

Registered Company No: SC 172897

Registered Charity No: SC 025995



# **MULL & IONA**

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## **COMMUNITY TRUST**

(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

**MULL AND IONA COMMUNITY TRUST**  
**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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**Report of the Trustees for the year ended 31 March 2020**

**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Charity Name:</b>	Mull and Iona Community Trust		
<b>Registered Office:</b>	An Roth Community Enterprise Centre Craignure Isle of Mull Argyll PA65 6AY		
<b>Charity Registration Number:</b>	SC025995		
<b>Company Registration Number:</b>	SC172897		
<b>Trustees:</b>	Sandy Brunton (Chairman) Derek Crook Robert MacManaway Caroline Wood Ian Jones Barry Whenman Elizabeth Ferguson (Co-opted 13/01/20, resigned 08/06/20) Sue Hawkes (Co-opted 13/02/20) Heather Waller (Co-opted 13/01/20) Hayley Gray (Co-opted 13/05/19) Chris Baker (resigned 12/08/19) Justin Liddle (resigned 30/10/19) Gemma Paterson (resigned 13/01/20) Elizabeth Peel (Co-opted 09/08/19, resigned 08/06/20) Joseph Reade (Co-opted 08/05/20)		
<b>Secretary:</b>	Chris Baker (resigned 12/08/2019) Caroline Wood (appointed 14/08/2019)		
<b>Independent Auditors:</b>	Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP		
<b>Bankers:</b>	Unity Trust Bank Nine Brindleyplace Birmingham BS1 2HB	The Co-operative Bank 1 Balloon Street Manchester M60 4EP	Santander Bridle Road Bootle Merseyside L3 4GB
<b>Solicitors:</b>	Twin Deer Law Lochaber Rural Complex Fort William PH33 6SQ		

**MULL AND IONA COMMUNITY TRUST**  
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**Report of the Trustees for the year ended 31 March 2020**

**Introduction**

The Trustees of Mull and Iona Community Trust (MICT) present their annual report and financial statements of the charity for the year ended 31 March 2020.

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.

At the very end of the reporting period, from around 20 March, the Trust's activities were curtailed with the imposition of lockdown by the UK and Scottish Governments due to the Covid19 pandemic.

**Purposes**

The following statements of purpose are taken from the Trust's 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.

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**ABOUT THE TRUST**

**Operational context and approach**

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

MICT works to strengthen the community, economy and environment of the islands, and furthers its charitable purposes through a wide range of projects and through support provided to residents, community groups and local organisations.

The Trust delivers on its remit via two complementary approaches:

- By consulting the community to identify priorities, recording these in Community Development Plans, and using this information to underpin the strategy of the Trust.
- By responding to unplanned situations or opportunities as and when they arise.

During the reporting period, the Trust continued to pursue projects delivering beneficial outcomes in line with its purposes, addressing a huge range of issues including recycling, geographic and social isolation, housing, sustainable transport and economic development.

Projects are continually checked against the strategic objectives of the Trust to ensure that these are prioritised and not diluted, for example when funding opportunities arise for non-priority projects.

The Trust also gives out grants with income arising from the MESS (Mull Environmentally Sensitive Solutions) Island Castaways charity shops. 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 dedicated bank account.



**Structure, governance and management**

MICT is registered as a Scottish Charity (Charity Number SC025995) and as a Company Limited by Guarantee (Registration Number SC172897). The Trust also has a trading subsidiary, An Roth Trading Ltd, which is a Company Limited by Shares (Registration Number SC405626). This trading company is currently dormant, with a total share capital of £100 which is wholly owned by the Trust.

The Trust is a member of Development Trust Association Scotland along with around 300 similar development trusts. This provides valuable networking opportunities as well as a support network for funding and lobbying activities.

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**Report of the Trustees for the year ended 31 March 2020**

**Board of Directors**

The Trust's Articles of Association allow for up to 14 members to be elected as Directors, for one representative Director from each of Mull Community Council and Iona Community Council, and for up to five individuals to be co-opted between AGMs to ensure a spread of skills within the Board.

The Trust aims to maintain a suitably diverse Board in terms of geographic representation of the island, age, gender, experience and expertise. From time to time, the Trust advertises Board vacancies through newsletters, on social media and in the island magazine.

New Directors are provided with an information pack outlining legal responsibilities, code of conduct, and declarations of interest, and are offered induction training to understand the complexities of the finances of the Trust.

The Board of Directors meet monthly to discuss all issues arising from projects and support work, potential new work for the Trust, and any other matters raised from within the board or staff. Decisions are made after careful consideration and are usually taken as a consensus but if necessary are put to a vote. The Articles of Association do not allow the Chair of the meeting a casting vote.

All Directors are unpaid volunteers and the staff are grateful for the ongoing commitment and support freely donated by the Directors.

See the cover sheet of this report for the Board Directors serving during this reporting period.

**Key Management Staff**

There are five roles identified as key management staff; **General Manager, Deputy General Manager, Finance Manager, MESS Manager and Ranger Service Manager.**

**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.

**The Deputy General Manager** of the Trust is Mairi Greig. The Deputy General Manager of the Trust has the same responsibilities for operational and line management as the General Manager. An exception to this is that Mairi has additional responsibilities for HR matters. Currently the Deputy General Manager post is full time although Mairi is only available to work part time due to lack of wrap around childcare.

The **Finance Manager** is Pamela Venters to whom the Board delegate managing the finances in accordance with best practice, charity and company law.

The **MESS Manager** is Hazel Cowe with responsibility for management of Island Castaways charity shops and all recycling activities and projects.

The **Ranger Service Manager** is Jan Dunlop.

Salaries of the key management staff are established in accordance with the Salaries Policy which makes provision for a range of salary within each grade.

**Report of the Trustees for the year ended 31 March 2020**

**Standing Committees**

Three standing committees provide additional focus and governance for key operational areas:

- **HR and policies** – meet three times per year, or more frequently as and when required
- **Finance** – meets four times per year, or more frequently as and when required
- **Strategy** – meets after the Annual General Meeting and in June each year, or more frequently as and when required

These Standing Committees have been established to include different members of the Board and Management Team to share the workload and governance responsibility, and make best use of individual skills. A representative of each Standing Committees provides an update at each Board Meeting.

**Project steering groups**

Every MICT project has a steering group to help guide and govern the project. To discharge its responsibilities, the Board ensures that each steering group includes at least one MICT Director. Routine decisions are taken by the steering group and only more significant issues or decisions are referred to the Board for discussion and approval. The Director on the steering group makes the judgement of what needs to be referred to the board, if necessary seeking advice from the General/Deputy General Manager.

**Resourcing**

**Staff**

We are very proud of our staff who are passionate about our work and continuously demonstrate great commitment to the organisation.

At the reporting period year end, there were around 29 staff on payroll, distributed as follows:

- Five full-time staff
- Ten part-time staff (approximately 4.7 full time equivalent)
- 11 staff on zero hours contracts (mainly “bank” charity shop staff and dial-a-ride drivers)

**Volunteers**

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

**MESS Island Castaways** – Three charity shops are operated predominantly by approximately 35 volunteers. The volunteers are very committed and help to ensure that the shops provide an outlet for clothing, bric-a-brac and furniture donated by residents.

**Steering groups** – Every project is supported by a steering group which comprises of one or more MICT Directors and several volunteers. The total number involved is constantly changing as projects start and finish but a conservative estimate would be around 100. The time commitment varies but typically steering groups meet monthly 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. With a wide range of backgrounds and experience, the Directors provide support to staff and ensure that the Trust is responding properly to the needs of the community, in line with its strategy. During the year there were 10 Directors on the board at any one time.

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**Guardians of public access defibrillators** – 17 volunteers carry out monthly inspections and online reports to ensure that the Scottish Ambulance Service can rely on the public access defibrillators being available in an emergency.

**Finances**

**Principle funding sources of the Charity**

Apart from earned income and donations, the Trust's work, governance and management costs are principally funded by project specific grants secured by staff. These grants come from a wide range of sources, often specific to the area of challenge the project is seeking to address. The projects are agreed by the board to ensure that they align with the Purposes and the strategic objectives of the Board.

