1140hours. A key part of the trial was the proposed involvement of MICT as a Third sector provider of holiday child care from Tobermory pre-five unit. In preparation for this, MICT started an application for registration with the Care Inspectorate.

Ulva Ferry Community Bus

The Trust continues to operate the “on request” scheduled service between Calgary and Salen via Ulva Ferry (Service UF1). This service can be used by visitors and residents alike. Currently the UF1 service runs (when booked) on Friday, Saturday and Sunday. One great advantage of being a scheduled service is that Strathclyde Concession Cards can be used. Thanks to the UF1 service it is now possible to have a complete tour of North Mull by public transport (e.g.: Tobermory to Calgary, Calgary – Salen and Salen – Tobermory with time to spend at Calgary). It is also the only public transport service which allows for visits to the beautiful islands of Ulva and Gometra. We were delighted that the Ulva Ferry Community Bus received a grant of £9,100 from Scottish Sea Farms ‘Heart of the Community’ Fund. This grant provides the 50% match funding for the 3 year revenue grant from Big Lottery Fund. Without these generous grants we could not continue to operate this important and valuable service to the community.



Tobermory Light Industrial

On 31st March 2016, the Trust finalised the purchase of 0.8 hectares at Ardmore, near Tobermory from Forestry Commission Scotland. The initial phase 1 development of the site includes self-storage facilities and fenced compounds for a variety of uses including extra storage, bulk buying, caravan and boat storage to name a few. Survey work carried out by the

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Trust within the last few years, with returns from 35 businesses indicated additional demand for small purpose built business premises such as lock ups and business starter units, which is still planned as a future development. Planning permission was approved for the site in July 2016. In March 2017, with support from Argyll and Bute Council as the lead applicant, the Trust successfully applied to the Scottish Governments Regeneration Capital Grant Fund for £1.6m towards the development costs. This has been a significant boost to the overall funding package we need to bring this project to fruition.



Mull Musical Minds

The singing group Mull Musical Minds is still going strong with meetings every fortnight, sometimes held at Bowman Court and sometimes at An Roth. It supports 25-30 people with dementia, Parkinson's disease, people who feel isolated or lonely and people who just like to come along and have a good old sing song! The group is well supported by a network of volunteers across the island and makes use of our community bus for journeys to and from the sessions. Volunteers raised £500 in donations at the Salen Show.



Mull Safe and Sound

The Trust helped establish Mull Safe and Sound, providing advice with a constitution and support with fund raising. Mull Safe and Sound offers a safe, nurturing place for people who feel socially excluded through a variety of mental health issues and loneliness. The group meets fortnightly at An Roth and provide transport to participants with the Ulva Ferry Community Bus. In addition, the group also arrange trips to help members get a full range of social activities and interaction with friends. Mull Safe and Sound were successful in applying for several funding streams in 2016, including £2000 from The Waterfall Fund.

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An Roth Art Competition

Mull and Iona Community Trust hosted its first art competition in May 2016 at An Roth Community Enterprise Centre, for primary school children all over Mull and Iona. Children from P1 through to P7 were invited to paint a picture of their favourite outdoor activity to do on Mull and Iona. There were 154 entries in total from all of the primary schools. A panel of 4 local artists were asked to judge the art work. The winners received prizes including art sets and colouring books as well as gift vouchers for the overall winner.

Ulva Ferry Affordable Housing

After a long fund raising campaign, we started construction of the houses in August 2016. The design of the houses was not compromised during the fund raising process as we felt it important to deliver one of the key requirements from the community consultations which informed the design of the houses – low energy bills. The final funding package as made up of a range of grants and many donations through the buy a brick campaign as well as local fundraising events arranged by Ulva School Community Association. A fantastic outcome is testament to the resilience and determination of all the staff and volunteers involved in the project. The houses were advertised and tenants would be selected against an allocation policy giving preference to families with young children. The main reason for our involvement with the project was to reverse depopulation and help sustain the school roll. Construction of the houses continued through the winter months.



Ulva Ferry Pontoon

The pontoon was handed over by Gael Force Engineering and began operating on 15 July 2016. That day saw the first paying guest; the yacht Eala Bhan from Ardfern en route from Tobermory to Coll. Local tour boat operators began using the pontoon for loading and unloading passengers, increasing accessibility irrespective of the state of the tide.

The Ulva Ferry Pontoon was officially opened on Saturday 27 August by Mrs Jeannie MacColl and Master Bruce Cutlack, the event was attended by around 200 people from all over Mull and celebrated with a nautical theme.

The fuel berth was commissioned in October 2016, delivering marine gasoil from a double bundled 10,000 litre storage tank with twin wall plastic pipe. Using a chip and pin system, fuel can be dispensed by account holders 24/7 on a self-service basis. The system has since been upgraded to allow remote monitoring from An Roth on a daily basis.

Drinking water for visiting boats is provided through a borehole with the intention of supplying the

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2 new houses at Ulva Ferry once completed later in the year.

In February 2017, the annual inspection of the pontoon was carried out by North West Marine. This included inspection of the sea bed and minor adjustment to mooring chains to maintain correct tension. No problems or defects were noted.



Electric Cars

The MIST project came to an end in March 2016 but left behind a strong legacy of the project in the form of two electric vehicles, which have helped to raise awareness of low carbon transport on the island, as well as a vibrant lift share scheme. There are now 11 electric and plug in hybrid electric vehicles on Mull, a massive increase from three when the project started.



Intergenerational Project

In early 2017, the Trust developed a local living history project with funding from the People's Postcode Lottery and Crerar Hotels. The project aimed to bring islanders of different ages and background to celebrate island life. Activities included group workshops and interviews to record anecdotes and stories with older residents and young people, exploring archived historical records and organising a mini festival of concerts with local musicians.

Public Access Defibrillator Network

In its second year work continues with the Scottish Ambulance Service to develop the public access defibrillator network across Mull & Iona. Although no new defibrillators were purchased during the year local funding has continued which has allowed the purchase of several first responder bags across the Island. There are now 14 defibrillators across Mull & Iona with the prospect of a further 1 being added to the network.