**Core costs**

The Trust is making continued progress reducing reliance on grant income to cover its core costs by increasing income from enterprise activities. During the reporting period, income was generated via activities including the Island Castaways shops, room rentals at An Roth, self-storage and seeking of donations from individuals. Projects completed during the period, such as Nonhebel Park and Ardura Community Forest, are intended to further reduce reliance on grant income for core costs in the future.

The Trust's unfunded core costs for the financial year 2019-20 were £64,122 and included:

- Contribution to salaries for General and Deputy General Managers and Finance Manager
- Pension fees
- Banking fees
- Postage, telephone, stationary and printing costs
- IT support costs
- Web hosting, domain names and website costs
- Conference fees and travel and subsistence expenses
- Venue hires for meetings
- Accounting and audit fees
- Accountancy software cost
- Regulatory fees and membership subscriptions (e.g. DTAS, SCVO, SIF, CWA)
- Recruitment costs

The total net income from Castaways and the Gantry Self Storage contributing to this was around £48,000 leaving a shortfall of around £16,000.

**Reserves policy and reserve funds**

It is the policy of the Trust to have access to a minimum of three months', but with a target of six months', staff and support costs available in a Reserves 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.

In addition, the Trust monitors its liability for staff redundancy and from 2020 onwards includes this in its reserves policy.

Based on the results for the year ended 31 March 2020, this would indicate an unrestricted reserves figure of around £111,959.



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**Reserves policy and reserve funds (continued)**

Total funds at 31 March 2020 were £4,821,097, of which £3,162,735 are restricted, leaving unrestricted funds of £1,658,362. Of this amount £1,528,079 is tied up in the value of unrestricted fixed assets net of borrowings thereon, leaving £130,283.

£648,927 is designated for spending on future projects but of this amount only £79,223 was actually committed at 31 March 2020, leaving free reserves of £51,060.

The Board is keen to move towards achieving the Reserves Policy and projects like the Gantry Storage, Nonhebel Park and Ardura Forest will all contribute positively to this objective by reducing and eliminating the shortfall in the contribution to core costs outlined above.

**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.

**Investment policy**

Other than a reserves account, the Trust had no investments during the reporting period.

**Significant financial events**

There were no significant financial events affecting the Trust during the period.

**Risks to the charity**

The main risk faced by the Trust is that we will fail to cover the costs of managing and governing the business in future years. These costs are not easily recoverable from grant funding. The strategy of the Trust to mitigate this risk is to develop income generation activities to reduce reliance on grant income for core costs.

This risk is exacerbated by the ongoing impact of the Covid19 pandemic which at the time of writing (August 2020) shows no sign of a return to the previous normal.

**Factors likely to affect the Charity in future**

The availability of grant funding currently dictates our ability to develop and deliver projects. Now that the UK has left the European Union there remains uncertainty as to whether previous funding from the EU will be replaced by the UK Government.

The Covid19 crisis has caused an economic crisis which will only make this uncertainty worse. The significant costs for Government in dealing with the economic impact of the Covid19 crisis further increase our concern over future levels of Government funding for activities delivered by the Trust.

The strategy to develop income generating projects seems therefore to be correct although such opportunities are limited in scope and amount that can be generated.

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**WHAT WE DO**

***Ongoing activities and services***

**COVID19**

Two weeks prior to the year end, the UK was officially placed in lockdown. The immediate impact for MICT was for Island Castaways in Craignure and Bunessan to close and for all operations in An Roth to cease. Initially all staff began working from home. Subsequently, the staff associated with Island Castaways and MESS agreed to be placed on the furlough scheme.

MICT very rapidly adapted and began to provide a wide range of support and advice to the local communities. Ulva Ferry Community Transport transformed itself from a passenger carrying service to delivery of groceries, food parcels and prescriptions working alongside a host of volunteers led groups responding to local needs.

Most of these activities took place after the year end and will not be reported in detail within this report.

However, without a doubt, Covid19 was a very significant issue for the reporting year April 2019 – March 2020

***Advisory support to local organisations***

The Trust offers support to local organisations, including funding and constitutional advice, and where appropriate can work on a cost recovery basis to search out funding opportunities and prepare funding applications for such bodies.

Groups and projects supported in this way during the year included:

- Craignure Village Hall
- Advice to a resident considering establishing a charity

In addition, we continue to support Mull Musical Minds and Mull Safe and Sound, two organisations we helped to establish which provide valuable support to the wider community.

**Argyll Third Sector Interface (TSI)**

Towards the end of the financial year, we signed up an agency agreement with Argyll TSI to help bring their capacity and expertise to benefit island groups and organisations seeking advice on funding and constitutions. Under the arrangement, MICT is the first point of contact and when necessary, referrals are made to the staff at Argyll TSI.

**Community representation**

During the year we strengthened already strong relationships with other community representation groups on the island, particularly Mull Community Council, Iona Community Council and Mull and Iona Ferry Committee.

A high profile example of partnership between these organisations working has been the community campaign to persuade the local authority to reconsider its proposed Traffic Regulation Order, which would have imposed parking charges on car parks at the lifeline ferry ports of Craignure and Fionnphort, as well as at Ledaig in Tobermory. We played a full part in the campaign, using our skills to support volunteers from the community councils with preparation of formal documents, and acting as a mouth piece to external stakeholders and the media.

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**An Roth Community Enterprise Centre – Room and facility hire**

As well as an office base for two local businesses (M Dive and West Coast Motors) and an emergency service (the Maritime and Coastguard Agency), An Roth continues to be a popular venue for meetings, interviews, training courses and consultations for local groups and off-island businesses. A range of groups used An Roth this year, with repeat customers including:

- Mull Community Council
- Argyll and Bute Council
- Pearson Vue for driving theory tests
- Scottish Sea Farms
- Business Gateway
- North Argyll Carers
- Home-Start
- Comar
- Mull Safe and Sound
- Mull Musical Minds

In addition, An Roth allows local people and visitors to ‘hot-desk’ and take advantage of the high class facilities on offer.

The Covid19 crisis will no doubt impact on the usage of An Roth in the near future.

**Island Castaways charity shops and MESS**

MESS had another busy year expanding activities to include all aspects of helping Mull and Iona to achieve more environmentally friendly goals and help change attitudes and behaviours that lead to more effective MULL AND IONA ENVIRONMENTALLY SENSITIVE SOLUTIONS.

Our funding from the Climate Challenge Fund (please see RETHINK MESS project report for more details) kickstarted a number of positive changes such as the very successful addition of recycling bins throughout the island. This amongst other parts of the project have contributed to a legacy of improved behavioural change on the island.

By collaborating and getting involved with other groups such as Refill, 2 minute beach clean and Plastic Free Mull we are able expand our efforts to help our environment while sharing ideas and increasing participation of islanders in our attempt to improve the green credentials of life on Mull and Iona.

We received a grant from the Pebble Trust to make a new website and brochure for MESS to further promote environmental activities on Mull and Iona. Work on this stopped during Covid19 lockdown but we hope to have a new website and brochure out shortly.

The Island Castaways charity shop side of MESS has had another successful year. We have many loyal customers, donors and volunteers in all three shops. Craignure Castaways has been successfully re-accredited once again by Revolve; Scotland’s National Re-use Quality standard.

Hazel is on the Revolve user group helping to assist them with development of the scheme.

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The charity shop has been running an annual fashion show for a number of years. This has grown from strength to strength each year by income generated, number of models and audience appreciation! It is now a much anticipated local event which is excellent fun for all those involved and helps to raise the awareness of the quality of our items in the shops and the benefits to all from reuse , and recycling.



*Fashion Show 2019*

**Gantry Self-Storage**

The self-storage site in Craignure continues to generate a significant contribution to our core costs as well as providing a valuable service to residents across Mull and Iona.

**Ulva Ferry Community Transport**

The Ulva Ferry Community Transport service is becoming an integral part of the local community, increasingly used and valued by those most vulnerable. The scheduled service operates on Fridays, Saturdays and Sundays between Calgary and Salen via Ulva Ferry, on which Scottish Concession cards can be used, and children travel free. Outside of this scheduled service, our vehicles are available seven days a week (subject to driver availability). Our friendly drivers offer a door-to-door service anywhere on Mull, in our four seater electric car and our 9 seater specially adapted minibus with wheelchair access and lift for those with mobility issues. We provide transport for Ulva School pupils traveling to PE and swimming lessons, and further afield to Mull Theatre and Ulva's sister school, Lochdonhead Primary.

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**Covid 19.** In the last two weeks of March and into the next reporting year, the service adapted to the lockdown measures and provided residents with a completely different service model;



- Home delivery of 481 food parcels to 23 households as part of the Community Food Project operated by Argyll and Bute Council for the Scottish Government
- 350 Home deliveries of groceries purchased by residents from local shops, plus home delivery of 1,621 prescriptions from Salen dispensing surgery
- Home delivery of 507 hot lunches to around 25 shielding households as part of a volunteer led project making use of our all electric van

The service provides part-time income for our drivers, several of whom are based within the small community of Ulva Ferry, which again helps to support and sustain the community.

The number of visiting yachts was 192, down slightly from 210 in 2018-19. All the local fishing boats and tour boats are now account holders for purchase of marine gasoil which we sell from the pontoon to support the local businesses. This is reflected in fuel sales which increased from 64,435 litres in 2018-19 to 69,726 litres in 2019-20



Visitors to the pontoon continued to take advantage of Ulva Ferry community transport to get to Ballygown, Lip na Cloiche and to the Salen Spar, providing further evidence of the predicted financial spend resulting from yachts visiting Ulva Ferry.

As with the transport project, the pontoon provides a part-time job for our pontoon manager as well as to local contractors for electrical and underwater inspections.

*Mark Millward, pontoon manager*

**Ulva Ferry Affordable Housing**

We are delighted that our tenants in the first two houses at Ulva Ferry continue to enjoy living there. The houses have now settled into the landscape as the larch cladding has turned silver and the gardens have flourished. Best of all are the obvious signs of the children playing in the garden, a vital contribution to the sustainability of Ulva Primary School.

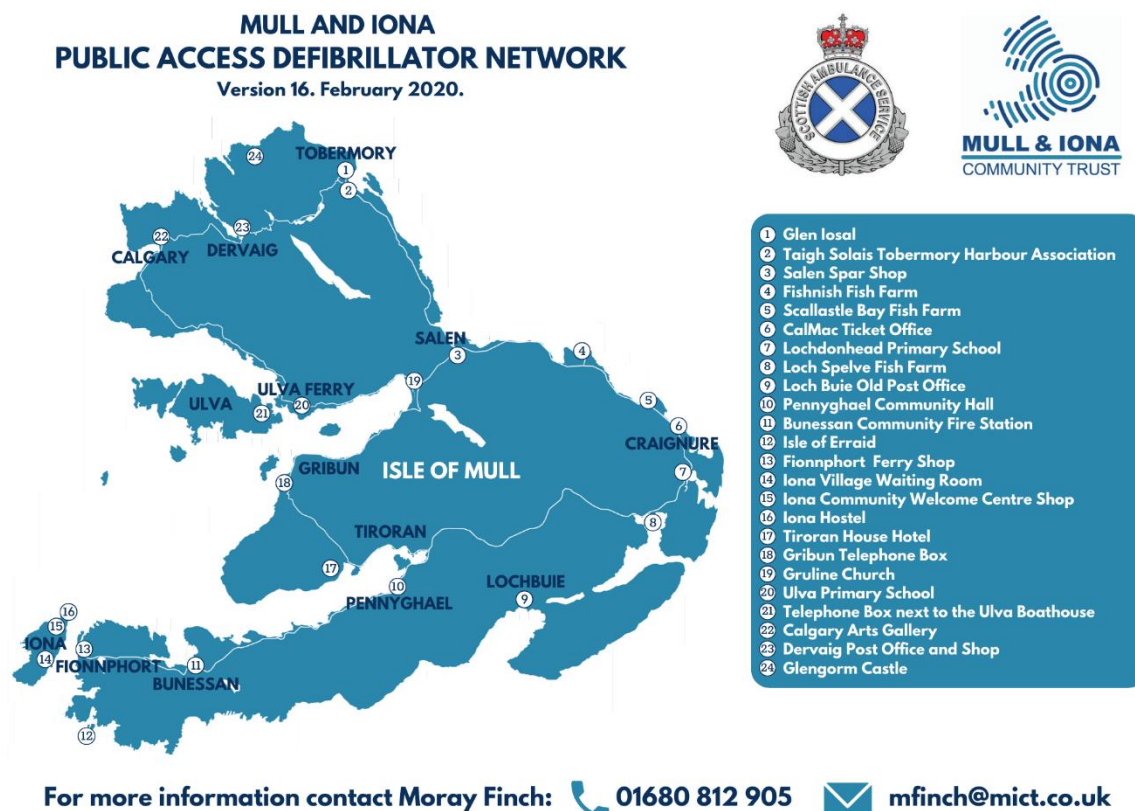


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**Public Access Defibrillator Network**

The network continues to grow (see diagram below) as we register existing defibrillators (e.g. several Scottish Sea Farms shore bases) and install new units. None of this would be possible without the support of the volunteer guardians who diligently carry out monthly inspections and submit online reports to notify the Scottish Ambulance Service that the defibrillators are available for use.



**Mull and Iona Ranger Service**

Mull and Iona Ranger Service promotes the enjoyment and understanding of Mull, Iona and associated islands of Staffa, Ulva and Gometra through a changing programme of activities, events and focused projects.

The Ranger Service is made up of a team of four – two full-time posts and two seasonal, one being a volunteer post and the other largely involved with Mull Eagle Watch. Funding for the service comes from partnerships with Mull Eagle Watch, Scottish Natural Heritage, Forestry Commission Scotland and NTS, as well as earned income.

Our area covers 90650ha with 365 miles of coastline and 64714ha with various designations such as Sites of Special Scientific Interest (SSSIs) and National Nature Reserves (NNRs).

In 2019-20 we held or were directly involved in 22 community/volunteer events with 634 attendees, including Friends of Calgary Bay events, celebration of Creich Path, celebration of Ardura purchase, Java footpath clear up and repair, talks to Torosay gardening club, attendance at Tobermory Horticultural Society show, Dervaig community group gathering and Lephin Archaeology dig. We carried out several environmental activity evenings with



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Tobermory Girl Guides, and work with other community groups such as the Ross of Mull Historical Centre and South West Mull and Iona Development.

We worked with 47 school groups, some more than once, involving interaction with 701 pupils. Activities included; nature clubs on the Ross of Mull and Iona, activities with Buessan and Iona Primary school pupils at Tiroran Community Woodland and checking and clearing out of hedgehog houses and chatting about Mull's owls with all five primary schools in the north of the island. We also provided conservation activities for visiting schools such as Fettes and George Watsons in Edinburgh, and for Tobermory High School.



22 public events, with a total of 650 attendees, including the Buessan and Salen shows and Tobermory Lifeboat Day, guided walks and drop-in days at wildlife hides.

6 specialist events were organised with 168 attending, such as talks for the Torosay gardening club, the Loch Frisa fishing competition and talks for SRUC countryside management students.

Mull Eagle Watch was based at Craignure Golf Course, working in a very successful partnership with the Craignure Golf Course. Visitor numbers were around 2,793. The ranger service was involved in distributing £4,000 of funding to community groups as a portion of the takings from 2019-20.

Work at Calgary and support for the Friends of Calgary Bay continues with MICT, working towards a lease of the toilets. We also had to replace about half of the front face of the fencing as it got washed out by a storm in January 2019. The flower species numbers continue to increase in our July flower count.

Donations to Tobermory Lighthouse path continue to come in through the donation box. These donations are used to cover costs for repair of the path, largely trees down and needing cleared. The path is still very popular with locals and visitors.

Lots of events going on at Tiroran Forest, firstly Woollen Woods - 50 people contributing 200 knitted, crocheted, and felted creatures which decorated part of the forest all summer, with an outdoor creative arts day attended by 60 people in May. Working with South West Mull and Iona Development to enable the Woodland Tribe event where children and young people got to build their own adventure playground was something new for the area. Partnership working with Tiroran Forest continued all year with the Community Land Week event, then working with Philip Yelder in the autumn to help a class from Buessan set up their own nature trail and learn about forest wildlife.