Mull Housing Summit

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At An Roth on 22nd August 2016, the Trust and Rural Housing Scotland organised a Mull Housing Summit with local businesses and key housing stakeholders. The summit was driven by the businesses, who as vital local employers, are struggling to retain and recruit staff due to a shortage of suitable accommodation. It was agreed that there is a hidden need for more affordable housing on Mull. After a positive and productive session, we had a list of actions to follow up in order to try and address the issues.

Mull Eagle Watch

For the first time in 8 years we saw two eagle hides established; one in the Community Woodlands at West Ardhu near Dervaig and the other in the Tiroran Community Forest. Mull Eagle Watch retained its five star 'exceptional wildlife experience' rating from Visit Scotland and won two major tourism prizes at the Highlands and Islands Tourism Awards and The Nature of Scotland Awards. In March it was a finalist in the 'Tourism Oscars' – the national finals of the Scottish Thistle Awards 2017 at the Edinburgh International Conference Centre. At the completion of the season the profits generated from the 2 hides were split and distributed back to the Community Groups for further distribution within the community.



Mull and Iona Ranger Service

In 2016, activities offered by the Rangers included: organised beach clean-ups (with great success!); dry stone walling at Burg; school trips to Tiroran Community Forest; games and art activities during the school holidays; hen harrier spotting; walks and picnics including foraging and wildlife talks; an Erraif adventure; walk in Aros Park; wildlife wander on Iona; Ulva guided walk, Staffa sea-watching; guided walk on Treshnish Farm; fishing competition; moth and wildflower walk on Burg; Ardmore Forest and Sea Watch; Practical Plants Day at Creich Hall; drop in sessions at Fishnish and Torr hides; Pioneering Planthunters for older children; Go wild outdoor games and activities for 7-12 year olds; walk at Carsaig; guided walk at Baliscate; Nature Club; Deer Rut Watch; a war against bracken at Dervaig Community Orchard; Jan joined the Hebridean Whale and Dolphin trust to investigate a stranded minke whale; there was geocache hunting in Aros Park with Tobermory Primary School children and various outings over the year with Bunessan Primary School children including bird watching and geology.

Friends of Calgary Bay

Calgary Bay is home to one of Europe's rarest habitats, the unique shell-rich sandy grassland called machair. Found only on the blustery West coasts of Scotland and Ireland, machair is notable for its dazzling array of wild flowers, which in turn attracts a wealth of invertebrates and birds. Calgary's machair is designated a Site of Special Scientific Interest (SSSI), reflecting its national importance. In summer it should be a riot of wild flowers, bees, butterflies, beetles and birds. But it's in trouble; the 'low sward height and the inability of most machair flowers to set seed' means that the SSSI is currently in 'unfavourable declining' condition. This is the result of overgrazing. Friends of Calgary Bay, a community group affiliated with the Trust, have been working with the local grazier, land owner and Scottish Natural Heritage (SNH) to introduce a

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grazing management scheme. The only practical way to achieve this is by fencing. In total, £6,400 was raised by the local community through the fundraising efforts of Friends of Calgary Bay and the Trust for the new fencing.



Education Scotland

Education Scotland approached the Trust as a member of Development Trusts Association Scotland (DTAS) to take part in a review for Scottish Government to understand what benefits we deliver to our local community. The Trust produced a self-evaluation and then engaged in meetings with HM Inspectors at An Roth in January 2016. In May 2016 a report was produced which positively reflected the involvement the Trust has with the community and the influence we have on the island.

ACCESS

Installations for the ACCESS project were to be completed by the end of March 2017, with over 70 local residents having had upgrades to their heating systems. The next big milestone for the project was to go live with the Garmony Hydro Scheme, connecting the all the properties to locally generated energy. This was scheduled to be completed in mid-April. The project then experienced delays, mainly associated with the technology being developed by Vcharge to match heating requirements to Garmony Hydro Scheme. Our ambition is to get all heaters matched with the Garmony Hydro Scheme as soon as possible, so that we can fully use the renewable energy available.



Significant Financial Events

There were no significant financial events during the period.

Investment policy

Other than a reserves account, the Trust has no investments.

Risks to the charity

The main risk faced by the Trust is funding of the costs for supporting the governance and management of the business. These costs are not easily recoverable from grant funding. The strategy of the Trustees is to develop income generation activities to reduce reliance on grant income.

Factors likely to affect the Charity in future

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The effect on availability of grant funding may impact on our ability to develop projects; such funding is reduced by the UK leaving the European Union. At this stage the Trustees await developments but have lodged concerns with our MSP and with Development Trust Association Scotland.

Principle Funding Sources of the Charity

Apart from earned income to support the governance and management costs, the principle sources of funding relate to project specific grant funding that the staff secured. The projects are

selected by the board to ensure that they align with the Purposes and the strategic objectives of the Board.

Pensions

Government legislation requires that all employers provide a pension scheme and that qualifying employees are automatically enrolled into the scheme. The Trust provides eligible Employees with a 6% contribution annually. The pension scheme is not a defined benefit scheme.

Reserves Policy

It is the policy of the Trust to have access to a minimum three months, but with a target of six months' staff and support costs available in a Reserves Bank Account. This is based on employment costs for the core staff, refuse costs, accounting costs, insurance, maintenance, mortgage and loan payments, and running costs for the houses and pontoon. The target is currently set at £82,250.

Based on the results for the year ended 31 March 2017, this would indicate an unrestricted reserves figure of between £130,000 and £260,000. Total funds at 31 March 2017 were £1,892,295, of which £228,535 are restricted, leaving unrestricted funds of £1,663,760. Of this amount £426,356 is designated for spending on future projects and a further £1,665,756 is tied up in fixed assets, leaving no free reserves at 31 March 2017.

The Trust has deposited £12,000 into a Reserves Bank Account in each of the last three financial years and is pleased to be accumulating actual cash reserves.

Plans for the Future

The Trust intends to carry on with the wide range of projects currently being delivered and developed, with a particular desire to identify projects to deliver more sustainable outcomes for the islands.

The Trust hopes to support new projects and if necessary take the lead in projects which will help reverse the ageing demographic changes which are evident from analysis of recent census statistics. Such projects will include childcare provision and provision of housing; both are seen as enablers of economic development which are lacking on the islands.