Sadly, March 2020 saw the end of the partnership with Forestry and Land Scotland, after 20 years, though office space is still being provided and this support is much appreciated.

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We secured funding from SNH for one full time ranger till April 2021 and then £6,000 until September 2021. NTS continue to support the Ross of Mull, Iona and Staffa ranger with an increased intervention which is very much appreciated. Several applications were submitted to help support the ranger service or the work we do but no success so far.

The ranger service sits on several steering groups, Argyll and the Isles Countryside Trust and Royal Highland Educational Trust.

Creich Hall to Pottie Path – The ranger service supported the local steering group with funding applications, which ultimately allowed MICT to construct the path after the year end.



## ***Programmes and projects***

### **Nonhebel Park**

This year saw the completion of Tobermory Light Industrial Park, and it felt apt to name the facility after the local businessman, Andrew Nonhebel, who first approached us regarding the lack of storage and small business premises in the area.



*Aerial view of Nonhebel Park, thanks to Barry Whenman*

The completed park provides small business units, lock up storage, self-storage and fenced compounds and will enable business start-up and expansion, providing employment in the local area.



*Our first tenants collected their keys in March, and despite the challenges that 2020 has brought, we are pleased with the interest and uptake of the facilities.*

Nonhebel Park is the highest value project (£2m) MICT has ever completed and was part-funded with the largest grant that MICT has ever secured (£1.6m Regeneration Capital Grant Fund from the Scottish Government) – we are incredibly proud of this achievement.

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**Fionnphort to Creich Path**

Another project in development for several years is the path from Fionnphort to Pottie road end. The design of the path was done by Mike Hyatt Landscape Architect in support of the local volunteer steering group who were instrumental in the design process. This involved much discussion with the main funder, Sustrans Scotland, who was persuaded by the arguments put forwards by the local steering group to accept a compromise reducing the width of the path to 2m from the minimum 2.5m normally specified. The scope of the project had to be shortened to end at Creich Hall, leaving the section to the Pottie road end for later. This along with other changes meant that TSL Contractors were able to reduce the cost to a level that could be funded by Sustrans Scotland, Argyll and Bute Council and Bord na Gaidhlig.

Construction started in spring of 2019 and was completed during the summer. As soon as it was opened, it was an instant success, very well used by local residents of all ages, youngsters learning to ride a bike, family groups and in some cases elderly residents in wheelchairs, all able to enjoy a walk safe from the traffic of the A849 road between Fionnphort and Creich Hall.



**ReThink MESS**

Funded by the Climate Challenge Fund, ReThink MESS was a 2 year project that aimed to reduce the carbon footprint of Mull and Iona. This ran from April 2018 to April 2020.



The purpose of the project was to trial options for reducing food waste going to landfill, through a food waste collection & composting service, providing composters (and associated education, training and support) to schools and businesses out with the collection area, piloting a community fridge, and running events around upcycling and raising awareness of climate change.

We hoped to improve recycling facilities by providing “Recycling on the go” bins around the island and at events. This was a great success by diverting 1,500kg of cans and plastics from landfill from May 2019. (10.5 tonnes of CO<sub>2</sub>e) to April 2020. This service continues without the CCF funding as it is an essential service to stop our landfill filling up needlessly.





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The Community Fridge provided benefits and a wider impact than just the environmental savings. We saved just over 2 tonnes of food going to landfill with a saving of 9.4 tonnes of CO<sub>2</sub>e. However the social benefit of providing food for low for income households has also been noted. Currently the Fridge is closed due to Covid19, but we are keen to restart this as soon as possible.



We planned to work with businesses to reduce the amount of take-away single use plastics but most businesses we approached had already started to make the change, so we targeted the Mull Music Festival. Previously they had used plastic glasses and so we supplied the 2019 event with compostable disposable plastic, which opened up conversations over the environmental impact of events.

Our Food Waste Collection service was based at Sgriob-ruadh farm who agreed to host our polytunnel and composter. We engaged with nearly 100 households and collected food waste twice a week. At the end of project we had a waiting list of 36 people wanting to join and had collected 5.8 tonnes of food waste with an average of 5kg per household each week. This was a good result, however, continuing the service would have costed over £5 for each pick up and this was deemed too expensive by residents.



We had originally planned to trial beach clean stations around the island however reservations regarding fly tipping meant that we opted for Beach clean benches with “2 minute beach clean” boards asking people to pick up bag of rubbish and photograph it and tag the photograph to the 2minute beach clean website. There are beach clean benches located around Mull and Iona, just one of the lasting legacies of this project.



**Report of the Trustees for the year ended 31 March 2020**



**Ulva Ferry Housing Project**

Following the successful acquisition of land at Oskamull in 2018, Housing Project Officer, Helen MacDonald, progressed tender documents for a Design & Build contract to deliver 4 affordable houses at Ulva Ferry, between the plot at Oskamull and land already owned by MICT at Acharonich.

The successful bid from the Wee House Company enabled Helen to secure £777,855.94 from the Rural & Islands Housing Fund. Prior to awarding contract, the Wee House Company submitted planning applications for both sites and Helen worked to secure the remainder of the funding package. With over 30 people on the housing interest list for Ulva Ferry, it is hoped the houses will be completed in Spring 2021.

MICT have also been involved in various other affordable housing projects across the island. At Lochdon, we worked proactively with West Highland Housing Association and Argyll & Bute Council to demonstrate the housing need in the community, which has resulted in the completion of 14 new houses – and all 14 are now occupied. With Glengorm Estate, Housing Project Officer Helen MacDonald has submitted a Rural & Islands Housing Fund application for the conversion of redundant farm buildings into 4 affordable rental houses. In Dervaig, we were invited by community members who had raised concerns about the falling primary school roll and lack of available housing in the village and started discussions with a local contractor on a partnership approach prior to the Covid-19 shutdown.

**Ulva Ferry Pontoon shore facilities**



*Computer generated image of proposed  
Shore Facilities Building. Thorne Wyness Architects*

Project Officer Cally Fleming continued to pursue funding for construction of the shore facilities building. However, after extensive searching, it became obvious that the scope of the building had to be reduced significantly to retain the possibility of securing funding at all. The reduced scope building will provide toilets, showers, laundry, a drying room, and small store area.

Funding previously secured by Cally, from the Rural Tourism and Infrastructure Fund (RTIF) allowed us to tender for the project to improve the car parking arrangements on our land at Ulva Ferry.

The scheme will alleviate several traffic management issues, and with carefully designed signage, will help separate pedestrians from so many vehicle movements. It includes a new area for three motorhome hard standings, along with electricity and water hook-ups and a chemical toilet disposal point. Working with North West Mull Community Woodland Company, the scheme includes for refurbishing and extending the Ulva car park, used by residents and visitors to Ulva. The existing large parking area will be doubled in size to accommodate the high numbers of visitors to Ulva and taking boat trips from the pontoon.

**MULL AND IONA COMMUNITY TRUST**  
**(a company limited by guarantee)**

**Report of the Trustees for the year ended 31 March 2020**

TSL Contractors secured the contract for the project which progressed well over the winter months, despite inclement weather. Unfortunately, restrictions under the Covid19 lockdown meant that all work had to cease in mid-March, just prior to completion.



After the year end, and once restrictions on construction were lifted, TSL were able to continue work to completion although too late for the shortened summer tourism season.

**Ardura Community Forest Project**

After nearly three years of effort, MICT finally took ownership of Ardura Community Forest in September 2019. This marks a significant point for MICT, not just because of the direct community benefit that ownership will bring but because of the potential income stream from sale of the standing timber. It is hoped that this will provide a firm foundation for MICT to continue delivery of support to the communities of Mull and Iona.



*Maureen Dehany, cutting the ribbon to celebrate ownership of Ardura Community Forest.*

Covering just over 200 hectares with around 110 hectares planted with sitka spruce and Japanese larch, our stated intention is to harvest the timber and to restock with 100% native species. Central to this objective was a commitment not to make use of neonicotinoid treated seedlings, nor herbicide chemicals.

An early priority is to prepare the long term forest plan (LTFP) for Ardura. The LTFP will describe how and when the timber will be harvested and how and when the land will be replanted with native trees. The LTFP has to be submitted to and approved by Scottish Forestry.