Structure, Governance and Management

Mull and Iona Community Trust is registered as a Scottish Charity (Charity Number SC025995) and as a Company Limited by Guarantee (Registration Number SC172897). The Articles of Association allow for up to ten members to be elected as Directors, for one representative

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Director from each of Mull Community Council and Iona Community Council and for up to three individual persons to be co-opted to ensure a spread of skills and experience within the Board. Due to the aspiration for new projects, the board are considering increasing the number of member directors.

The board try to maintain a suitably diverse range of members in terms of geographic representation of the island, age, gender and to ensure a balance of skills and experience. In some cases, board members are co-opted for their skills if those skills are not available from within the membership. From time to time, the Trust advertises board vacancies through newsletters, on our social media and in the island magazine.

Mull and Iona Community Trust has a trading subsidiary called An Roth Trading Ltd which is a Company Limited by Shares (Registration Number SC405626). An Roth trading Limited has £100 of share capital which is wholly owned by Mull and Iona Community Trust.

The board of directors meet monthly to discuss all issues raised from within the board and from the staff. Decisions are made after careful discussion and consideration and are usually taken as a consensus but if necessary are put to a vote. The Articles of Association allow the Chair of the meeting a casting vote.

New Directors are provided with an information pack outlining legal responsibilities, code of conduct, declarations of interest and are offered induction training with the Office and Finance Manager to understand the complexities of the finance of the Trust. The Trust is a member of Development Trust Association Scotland along with around 250 similar development trusts. This provides valuable networking opportunities as well as a support network for funding and lobbying activities.

Reference and Administrative Details

The General Manager of the Trust is Moray Finch to whom the Board delegate day to day management responsibility for operational and line management matters.

In April 2017, Dot Stewart was appointed as Deputy General Manager with the same responsibilities for operational and line management as the General Manager. Initially the Deputy General Manager post is part time.

The Office and Finance Manager of the Trust is Vanessa MacLean to whom the Board delegate day to day management responsibility for finance and HR activities.

Staff

In January 2017 a Salary Review took place, a new grading system was implemented and new contracts issued to all staff members. The new salary structure will be used as part of the employment process for all future employees.

The Community Trust employ's 21 part and full time staff with an average of 12 full time equivalents on the payroll.

The Trust holds bank accounts as follows:

With Unity Trust PLC: Nine Brindley Place, Birmingham, B1 2HB

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With the Cooperative Bank: P.O.Box 250, Delf House, Southway, Skelmersdale, WN8 6WT

With Santander: Bridle Road, Bootle, Merseyside, L3 4GB

The Directors particularly wish to thank key public funders for their continued support: Highlands and Islands Enterprise, Development Trust Association Scotland, Coastal Communities Fund, Scottish Natural Heritage, Forestry Commission Scotland, The National Trust for Scotland, The Big Lottery, Local Energy Scotland, Sustrans, Rural Housing Fund, Keep Scotland Beautiful, Zero Waste Scotland, Climate Challenge Fund and Argyll & Bute Council.

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Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the Mull and Iona Community Trust for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure to the Auditor

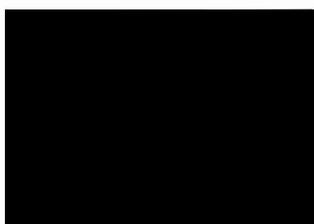
In so far as the trustees are aware:

- there is no relevant audit information of which the charity auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

Approved by the trustees on 12 October 2017 and signed on their behalf by:

Name:



C.M. BAKER

A. BRUNTON

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Mull and Iona Community Trust for the year ended 31 March 2017 which comprise the Group and Parent Charitable Company's Statement of Financial Activities, the Group and Parent Charitable Company's Balance Sheets, the Group and Parent Charitable Company's Cash Flow Statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 17 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2017 and of the group and parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2017

Opinion on other matter prescribed by the Companies Act 2006

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors report, and from preparing a strategic report.



Jenny Simpson
Senior statutory auditor
For and on behalf of Wylie & Bisset LLP, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

Wylie & Bisset LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date 12 October 2017

MULL AND IONA COMMUNITY TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2017

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £
Income and endowments from:							
Donations and legacies	5	10,323	113,214	123,537	13,828	59,065	72,893
Charitable activities	6	7,153	731,634	738,787	6,822	643,821	650,643
Other trading activities	7	242,904	19,437	262,341	250,512	16,586	267,098
Investments	8	2,909	29	2,938	1,635	76	1,711
Total Income		263,289	864,314	1,127,603	272,797	719,548	992,345
Expenditure on:							
Raising funds							
Raising donations & legacies	9	83,927	-	83,927	97,219	-	97,219
Charitable activities	10	348,627	420,271	768,898	14,948	582,933	597,881
Total Expenditure		432,554	420,271	852,825	112,167	582,933	695,100
Net (expenditure)/income		(169,265)	444,043	274,778	160,630	136,615	297,245
Transfers between funds		462,635	(462,635)	-	(2,569)	2,569	-
Net movement in funds		293,370	(18,592)	274,778	158,061	139,184	297,245
Funds reconciliation							
Total Funds brought forward	20, 21	1,370,390	247,127	1,617,517	1,212,329	107,943	1,320,272
Total Funds carried forward	20, 21	1,663,760	228,535	1,892,295	1,370,390	247,127	1,617,517

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

MULL AND IONA COMMUNITY TRUST
CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDING 31 MARCH 2017

(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £
Income and endowments from:							
Donations and legacies	5	10,323	113,214	123,537	13,828	59,065	72,893
Charitable activities	6	7,153	731,634	738,787	6,822	643,821	650,643
Other trading activities	7	261,614	19,437	281,051	238,379	16,586	254,965
Investments	8	2,870	29	2,899	5,876	76	5,952
Total Income		281,960	864,314	1,146,274	264,905	719,548	984,453
Expenditure on:							
Raising funds							
Raising donations & legacies	9	83,927	-	83,927	97,219	-	97,219
Charitable activities		346,205	420,270	766,475	5,184	605,316	610,500
Total Expenditure		430,132	420,270	850,402	102,403	605,316	707,719
Net (expenditure)/income		(148,172)	444,044	295,872	162,502	114,232	276,734
Transfers between funds		462,635	(462,635)	-	(2,569)	2,569	-
Net movement in funds		314,463	(18,591)	295,872	159,933	116,801	276,734
Funds reconciliation							
Total Funds brought forward	21	1,371,679	224,744	1,596,423	1,211,746	107,943	1,319,689
Total Funds carried forward	21	1,686,142	206,153	1,892,295	1,371,679	224,744	1,596,423