After an invited tender process, MICT appointed Sylvaculture Limited to act on our behalf as independent forestry advisors to prepare and submit the LTFP. Sylvaculture held several meetings with the Ardura Steering Group to discuss the principles of the LTFP to ensure that it aligns with what the community wants to see in Ardura in the coming decades.

Immediately prior to the year end, MICT was offered funding from Argyll and Bute Council and Hitrans for a pilot project to reinstate the length of the Old Road running through Ardura as a path. The purposes of the pilot were to record the process involved and to share a case study with other groups across Scotland wishing to similarly reinstate decommissioned roads as paths to improve public access.



**MULL AND IONA COMMUNITY TRUST**  
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**Report of the Trustees for the year ended 31 March 2020**

**Friends of Calgary Bay**



MICT often acts as an “umbrella” organisation to support local groups of volunteers and for many years, Jan Dunlop and the Rangers service has been supporting Friends of Calgary Bay to conserve the SSSI at Calgary. Against a backdrop of council budget cuts and repeated threat of closure of the public conveniences there, MICT is taking on a Licence from the council to operate and maintain the toilets. The council are supportive of the initiative and it is hoped that running costs will be covered by donations from visitors, campers and local residents.

**Funding provided to local causes**

During the year, the MESS Fund distributed grants totalling £2,840 to the groups and projects listed below:

Group	Money used for
Tobermory Toddlers	To support the toddler group
Mull through the lens	To purchase a club owned laptop
CBCG	To pay for hall hire, catering, hall heating
Mull and Iona Schools Book Festival	To pay for author evenings
Mull Music Makers	To support the costs of music workshops for young people
Croileagan Muile	To pay for hall hire and snacks
Coisir og mhuile	To support cost of accommodation and transport to the Mod
Salen SWI	To pay for OAP Christmas lunch
Mull safe and sound	To support the cost of the Christmas lunch
Marketing Mull and Iona	To resurrect 'The quest'
Mull and Iona Beekeepers Association	To help establish a new bee colony
Mull Highland Dancers	To buy shoes , outfits and equipment

**Plans for the Future**

At the time of writing, a key element of the future is supporting our community to recover from the effects of the Covid19 Lockdown. As ever, our approach will require flexibility to adapt to changing circumstances and to seek out new opportunities as they arise.

Generally, the Trust intends to continue with the wide range of projects currently being developed and delivered, with a desire to identify new projects that can deliver sustainable outcomes for the islands.

The Trust hopes to support and, where necessary, lead projects which will help address issues which undermine the sustainability of the community . Such projects will include:

- Improvement of childcare provision
- Provision of further affordable housing around the islands
- Accommodation for key workers
- Social care

**MULL AND IONA COMMUNITY TRUST**  
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**Report of the Trustees for the year ended 31 March 2020**

Other projects will include:

- Further sections of the long distance route from Fionnphort to Craignure, to build on the path from Fionnphort to Pottie road end and the section of path through Ardura Community Forest.
- Sale of the timber at Ardura Forest and careful management thereafter.
- Working with Argyll and Bute Council and the proposed Rural Growth Deal to further improve the socio-economic situation of the islands.
- Extension of the recycling projects to investigate financially viable schemes which also increase recycling rates.

We will continue to consult the community, both informally at events and meetings, and more formally via questionnaires and surveys, to ensure our work is driven by the issues and challenges that matter most to those living on Mull and Iona. Feedback received in this way will aid with regular review and revision of our strategy, which we aim to use as a tool to help funders and the community understand our priorities, and to help with decision making about which projects we choose to pursue.

**Acknowledgements**

The Directors particularly wish to thank key funders for their continued support: Highlands and Islands Enterprise, Argyll & Bute Council, The Regeneration Capital Grants Fund, Development Trust Association Scotland, Rural Housing Fund, Scottish Natural Heritage, Scottish Government, Forestry and Land Scotland, The National Trust for Scotland, The National Community Lottery Fund, Sustrans, Keep Scotland Beautiful, Zero Waste Scotland, Climate Challenge Fund,, Paths for All, Princes Countryside Fund, the Pebble Trust, Nationwide Building Society, The Waterfall Fund, SSEN Resilient Communities Fund and Hitrans.

**Trustees' responsibilities in relation to the financial statements**

The charity trustees (who are also the directors of 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

**MULL AND IONA COMMUNITY TRUST**  
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**Report of the Trustees for the year ended 31 March 2020**

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's 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 and signed on their behalf by:

Name:



Paul Jones

Date: 10 December 2020



## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2020**

### **Opinion**

We have audited the financial statements of Mull and Iona Community Trust for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statements and the related notes and accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2016; Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue

### **Other information**

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon.

The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2020**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the board of trustees, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report included within the report of the board of trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the 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 directors' report included within the report of the board of trustees.

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

- adequate and proper accounting records have not been kept by the Charitable Company; or
- the Charitable Company financial statements are not in agreement with the accounting records; 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 take advantage of the small companies' exemptions in preparing the report of the board of trustees and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 21-22, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2020**

**Auditor's responsibilities for the audit of the financial statements (contd)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jenny Simpson (Senior Statutory Auditor)  
For and on behalf on Wylie & Bisset (Audit) Limited, Statutory Auditor

168 Bath Street  
Glasgow  
G2 4TP

10 December 2020

**MULL AND IONA COMMUNITY TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2020**  
(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
<b>Income and endowments from:</b>							
Donations and legacies	5	14,571	43,449	58,020	28,271	33,300	61,571
Charitable activities	4	50,400	2,891,674	2,942,074	12,132	1,349,752	1,361,884
Other trading activities	7	269,756	-	269,756	209,096	-	209,096
Investments	8	13,210	-	13,210	11,224	-	11,224
Other incoming resources	9	-	-	-	4,109	-	4,109
<b>Total Income</b>		<b>347,937</b>	<b>2,935,123</b>	<b>3,283,060</b>	<b>264,832</b>	<b>1,383,052</b>	<b>1,647,884</b>
<b>Expenditure on:</b>							
Raising funds							
Raising donations & legacies	10	30,231	-	30,231	88,116	-	88,116
Charitable activities	11	379,785	979,505	1,359,290	224,207	331,086	555,293
<b>Total Expenditure</b>		<b>410,016</b>	<b>979,505</b>	<b>1,389,521</b>	<b>312,323</b>	<b>331,086</b>	<b>643,409</b>
<b>Net (expenditure) / income for the year</b>		<b>(62,079)</b>	<b>1,955,618</b>	<b>1,893,539</b>	<b>(47,491)</b>	<b>1,051,966</b>	<b>1,004,475</b>
Transfers between funds		-	-	-	11,491	(11,491)	-
<b>Net movement in funds</b>		<b>(62,079)</b>	<b>1,955,618</b>	<b>1,893,539</b>	<b>(36,000)</b>	<b>1,040,475</b>	<b>1,004,475</b>
<b>Funds reconciliation</b>							
Total Funds brought forward	23, 24	1,720,441	1,207,117	2,927,558	1,756,441	166,642	1,923,083
<b>Total Funds carried forward</b>	<b>23, 24</b>	<b>1,658,362</b>	<b>3,162,735</b>	<b>4,821,097</b>	<b>1,720,441</b>	<b>1,207,117</b>	<b>2,927,558</b>

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

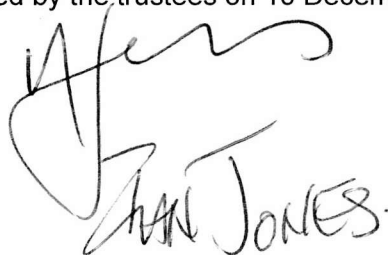
## BALANCE SHEET AS AT 31 MARCH 2020

		2020	2019
	Note	£	£
<b>Fixed assets:</b>			
Tangible assets	16	4,479,409	2,947,827
Forestry assets	17	287,000	-
Investments	18	100	100
<b>Total Fixed assets</b>		<u>4,766,509</u>	<u>2,947,927</u>
<b>Current assets:</b>			
Stocks		3,626	1,414
Debtors	19	225,093	247,702
Cash at bank and in hand	27	<u>368,547</u>	<u>517,505</u>
<b>Total Current assets</b>		<u>597,266</u>	<u>766,621</u>
<b>Liabilities:</b>			
Creditors falling due within one year	20	<u>(291,196)</u>	<u>(646,847)</u>
<b>Net Current assets</b>		<u>306,070</u>	<u>119,774</u>
<b>Total assets less current liabilities</b>		<u>5,072,579</u>	<u>3,067,701</u>
Creditors: Amounts falling due after more than one year	21	(251,482)	(140,143)
<b>Net assets</b>		<u>4,821,097</u>	<u>2,927,558</u>
<b>The funds of the charity:</b>			
Unrestricted funds	23	1,658,362	1,720,441
Restricted funds	24	<u>3,162,735</u>	<u>1,207,117</u>
<b>Total charity funds</b>		<u>4,821,097</u>	<u>2,927,558</u>

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 10 December 2020 and signed on their behalf by:

Name:



Name:

Charity No: SC172897

**MULL AND IONA COMMUNITY TRUST  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
<b><i>Cash flows from operating activities:</i></b>			
<b>Net cash provided by operating activities</b>	<b>26</b>	<u>1,667,362</u>	<u>894,474</u>
<b><i>Cash flows from investing activities:</i></b>			
Interest and rents received		13,210	11,224
Interest paid		(8,462)	(4,994)
Proceeds from the sale of property, plant and equipment		-	8,600
Purchase of forestry asset		(287,000)	-
Purchase of property, plant and equipment		<u>(1,593,641)</u>	<u>(733,247)</u>
<b>Net cash (used in) investing activities</b>		<u>(1,875,893)</u>	<u>(718,417)</u>
<b><i>Cash flows from financing activities:</i></b>			
Repayment of loans		(102,100)	(2,200)
Loans received		50,510	105,000
Inception of mortgage		113,564	-
Repayment of mortgage		<u>(2,401)</u>	<u>(2,488)</u>
<b>Net cash provided by financing activities</b>		<u>59,573</u>	<u>100,312</u>
<b>Change in cash and cash equivalents in the year</b>		<u>(148,958)</u>	<u>276,369</u>
Cash and cash equivalents brought forward	<b>27</b>	517,505	241,136
<b>Cash and cash equivalents carried forward</b>	<b>27</b>	<u>368,547</u>	<u>517,505</u>

**Analysis of net debt**

	Note	1 <sup>st</sup> April 2019 £	Cashflow £	Other non cash changes £	31 <sup>st</sup> March 2020 £
Cash & cash equivalents	<b>27</b>	517,505	(148,958)	-	368,547
<b>Borrowings</b>					
Loans due within one year	<b>20</b>	(102,100)	102,100	(49,010)	(49,010)
Loans due after one year	<b>21</b>	(46,700)	(50,510)	49,010	(48,200)
Mortgage due within one year	<b>20</b>	(2,767)	2,401	(3,725)	(4,091)
Mortgage due after one year	<b>21</b>	(93,443)	-	(109,839)	(203,282)
<b>Total net cash</b>		<u>272,495</u>	<u>(94,967)</u>	<u>(113,564)</u>	<u>63,964</u>

**MULL AND IONA COMMUNITY TRUST  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2020**

**Analysis of net debt (continued)**

	<b>Note</b>	<b>1<sup>st</sup> April 2018 £</b>	<b>Cashflow £</b>	<b>Other non cash changes £</b>	<b>31<sup>st</sup> March 2019 £</b>
Cash & cash equivalents	<b>27</b>	241,136	276,369	-	517,505
<b>Borrowings</b>					
Loans due within one year	<b>20</b>	(2,100)	(97,800)	(2,200)	(102,100)
Loans due after one year	<b>21</b>	(43,900)	(5,000)	2,200	(46,700)
Mortgage due within one year	<b>20</b>	(2,899)	2,488	(2,356)	(2,767)
Mortgage due after one year	<b>21</b>	(95,799)	-	2,356	(93,443)
<b>Total net cash</b>		<u>96,438</u>	<u>176,057</u>	<u>-</u>	<u>272,495</u>

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**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) 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 charitable company constitutes a public benefit entity as defined by FRS 102.

The charitable company's functional currency is sterling. Amounts in the financial statements are rounded to the nearest £.

The trustees consider that there are no material uncertainties about the charitable company'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 23 & 24.

**(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 2020**

**1. Accounting Policies (continued)**

**(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. See note 22 for further details.

**(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 2020**

**1. Accounting Policies (continued)**

**(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 11.

**(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	-	0% per annum straight line (see note below)
Plant & Machinery	-	25% per annum reducing balance
Fixtures, Fittings & Equipment	-	15% per annum reducing balance
Motor Vehicles	-	25% per annum reducing balance

Ulva Ferry Houses & Heritable Property are considered to be maintained in such a condition that any depreciation charge would be trivial.

**(h) Forestry assets**

Forestry assets are held at fair value, being sales value less any costs to sell as at the accounting date. Given the proximity of the purchase of these assets to the accounting date, the trustees consider the consideration paid as a reasonable estimate of fair value.

**(i) Fixed asset investments**

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

**(j) Stock**

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

**(k) 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.

**(l) 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.

**(m) 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.

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**1. Accounting Policies (continued)**

**(n) 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.

**(o) 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.

**(p) 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.

**(q) Employee Benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2. Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A key judgement exercised by Trustees during the current year would be the valuation of the forestry asset. Please refer to the accounting policy at Note 1(h) for more details.

**3. 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.

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**4. 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 £3,123 (2019: £3,276) for Island Castaways Buessan is paid to Brook Partnership. Rental of £1,335 (2019: £1,335) was also paid to the Brook Partnership for the rental of four storage containers. During the year The Brook Partnership loaned the charity £5,000 for a 5 year period at an interest rate of 4% per annum. At the year end The Brook Partnership was owed £5,000 (2019: £nil). Derek Crook also personally lent the charity £1,000 on identical terms, at the year end the balance was £1,000 (2019: 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 of £1,877 (2019: £780) were provided by Island Engineering. At the year end Island Engineering was owed £Nil (2019: £nil). Chris Baker also provided the charity with a 15 year loan of £2,000 at an interest rate of 4% per annum. At the year end date the balance was £2,000 (2019: Nil) Chris Baker is no longer a director as 31<sup>st</sup> March 2020.

Alexander & Jane Brunton, Alexander being a director and Jane his spouse and therefore related parties of the Mull and Iona Community Trust loaned £32,000 to the Mull and Iona Community Trust under Legal Terms and Agreements over the course of 2017 & 2018. During the current year a further £17,010 was loaned to the charity.

At the 31<sup>st</sup> March 2020 loan interest to the amount of £1,120 (2019: £1,079) has been paid at a rate of 3.5%. At the year end the balance remaining was £49,010 (2019: £32,000). The Loan Balance is secured against the premises in Craignure.

During the year Jane Brunton also loaned a further £5,000 to the charity for 5 years at a rate of 4% per annum. At the year end date the balance was £5,000 (2019: Nil).

The General manager, Moray Finch, who is a member of key management personnel, also provided a loan of £3,000 for 15 years to the charity at a rate of 4%. The balance due at the year end date is £3,000 (2019: Nil)

Trustee Ian Jones was paid £127 (2019: £nil) during the year for Director Expenses related to travel expenses.

No Trustees received any remuneration during the year (2019: £nil).