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

MULL AND IONA COMMUNITY TRUST

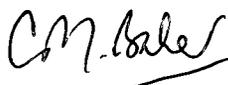
CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 MARCH 2017

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Fixed assets:					
Tangible assets	15	1,665,756	1,297,873	1,664,693	1,297,345
Investments	16	-	-	100	100
Total Fixed Assets		<u>1,665,756</u>	<u>1,297,873</u>	<u>1,664,793</u>	<u>1,297,445</u>
Current assets:					
Stocks		2,046	250	2,046	250
Debtors	17	68,005	157,692	64,021	157,235
Cash at bank and in hand	24	340,633	238,847	328,926	210,703
Total Current Assets		<u>410,684</u>	<u>396,789</u>	<u>394,993</u>	<u>368,188</u>
Liabilities:					
Creditors falling due within one year	18	68,387	61,027	51,733	53,092
Net Current assets		<u>342,297</u>	<u>335,762</u>	<u>343,260</u>	<u>315,096</u>
Total assets less current Liabilities		<u>2,008,053</u>	<u>1,633,635</u>	<u>2,008,053</u>	<u>1,612,541</u>
Creditors: Amounts falling due after more than one year	19	115,758	16,118	115,758	16,118
Net assets		<u>1,892,295</u>	<u>1,617,517</u>	<u>1,892,295</u>	<u>1,596,423</u>
The funds of the charity:					
Unrestricted funds	20	1,663,760	1,370,390	1,686,142	1,371,679
Restricted funds	21	228,535	247,127	206,153	224,744
Total charity funds		<u>1,892,295</u>	<u>1,617,517</u>	<u>1,892,295</u>	<u>1,596,423</u>

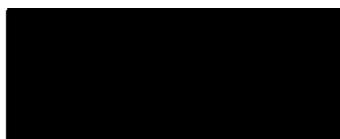
The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved by the trustees on 12 October 2017 and signed on their behalf by:

Name:



Name:



Charity No: SC172897

**MULL AND IONA COMMUNITY TRUST
STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDING 31 MARCH 2017**

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<i>Cash flows from operating activities:</i>					
Net cash provided by operating activities	23	431,954	351,361	444,900	323,903
<i>Cash flows from investing activities:</i>					
Interest received		2,938	1,711	5,579	5,952
Proceeds from the sale of property, plant and equipment		-	9,889	-	9,889
Purchase of property, plant and equipment		(450,209)	(237,327)	(449,359)	(237,327)
Net cash (used in) investing activities		(447,271)	(225,727)	(443,780)	(221,486)
<i>Cash flows from financing activities:</i>					
Repayment of hire purchase		(1,989)	(1,164)	(1,989)	(1,164)
Repayment of loans		(1,908)	-	(1,908)	-
Loans received		21,000	-	21,000	-
Amounts received from mortgage facility		100,000	-	100,000	-
Net cash provided by / (used in) financing activities		117,103	(1,164)	117,103	(1,164)
Change in cash and cash equivalents in the year		101,786	124,470	118,223	101,253
Cash and cash equivalents brought forward	24	238,847	114,377	210,703	109,450
Cash and cash equivalents carried forward	24	340,633	238,847	328,926	210,703

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements consolidate the results of the charity's wholly owned subsidiary, An Roth Trading Ltd, on a line by line basis.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 20 & 21.

(c) Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

(c) Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity 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. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

(d) Expenditure recognition

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

- Costs of raising funds comprise the costs of commercial trading including investment management costs and certain legal fees and their associated support costs;
- Expenditure on charitable activities includes direct costs of activities undertaken to further the purposes of the charity and their associated support costs;

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

(e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on time spent. The allocation of support and governance costs is analysed in note 10.

(g) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised, including any incidental expenses of acquisition and valued at historical cost. All incidental costs relating to the acquisition of the property are also fully depreciated in the year of acquisition. Depreciation is charged as follows:

Heritable Property	-	5% per annum straight line
Plant & Machinery	-	25% per annum reducing balance
Fixtures, Fittings & Equipment	-	15% per annum reducing balance
Motor Vehicles	-	25% per annum reducing balance

(h) Fixed asset investments

Investments are included at cost less provision for any diminution in value.

(i) Stock

Stock is included at the lower of cost or net realisable value.

(j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(m) Operating leases

The charity classifies the lease of the Ulva Ferry Site as an operating lease; the title to the equipment remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

(n) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value

and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

MULL AND IONA COMMUNITY TRUST NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

(o) Taxation

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

2. Legal status of the Trust

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3. Related party transactions and trustees' expenses and remuneration

There are several related parties identified as the directors also have many other directorships in local companies and organisations. Related party transactions entered into by the charitable company during the year are as follows:

The Brook Partnership is a related party by virtue of Alexander Brunton and Derek Crook, Directors of Mull and Iona Community Trust, being partners in The Brook Partnership. Insurance of £1,214 (2016: £493) for Island Castaways Bunessan is paid to Brook Partnership. Rental of £1,335 (2016: £1,335) was also paid to the Brook Partnership for the rental of four storage containers. At the year end The Brook Partnership was owed £Nil (2016: £nil).

Island Engineering is a related party by virtue of Christopher Baker, Director of Mull and Iona Community Trust, being the sole owner of Island Engineering. Technical services in relation to electrical works £4,321 (2016: £2,536) were provided by Island Engineering during the year. At the year end Island Engineering was owed £Nil (2016: £nil)

Christopher Baker being a related party and Director of the Mull and Iona Community Trust paid £Nil (2016: £1,253) in Rental to the Charity during the year for the rental of a storage container owned by the Charity.

Alexander Brunton being a related party and Director of the Mull and Iona Community Trust loaned £25,000 to the Mull and Iona Community Trust under Legal Terms and Agreements. At the 31st March 2017 loan interest to the amount of £3.48 (2016: £3.48) has been paid at a rate of 3.5%. At the year end the balance remaining was £100 (2016: £100). The Loan Balance is secured against the premises in Craignure.

During the year the charity paid An Roth Trading Limited £3,345 (2016: £1,778) for rental costs and labour costs £Nil (2016: £20,604). At the year end An Roth Trading Limited was owed £Nil (2016: £Nil). The charity received £545 (2016: £428) for room hire, printing & catering services, £8,797 (2016: £4,711) for VAT paid by the Charity on behalf of the trading subsidiary, £30,292 (2016: £12,399) for study visit staff costs, £13 (2016: £13) for a Companies House Annual Return, £Nil (2016: £246) for Professional Indemnity Insurance

and £Nil (2016: £186) for Accounting Software and Annual Subscriptions. A total of £2,755 (2016: £5,723) in profits was transferred from the trading subsidiary to the parent charity at year end. At the year end An Roth Trading Limited owed £3,012 (2016: £7,082).

MULL AND IONA COMMUNITY TRUST NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

3. Related party transactions and trustees' expenses and remuneration (continued)

Trustee donations totalled £2,155 for the year (2016: £522). No Trustees received any remuneration during the year (2016: £nil).

4. Trading Subsidiary

The wholly owned subsidiary, An Roth Trading Ltd (ARTL), which operates in the United Kingdom, pays its profits to Mull and Iona Community Trust by gift aid. An Roth Trading Ltd provides training, consultancy, project, event and property management as well as the hiring out of space for business other uses. The charity owns the entire issued share capital of 100 ordinary share of £1.

A summary of the trading results is shown below:

	Year ended 31 March 2017	Year ended 31 March 2016
	£	£
Turnover and other income	45,673	26,763
Cost of Sales & Administration costs	(43,407)	(21,133)
Net profit	<u>2,266</u>	<u>5,630</u>
Amount gift aided to the charity	(2,755)	(5,723)
Retained in subsidiary	<u>(489)</u>	<u>(93)</u>

The assets and liabilities of the subsidiary were:

Fixed assets	1,063	528
Current assets	18,702	35,683
Current liabilities	(19,665)	(35,622)
Total net assets	<u>100</u>	<u>589</u>
Aggregate share capital and reserves	<u>100</u>	<u>589</u>

5. Income from donations and legacies

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Sea Eagles Donations	20,756	17,717	20,756	17,717
Membership Income	102,781	55,176	102,781	55,176
	<u>123,537</u>	<u>72,893</u>	<u>123,537</u>	<u>72,893</u>

6. Income from charitable activities

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Environmental	82,189	106,451	82,189	106,451
Economic development – Revenue	23,650	5,000	23,650	5,000

Community services	319,601	293,626	319,601	293,626
Infrastructure	313,347	245,566	313,347	245,566
	<u>738,787</u>	<u>650,643</u>	<u>738,787</u>	<u>650,643</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

7. Income from other trading activities

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Consultancy & support services	98,830	134,472	160,419	145,841
Income from MESS activities	113,686	104,271	113,686	104,271
Miscellaneous income	6,946	4,853	6,946	4,853
ARTL Services charged	42,879	23,502	-	-
	<u>262,341</u>	<u>267,098</u>	<u>281,051</u>	<u>254,965</u>

8. Investment income

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Bank interest	150	229	144	229
Rent	2,788	1,482	-	-
Gift Aid income	-	-	2,755	5,723
	<u>2,938</u>	<u>1,711</u>	<u>2,899</u>	<u>5,952</u>

9. Raising Funds – expenditure on raising donations and legacies – Group and Charity

	Direct	Support	Total	Total
	Costs	Costs	2017	2016
	£	£	£	£
Consultancy	347	83,580	83,927	97,219
	<u>347</u>	<u>83,580</u>	<u>83,927</u>	<u>97,219</u>

10. Analysis of expenditure on charitable activities – Group

	Environmental	Economic	Community	Infrastructure	2017	2016
	£	Development	Services	£		
	£	£	£	£	£	£
Project costs	32,387	921	29,055	11,062	73,425	35,376
Sub contractors/ freelance workers	-	-	-	165,047	165,047	27,494
Premises costs	-	-	732	676	1,408	3,496
Office & IT costs	347	347	347	362	1,403	905
Professional & consultancy fees	-	-	-	75,013	75,013	7,220
Vehicle costs	-	-	2,214	-	2,214	5,252
Other Costs	-	-	3,353	1,276	4,629	765
Governance costs (note 10)	7,494	248	12,437	10,162	30,341	32,650
Support costs (note 10)	102,607	3,389	170,289	139,133	415,418	484,722
	<u>142,835</u>	<u>4,905</u>	<u>218,427</u>	<u>402,731</u>	<u>768,898</u>	<u>597,881</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

11. Allocation of governance and support costs

Cost type	Total £	Raising funds £	Environmental £	Economic Development £	Community Services £	Infrastructure £	Governance £	Basis
Salary of administrative staff	301,283	45,193	59,533	1,966	98,802	80,725	15,064	<i>Time spent</i>
Rent/rates/ins/cleaning	52,241	7,836	10,323	341	17,132	13,997	2,612	<i>Time spent</i>
Printing, postage, stationary and advertising	10,461	1,569	2,067	68	3,431	2,803	523	<i>Time spent</i>
Motor & travel expenses	17,249	2,587	3,408	113	5,657	4,622	862	<i>Time spent</i>
Loan interest	4	1	1	-	1	1	-	<i>Time spent</i>
Bank charges	1,417	212	280	9	465	380	71	<i>Time spent</i>
Legal & statutory fees	9,743	1,461	1,925	64	3,195	2,610	488	<i>Time spent</i>
Telephone	7,847	1,177	1,550	51	2,574	2,103	392	<i>Time spent</i>
Staff training	2,459	369	486	16	806	659	123	<i>Time spent</i>
Subscriptions	1,796	269	355	12	589	481	90	<i>Time spent</i>
Depreciation	82,011	12,302	16,205	535	26,894	21,974	4,101	<i>Time spent</i>
Miscellaneous expenses	32,762	4,915	6,474	214	10,743	8,778	1,638	<i>Time spent</i>
Materials	-	-	-	-	-	-	-	<i>Time spent</i>
Total	519,273	77,891	102,607	3,389	170,289	139,133	25,964	

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

11. Allocation of governance and support costs (continued)

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the tables below:

Governance costs:	2017	2016
	£	£
Meeting expenses	2,605	1,433
Auditor's remuneration	7,461	7,044
Support costs (see above)	25,964	30,295
	<u>36,030</u>	<u>38,772</u>

Breakdown of governance and support costs by activity:

	Support Costs	Governance	2017	2016
	£	£	£	£
Environmental	102,607	7,494	110,101	98,737
Economic Development	3,389	248	3,637	1,436
Community Services	170,289	12,437	182,726	249,262
Infrastructure	139,133	10,162	149,295	167,937
Total for charitable activities	415,418	30,341	445,759	517,372
Raising funds	77,891	5,689	83,580	97,008
	<u>493,309</u>	<u>36,030</u>	<u>529,339</u>	<u>614,330</u>

12. Analysis of staff costs and remuneration of key management personnel

	2017	2016
	£	£
Salaries and wages	268,548	329,858
Social security costs	17,575	22,515
Pension costs	15,162	15,964
Total staff costs	<u>301,285</u>	<u>368,337</u>

No employees had employee benefits in excess of £60,000 (2016: Nil).

	2017	2016
	No.	No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>27</u>	<u>23</u>

	2017	2016
	£	£
Key management personnel remuneration:	<u>112,786</u>	<u>117,754</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

13. Net income/(expenditure) for the year

This is stated after charging:	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Depreciation	82,326	79,588	82,011	79,495
Auditor's remuneration:				
Audit fees	10,038	10,243	7,461	7,044
(Profit)/ Loss on disposal of fixed assets	-	(101)	-	(101)

14. Government Grants

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
HIE	65,554	32,900
Climate Challenge Fund	-	69,834
Scottish Natural Heritage	24,000	24,000
Forestry Commission Scotland	12,000	12,000
Zero Waste Scotland	-	1,255
Total	101,554	139,989

HIE funding is spent on employing a local development officer for the Ulva Ferry area of Mull.

Climate Challenge Fund provide funding to develop a sustainable transport system on Mull.

Scottish Natural Heritage funding is used towards the cost of a seasonal and full time ranger manager.

Forestry Commission Scotland provide revenue funding to contribute to the employment of a ranger manager for Mull.

Zero Waste Scotland provide funding to train employees to become qualified PAT testers and run an upcycling course.

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

15a. Tangible Fixed Assets - Group

	Heritable Property £	Plant & Machinery £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Assets under construction £	Total £
Cost or valuation						
At 1 April 2016	1,117,229	36,578	107,189	87,498	311,690	1,660,184
Additions	-	-	2,088	-	448,121	450,209
Disposals	-	-	-	-	-	-
At 31 March 2017	1,117,229	36,578	109,277	87,498	759,811	2,110,393
Depreciation						
At 1 April 2016	239,475	31,456	58,448	32,932	-	362,311
Charge for the year	61,444	3,985	7,477	9,420	-	82,326
On disposals	-	-	-	-	-	-
At 31 March 2017	300,919	35,441	65,925	42,352	-	444,637
Net book value						
At 31 March 2016	877,754	5,122	48,741	54,566	311,690	1,297,873
At 31 March 2017	816,310	1,137	43,352	45,146	759,811	1,665,756

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

15b. Tangible Fixed Assets – Company

	Heritable Property £	Plant & Machinery £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Assets under construction £	Total £
Cost or valuation						
At 1 April 2016	1,117,229	36,578	106,246	87,498	311,690	1,659,241
Additions	-	-	1,238	-	448,121	449,359
Disposals	-	-	-	-	-	-
At 31 March 2017	1,117,229	36,578	107,484	87,498	759,811	2,108,600
Depreciation						
At 1 April 2016	239,475	31,456	58,033	32,932	-	361,896
Charge for the year	61,444	3,985	7,162	9,420	-	82,011
On disposals	-	-	-	-	-	-
At 31 March 2017	300,919	35,441	65,195	42,352	-	443,907
Net book value						
At 31 March 2016	877,754	5,122	48,213	54,566	311,690	1,297,345
At 31 March 2017	816,310	1,137	42,289	45,146	759,811	1,664,693

16. Investments - Company

	Shares in group undertakings £
Cost and net book value At 1 April 2016 and 31 March 2017	<u>100</u>

The charity was a wholly owned trading subsidiary, An Roth Trading Limited a company incorporated in Scotland. The principal activity of the company is training and consultancy. Full details are given in note 4.

17. Debtors

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	64,060	137,520	57,064	129,981
Other debtors	3,945	5,726	3,945	5,726
Intercompany debtor	-	-	3,012	7,082
VAT debtor	-	14,446	-	14,446
	<u>68,005</u>	<u>157,692</u>	<u>64,021</u>	<u>157,235</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

18. Creditors: amounts falling due within one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	9,593	25,692	6,223	25,692
Taxation and social security costs	5,105	4,770	2,980	-
Hire purchase	1,989	1,989	1,989	1,989
Mortgage	1,521	-	1,521	-
Other creditors	50,179	30,566	39,020	27,400
	<u>68,387</u>	<u>61,027</u>	<u>51,733</u>	<u>53,092</u>

19. Creditors: amounts falling due after more than one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Hire purchase	14,129	16,118	14,129	16,118
Mortgage	98,479	-	98,479	-
Other creditors	3,150	-	3,150	-
	<u>115,758</u>	<u>16,118</u>	<u>115,758</u>	<u>16,118</u>

Hire Purchase

	Group		Charity	
	2017	2016	2017	2016
Due:	£	£	£	£
In one year or less	1,989	1,989	1,989	1,989
Between one and two years	1,989	1,989	1,989	1,989
Between two and five years	12,140	14,129	12,140	14,129
	<u>16,118</u>	<u>18,107</u>	<u>16,118</u>	<u>18,107</u>

HP Liabilities are secured on the assets concerned.