**5. Income from donations and legacies**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Sea Eagles Donations	26,922	16,878
Membership Income	5,871	8,452
Donations	25,227	36,241
	<u>58,020</u>	<u>61,571</u>

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**6. Income from charitable activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Environmental	1,461,532	194,647
Community services	18,188	37,576
Infrastructure	1,462,354	1,129,661
	<u>2,942,074</u>	<u>1,361,884</u>

**7. Income from other trading activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Consultancy & support services	106,417	62,134
Income from MESS activities	158,726	145,496
Miscellaneous income	4,613	1,466
	<u>269,756</u>	<u>209,096</u>

**8. Investment income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank interest	392	444
Rent	12,818	10,780
	<u>13,210</u>	<u>11,224</u>

**9. Other income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gain on disposal of fixed asset	-	1,309
Sale of scrap	-	2,800
	<u>-</u>	<u>4,109</u>

**10. Raising Funds – expenditure on raising donations and legacies**

	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2020</b>
			<b>£</b>
Consultancy	-	30,231	30,231
	-	30,231	30,231
	<b>Direct Costs</b>	<b>Support Costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2019</b>
			<b>£</b>
Consultancy	-	88,116	88,116
	-	88,116	88,116

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**11. Analysis of expenditure on charitable activities**

	<b>Environ- mental £</b>	<b>Economic Development £</b>	<b>Community Services £</b>	<b>Infrastru- cture £</b>	<b>Total 2020 £</b>
Project costs	749,724	-	16,568	-	766,292
Subcontractors	-	-	-	13,213	13,213
Premises costs	-	-	-	16,940	16,940
Vehicle costs	-	-	-	6,915	6,915
Other costs	-	-	-	5,779	5,779
Governance costs (note 12)	8,647	2,355	15,648	9,039	35,689
Support costs (note 12)	124,652	33,950	225,568	130,292	514,462
	<b>883,023</b>	<b>36,305</b>	<b>257,784</b>	<b>182,178</b>	<b>1,359,290</b>

	<b>Environ- mental £</b>	<b>Economic Development £</b>	<b>Community Services £</b>	<b>Infrastru- cture £</b>	<b>Total 2019 £</b>
Project costs	42,866	-	12,193	4,353	59,412
Subcontractors	-	-	-	15,802	15,802
Premises costs	-	-	-	570	570
Vehicle costs	-	-	-	5,642	5,642
Other costs	-	-	-	3,915	3,915
Governance costs (note 12)	9,825	729	4,801	13,866	29,221
Support costs (note 12)	148,190	10,994	72,411	209,136	440,731
	<b>200,881</b>	<b>11,723</b>	<b>89,405</b>	<b>253,284</b>	<b>555,293</b>

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**12. Allocation of governance and support costs**

<b>Cost type</b>	<b>Total 2019 £</b>	<b>Raising funds £</b>	<b>Environmental £</b>	<b>Economic Development £</b>	<b>Community Services £</b>	<b>Infrastructure £</b>	<b>Governance £</b>	<b>Basis</b>
Salary of administrative staff	339,352	50,903	101,806	6,787	44,116	118,772	16,968	<i>Time spent</i>
Rent/rates/ins/cleaning	30,164	4,525	6,636	603	3,921	12,971	1,508	<i>Time spent</i>
Printing, postage, stationary and advertising	7,491	1,124	1,648	150	974	3,220	375	<i>Time spent</i>
Motor & travel expenses	56,787	8,518	12,493	1,136	7,382	24,419	2,839	<i>Time spent</i>
Loan interest	1,079	162	237	22	140	464	54	<i>Time spent</i>
Bank charges	1,735	260	382	35	226	745	87	<i>Time spent</i>
Legal & statutory fees	9,334	1,400	2,053	187	1,213	4,013	467	<i>Time spent</i>
Telephone	5,087	763	1,119	102	661	2,188	254	<i>Time spent</i>
Staff training	1,496	224	329	30	194	644	75	<i>Time spent</i>
Subscriptions	2,781	417	612	56	362	1,195	139	<i>Time spent</i>
Depreciation	42,133	6,320	9,269	843	5,477	18,117	2,107	<i>Time spent</i>
Car lease	2,644	397	423	26	1,137	529	132	<i>Time spent</i>
Miscellaneous expenses	44,883	6,732	9,874	898	5,835	19,300	2,244	<i>Time spent</i>
Materials	5,949	892	1,309	119	773	2,559	297	<i>Time spent</i>
<b>Total</b>	<b>550,915</b>	<b>82,637</b>	<b>148,190</b>	<b>10,994</b>	<b>72,411</b>	<b>209,136</b>	<b>27,546</b>	

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**12. Allocation of governance and support costs (continued)**

<b>Cost type</b>	<b>Total 2020 £</b>	<b>Raising funds £</b>	<b>Environmental £</b>	<b>Economic Development £</b>	<b>Community Services £</b>	<b>Infrastructure £</b>	<b>Governance £</b>	<b>Basis</b>
Salary of administrative staff	321,981	16,099	64,396	28,978	160,991	35,418	16,099	<i>Time spent</i>
Rent/rates/ins/cleaning	36,972	1,849	8,134	739	8,504	15,898	1,849	<i>Time spent</i>
Printing, postage, stationary and advertising	7,401	370	1,628	148	1,702	3,182	370	<i>Time spent</i>
Motor & travel expenses	60,963	3,048	20,118	1,219	30,482	3,048	3,048	<i>Time spent</i>
Loan interest	2,683	-	-	-	-	2,683	-	<i>Time spent</i>
Bank charges	1,868	93	411	37	243	990	93	<i>Time spent</i>
Legal & statutory fees	8,792	220	440	220	440	7,034	440	<i>Time spent</i>
Telephone	6,267	313	1,880	125	940	2,695	313	<i>Time spent</i>
Staff training	280	14	106	6	70	70	14	<i>Time spent</i>
Subscriptions	3,137	157	784	63	408	313	1,412	<i>Time spent</i>
Depreciation	47,219	2,361	10,388	944	7,555	23,610	2,361	<i>Time spent</i>
Car lease	2,803	140	448	28	1,345	701	140	<i>Time spent</i>
Miscellaneous expenses	70,279	3,514	15,461	1,406	12,650	33,734	3,514	<i>Time spent</i>
Materials	1,832	92	458	37	238	916	92	<i>Time spent</i>
<b>Total</b>	<b>572,477</b>	<b>28,270</b>	<b>124,652</b>	<b>33,950</b>	<b>225,568</b>	<b>130,292</b>	<b>29,745</b>	



**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**12. 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:

<b>Governance costs:</b>	<b>2020 £</b>	<b>2019 £</b>
Meeting expenses	708	404
Auditor's remuneration	7,125	6,750
Support costs (see above)	29,745	27,546
	<u>37,650</u>	<u>34,700</u>

Breakdown of governance and support costs by activity:

	<b>Support Costs</b>	<b>Governance</b>	<b>2020 £</b>
Environmental	124,652	8,647	133,299
Economic Development	33,950	2,355	36,305
Community Services	225,568	15,648	241,216
Infrastructure	130,292	9,039	139,331
Total for charitable activities	<u>514,462</u>	<u>35,689</u>	<u>550,151</u>
Raising funds	28,270	1,961	30,231
	<u>542,732</u>	<u>37,650</u>	<u>580,382</u>

	<b>Support Costs</b>	<b>Governance</b>	<b>2019 £</b>
Environmental	148,190	9,825	152,848
Economic Development	10,994	729	11,148
Community Services	72,411	4,801	92,187
Infrastructure	209,136	13,866	290,971
Total for charitable activities	<u>440,731</u>	<u>29,221</u>	<u>469,952</u>
Raising funds	82,637	5,479	88,116
	<u>523,368</u>	<u>34,700</u>	<u>558,068</u>

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**13. Analysis of staff costs and remuneration of key management personnel**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Salaries and wages	289,617	303,643
Social security costs	14,699	20,298
Pension costs	13,802	16,947
Total staff costs	<u>318,118</u>	<u>340,888</u>

No employees had employee benefits in excess of £60,000 (2019: Nil).

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>20</u>	<u>25</u>

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Key management personnel remuneration:	<u>138,729</u>	<u>137,479</u>

**14. Net income for the year**

This is stated after charging / (crediting):

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Depreciation	47,221	42,134
Auditor's remuneration:		
Audit fees	7,125	6,750
Other fees	-	790
Interest payable	8,462	4,994
Loss / (Profit) on disposal of fixed assets	<u>24,838</u>	<u>(1,309)</u>

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**15. Government Grants**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
HIE- Capital	133,313	154,054
HIE- Revenue	18,864	29,894
Scottish Natural Heritage	53,765	24,000
Forestry Commission Scotland	1,473	12,000
Scottish Gov – Regeneration Capital	751,771	634,932
HiTrans – Argyll & Bute Council	35,000	-
National Trust for Scotland	25,268	-
Scottish Land Fund	775,686	-
Total	<u>1,795,140</u>	<u>854,880</u>

HIE – Capital – HIE Funding for the development of the Tobermory Light Industrial Park.