Mortgage

	Group		Charity	
	2017	2016	2017	2016
Due:	£	£	£	£
In one year or less	1,521	-	1,521	-
Between one and two years	2,672	-	2,672	-
Between two and five years	8,375	-	8,375	-
Over five years	87,432	-	87,432	-
	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>

Other Creditors

	Group		Charity	
	2017	2016	2017	2016
Due:	£	£	£	£
In one year or less	50,179	30,566	39,020	27,400
Between one and two years	3,150	-	3,150	-
	<u>53,329</u>	<u>30,566</u>	<u>42,170</u>	<u>27,400</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

20. Unrestricted Funds - Group

Analysis of Fund movements - 2017	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted funds					
Designated funds:					
MESS Craignure shop	92,826	98,271	74,816	-	116,281
MESS Bunessan shop	2,228	15,226	12,394	-	5,060
MESS Core	3,957	4,639	8,590	-	6
MESS Recyclate	15,990	5,407	1,331	-	20,066
MESS Business					
Recyclate	8,478	2,306	9	-	10,775
MESS Tobermory	1,410	5,404	4,357	-	2,457
Sustainable Mull & Iona	396	-	-	-	396
Gantry Storage					
Craignure	46,383	18,180	5,504	-	59,059
An Roth Ent Centre	166,719	74,714	30,393	(5,781)	205,258
Ross of Mull Playpark	148	-	148	-	-
Mull & Iona Sustainable					
Transport	-	1,354	1,110	-	244
Ulva Pontoon Trading	-	5,673	160	-	5,513
PCC Vending Machine	967	1,472	1,199	-	1,240
	339,502	232,646	140,011	(5,781)	426,356
General funds	1,030,888	30,643	292,544	468,417	1,237,405
Total unrestricted funds	1,370,390	263,289	432,554	462,635	1,663,760

Analysis of Fund movements - 2016	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted funds					
Designated funds:					
MESS Craignure shop	73,341	88,796	69,311	-	92,826
MESS Bunessan shop	-	11,641	9,413	-	2,228
MESS Core	3,919	962	924	-	3,957
MESS Recyclate	10,929	6,678	1,617	-	15,990
MESS Business					
Recyclate	6,750	1,746	18	-	8,478
MESS Tobermory	581	6,443	5,614	-	1,410
Sustainable Mull & Iona	403	-	7	-	396
Gantry Storage					
Craignure	30,162	18,694	2,473	-	46,383
An Roth Ent Centre	141,336	74,957	49,574	-	166,719
Ross of Mull Playpark	148	-	-	-	148
PCC Vending Machine	400	1,934	1,367	-	967
	267,969	211,851	140,318	-	339,502
General funds	944,360	60,949	(28,151)	(2,569)	1,030,888
Total unrestricted funds	1,212,329	272,797	112,167	(2,569)	1,370,390

**MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

20. Unrestricted Funds – Group (continued)

The nature and purposes of the various designated funds are as follows:

MESS funds - relate to the income generated from the community shops run by the charity.

Sustainable Mull & Iona - relate to income generated from the Annual Renewables Fair.

Gantry Storage Craignure - relates to income generated from rental of self storage for site overheads.

An Roth Enterprise Centre - relates to income generated through room rentals & office services to cover running costs of the centre.

Ross of Mull Playpark - Sea Eagle Funds secured to cover annual rental from Argyll Estates. Funds held by MICT on behalf of the group.

Mull & Iona Sustainable Transport – Keep Scotland Beautiful Funds to reduce the carbon footprint of transport on Mull & Iona

Ulva Pontoon Trading - Trading Funds generated from Pontoon Berthing Fees and Fuel Sales

PCC Vending Machine - Earned income from Vending machines designated to cover replacement stock items

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

21. Restricted Funds – Charity and Group

Analysis of Fund movements - 2017	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Restricted funds					
Sea Eagles	5,660	17,374	19,848	66	3,252
Ranger - Mink	461	-	16	-	445
Ranger Calgary Bay	278	3,260	55	-	3,483
Mess Core – Community Groups	5,408	5,000	4,592	-	5,816
Mess Revolve	390	-	-	-	390
Childcare	930	13,692	897	-	13,725
CBRC Capital	11,178	-	-	-	11,178
CBRC Revenue	10,103	-	15,885	5,782	-
Ranger Forestry & Activities	11,183	69,292	66,385	-	14,090
Forest Geocaching	297	-	-	-	297
An Roth Trading	1,825	6	1,536	-	295
Mull Musical Minds	8,277	1,978	1,318	-	8,937
Bowman Court SE Fund	65	-	-	(65)	-
Community Defibs	2,483	8,322	6,252	-	4,553
Ulva Ferry Development Officer	838	41,849	41,118	-	1,569
Ulva Ferry pontoons	9,218	26,817	31,818	-	4,217
Ulva Ferry Housing Project – Revenue	28,161	81,227	2,622	(75,000)	31,766
Ulva Ferry Housing Project – Capital	42,125	237,384	13,725	(265,784)	-
Ulva Ferry Community MiniBus	31,462	33,893	20,809	-	44,546
Ulva Ferry Pontoon Capital	10,451	246,370	127,023	(129,798)	-
Energy Advisor Mull & Iona	3,431	200	745	-	2,886
Community Broadband	9,073	3,626	3,626	-	9,073
Intergenerational Project	5,000	23,650	2,349	-	26,301
Storage Ardmore	-	285	2,185	1,900	-
HIE Capacity Building	-	20,682	20,946	264	-
Path & Viewpoints	130	14,000	8,675	-	5,455
Mull & Iona Sustainable Transport	732	-	732	-	-
Big Bike Review	-	2,000	1,484	-	516
Lochbuie Mobile	-	325	-	-	325
ACCESS	47,968	13,082	25,630	-	35,420
Total restricted funds	247,127	864,314	420,271	(462,635)	228,535

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

21. Restricted Funds – Company and Group (continued)

Analysis of Fund movements - 2016	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Restricted funds					
Sea Eagles	3,467	12,292	10,099	64	5,660
Ranger - Mink	461	-	-	-	461
Ranger Calgary Bay	450	50	222	-	278
Mess Core – Community Groups	5,000	5,000	4,592	-	5,408
Mess Revolve	640	1,255	1,505	-	390
Childcare	2,500	-	1,570	-	930
CBRC Capital	11,178	-	-	-	11,178
CBRC Revenue	10,103	-	-	-	10,103
Ranger Forestry & Activities	7,437	68,111	64,365	-	11,183
Forest Geocaching	378	-	81	-	297
An Roth Trading	2,344	-	519	-	1,825
Mull Musical Minds	2,947	7,010	1,680	-	8,277
Bowman Court SE Fund	130	-	65	-	65
Community Defibs	-	11,123	8,640	-	2,483
Ulva Ferry Development Officer	960	27,725	27,847	-	838
Ulva Ferry pontoons	5,494	30,040	26,316	-	9,218
Ulva Ferry Housing Project – Revenue	33,510	13,181	18,530	-	28,161
Ulva Ferry Housing Project – Capital	-	84,320	42,195	-	41,125
Ulva Ferry Community MiniBus	5,079	52,548	26,165	-	31,462
Ulva Ferry Pontoon Capital	-	144,866	134,415	-	10,451
Energy Advisor Mull & Iona	3,208	1,170	947	-	3,431
Community Broadband	10,262	42,109	43,298	-	9,073
Intergenerational Project	-	5,000	-	-	5,000
Storage Ardmore	-	18,630	21,036	2,406	-
HIE Capacity Building	877	38,248	39,288	163	-
Path & Viewpoints	1,205	5,274	6,349	-	130
Mull & Iona Sustainable Transport	-	70,431	69,699	-	732
ACCESS	313	81,165	33,510	-	47,968
Total restricted funds	107,943	719,548	582,933	2,569	247,127

The nature and purposes of the various restricted funds are as follows:

Sea Eagles – BBC Wildlife Fund restricted to cover equipment costs for the viewing hide.

Ranger - mink – Restricted for costs associated with Mink control on Iona 2013/14.

Ranger Calgary Bay – Restricted for Volunteer’s expenses and overheads.

MESS Core – Community Groups – Funds restricted to redistribute to Community groups in the form of small grants

MESS Revolve -Restricted for Revolve Marketing and Communications for the Charity Shops

Childcare – restricted for costs of feasibility study

MULL AND IONA COMMUNITY TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

21. Restricted Funds – Company and Group (continued)

CBRC Capital – restricted for costs of building.

CBRC Revenue – restricted for wages and project running costs.

Ranger Forestry – restricted for payment of wages and overheads.

Forestry Geocaching – To cover costs (staff & equipment) of setting up geocaching on Mull

An Roth Trading – BIG Lottery Grant restricted for the development of An Roth Associates.

Mull Music Minds – Donations restricted for the running costs of fortnightly singing group.

Bowman Court SE Fund – Restricted for purchase of bird seed for Bowman's Court.

Community Defibs – Funds restricted for the purchase of defibrillators for use across the island community.

Ulva Ferry Development Officer – Restricted for overheads and running costs of project.

Ulva Ferry pontoons Pontoons – Coastal Communities Funds Restricted for Revenue Salary & Overhead Costs

Ulva Housing Project Revenue - Scottish Land Fund Restricted for Revenue Salary Costs for Ulva Housing Project

Ulva Housing Project Capital -

Ulva Ferry Community Minibus – Scottish Government Community Transport Fund to purchase a hybrid community mini bus

Ulva Ferry Pontoon – Capital - BIG Lottery Capital Funds Restricted for Capital Building Costs

Energy Advisor – Keep Scotland Beautiful funds to support cost of employing a local energy advisor on Mull & Iona

Community Broadband – Community Broadband Scotland funds to produce a Business Plan to run high speed broadband to remote locations in Argyll & Bute

Intergenerational Project – Funds to carry out a study of the older and younger generations of Mull through a series of skills exchange and events.

Storage Ardmore – Big Lottery Scottish land Fund money to purchase forestry land to develop a light industrial park.

HIE Capacity Building - help build capacity in local communities and inject new life into some of Scotland's most disadvantaged areas.

Path & Viewpoints – Investing In Ideas restricted for Feasibility study on Paths & Viewpoints

Mull & Iona Sustainable Transport – Keep Scotland Beautiful Funds to reduce the carbon footprint of transport on Mull & Iona.

Big Bike Review – We Are Cycling UK funds restricted for further cycling events.

Lochbuie Mobile – Waterfall Fund Donation restricted for installation of an emergency satellite phone.

ACCESS - Community Energy Scotland Funds restricted for Stage 2 of ACCESS Project

**MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

21. Restricted Funds – Company and Group (continued)

Forestry Geocaching – To cover costs (staff & equipment) of setting up geocaching on Mull

Transfers from restricted funds relate to the capitalisation of assets. Transfers to restricted funds relate to slight overspends met by general funds.

22. Group net assets over funds

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Fixed assets	1,665,756	-	1,665,756
Stock	2,046	-	2,046
Debtors	68,005	-	68,005
Cash	112,098	228,535	340,633
Current liabilities	(68,387)	-	(68,387)
Long term liabilities	(115,758)	-	(115,758)
	<u>1,663,760</u>	<u>228,535</u>	<u>1,892,295</u>

	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Fixed assets	1,297,873	-	1,297,873
Stock	250	-	250
Debtors	157,692	-	157,692
Cash	(28,884)	267,731	238,847
Current liabilities	(40,423)	(20,604)	(61,027)
Long term liabilities	(16,118)	-	(16,118)
	<u>1,370,390</u>	<u>247,127</u>	<u>1,617,517</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

23. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	274,778	297,245	295,872	276,734
Adjustments for:				
(Loss)/profit on disposal of fixed assets	-	(101)	-	(101)
Depreciation charges	82,326	79,588	82,011	79,495
Dividends, interest and rents from investments	(2,938)	(1,711)	(5,579)	(5,952)
Inception of hire purchase	-	6,463	-	6,463
Decrease/(increase) in stocks	(1,796)	105	(1,796)	105
(Increase)/decrease in debtors	89,687	(59,315)	93,214	(57,882)
Decrease/(increase) in creditors	(10,103)	29,087	(18,822)	25,041
Net cash provided by/ (used in) operating activities	<u>431,954</u>	<u>351,361</u>	<u>444,900</u>	<u>323,903</u>

24. Analysis of cash and cash equivalents

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Cash at bank and in hand	340,633	238,847	328,926	210,703
Total cash and cash equivalents	<u>340,633</u>	<u>238,847</u>	<u>328,926</u>	<u>210,703</u>

25. Operating Lease Commitments

At the reporting date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Property	
	2017 £	2016 £
Under 1 year	1,000	1,000
Between 2 and five years	4,000	4,000
Over 5 years	14,000	15,000
	<u>19,000</u>	<u>20,000</u>