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

Scottish Governments Regeneration Capital Grant Fund via Argyll & Bute Council, capital for Tobermory Light Industrial Park

HiTrans via Argyll and Bute Council relates to funding for Mull Old Roads technical feasibility project.

National Trust for Scotland funding relates to revenue funding to contribute to ranger's post in Mull.

Scottish Land Fund relates to funding provided to purchase Ardura Forest.

At the year end there were no unfulfilled conditions or contingences related to these grants, (2019: None)

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**16. Tangible Fixed Assets**

	<b>Heritable Property £</b>	<b>Land</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures, Fittings &amp; Equipment £</b>	<b>Motor Vehicles £</b>	<b>Assets under construction £</b>	<b>Ulva Ferry Houses £</b>	<b>Total £</b>
<b>Cost or valuation</b>								
At 1 April 2019	1,117,229	135,000	170,294	104,137	52,391	1,267,045	645,842	3,491,938
Additions	-	481,907	34,436	-	8,983	1,078,315	-	1,603,641
Disposals	-	-	-	-	-	(24,838)	-	(24,838)
Transfers	2,107,650	23,654	-	-	-	(2,131,304)	-	-
At 31 March 2020	3,224,879	640,561	204,730	104,137	61,374	189,218	645,842	5,070,741
<b>Depreciation</b>								
At 1 April 2019	356,781	-	76,802	76,322	34,206	-	-	544,111
Charge for the year	8,782	-	27,475	4,173	6,791	-	-	47,221
At 31 March 2020	365,563	-	104,277	80,495	40,997	-	-	591,332
<b>Net book value</b>								
At 31 March 2020	2,859,316	640,561	100,453	23,642	20,377	189,218	645,842	4,479,409
At 31 March 2019	760,448	135,000	93,492	27,815	18,185	1,267,045	645,842	2,947,827

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**17. Forestry asset**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Balance as at 1 <sup>st</sup> April	-	-
Acquired during year	287,000	-
Balance as at 31 <sup>st</sup> March	<u>287,000</u>	<u>-</u>

During the year the charity acquired the land on which Ardura Forest is situated. The total purchase has been split between its constituent land & forestry assets.

As a condition of the funding received towards this purchase, The Scottish Ministers hold a standard security over the land & forest which would be exercised in the event of a clawback should the continuing terms of the funding not be met.

**18. Investments**

	<b>Shares in group undertakings</b>
	<b>£</b>
Cost and net book value	100
At 1 April 2019 and 31 March 2020	<u>100</u>

The charity has a wholly owned subsidiary, An Roth Trading Limited a company incorporated in Scotland. For the year ended 31 March 2020 An Roth Trading Limited reported a profit of £2 (2019: £159) and had net assets of £310 (£2019: £308). The company has not traded since 1 April 2018 and only receives bank interest.

**19. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	138,562	143,312
Other debtors	26,068	12,856
VAT debtor	60,463	91,534
	<u>225,093</u>	<u>247,702</u>

**20. Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	123,514	501,992
Mortgage	4,091	2,767
Loans	49,010	102,100
Other creditors	114,581	39,988
	<u>291,196</u>	<u>646,847</u>

**21. Creditors: amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Mortgage	203,282	93,443
Loans	48,200	46,700
	<u>251,482</u>	<u>140,143</u>

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**21. Creditors: amounts falling due after more than one year (continued)**

**Mortgage**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Due:		
In one year or less	4,091	2,767
Between one and two years	13,022	9,224
Between two and five years	21,728	9,168
Over five years	168,532	75,051
	<u>207,373</u>	<u>96,210</u>

Mortgage Liabilities are secured on the assets concerned.

**Loans**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Due:		
In one year or less	49,010	102,100
Between one and two years	2,100	2,100
Between two and five years	18,300	38,300
Over five years	27,800	6,300
	<u>97,210</u>	<u>148,800</u>

£49,010 of the Loan balance is secured against the premises in Craignure (2019: £32,000)

**22. Deferred Income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Balance as at 1 <sup>st</sup> April	-	-
Released during year	2,100	-
Deferred during year	18,300	-
Balance as at 31 <sup>st</sup> March	<u>97,210</u>	<u>-</u>

Deferred income is included within other creditors and comprises funding received in advance for projects in the 20/21 year.

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**23. Unrestricted Funds**

<b>Analysis of Fund movements - 2020</b>	<b>Balance b/fwd £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Balance c/fwd £</b>
<b>Unrestricted funds</b>					
<b>Designated funds:</b>					
MESS Craignure shop	169,723	88,984	71,473	-	187,234
MESS Bunessan shop	8,364	17,295	12,388	-	13,271
MESS Core	-	5,060	3,296	-	1,764
MESS Recyclate	26,843	6,218	1,761	-	31,300
MESS Business Recyclate	15,785	1,779	-	-	17,564
MESS Tobermory	1,894	5,101	3,811	-	3,184
Ranger Service	-	29,497	35,125	5,628	-
Ranger Service Activities	1,405	4,768	545	(5,628)	-
Gantry Storage Craignure	87,970	26,136	1,842	-	112,264
An Roth Ent Centre	207,000	45,480	29,186	-	223,294
Mull & Iona Sustainable Transport	1,389	1,430	2,819	-	-
Ulva Ferry Pontoon Trading	10,058	63,424	51,920	-	21,562
PCC Vending Machine	1,686	221	60	-	1,847
Ulva Ferry Houses Trading	4,600	10,804	7,363	-	8,041
Ardura Revenue Trading	-	-	-	18,600	18,600
Ulva Ferry Community Transport	-	-	-	9,000	9,000
Tobermory Light Industrial Park	-	2,014	2,014	-	-
	536,717	308,211	223,601	27,600	648,927
General funds	1,183,724	39,726	186,415	(27,600)	1,009,435
<b>Total unrestricted funds</b>	<b>1,720,441</b>	<b>347,937</b>	<b>410,016</b>	<b>-</b>	<b>1,658,362</b>



**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**23. Unrestricted Funds (continued)**

Analysis of Fund movements - 2019	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
<b>Unrestricted funds</b>					
<b>Designated funds:</b>					
MESS Craignure shop	135,479	92,929	55,087	(3,598)	169,723
MESS Bunessan shop	8,504	13,813	13,313	(640)	8,364
MESS Core	-	15	4,430	4,415	-
MESS Recyclate	22,690	7,365	3,212		26,843
MESS Business Recyclate	13,328	2,660	203	-	15,785
MESS Tobermory	1,594	4,784	4,307	(177)	1,894
Ranger Service	1,476	-	-	(1,476)	-
Ranger Service Activities	-	1,539	107	(27)	1,405
Sustainable Mull & Iona	396	-	396	-	-
Gantry Storage Craignure	68,804	23,066	3,900	-	87,970
An Roth Ent Centre	225,006	30,107	48,113	-	207,000
Mull & Iona Sustainable Transport	867	5,209	4,687	-	1,389
Ulva Ferry Pontoon					
Trading	6,854	47,866	44,662	-	10,058
PCC Vending Machine	1,341	1,216	871	-	1,686
Ulva Houses Trading	8,157	8,859	12,411	-	4,600
	494,496	239,428	195,704	(1,503)	536,717
General funds	1,261,945	25,404	116,619	12,994	1,183,724
<b>Total unrestricted funds</b>	<b>1,756,441</b>	<b>264,832</b>	<b>312,323</b>	<b>11,491</b>	<b>1,720,441</b>

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.

**Ranger Service - Payment of Wages & Ranger Activities.**

**Ranger Service Activities** – Donations designated for payment of wages and overheads of Ranger Service Staff.

**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.

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

**Ulva Ferry 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 2020**

**23. Unrestricted Funds (continued)**

**Ulva Ferry Houses Trading** – Trading funds generated from house rentals.

**Ardara Revenue Trading** – Funds designated to cover the provision of Forestry Management Services.

**Ulva Ferry Community Transport** – Funds designated for the replacement of the Ulva Ferry Community Bus.

**Tobermory Light Industrial Park** – Income generated from the light industrial park designated for payment of wages and overheads of project staff.

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**24. Restricted Funds**

<b>Analysis of Fund movements - 2020</b>	<b>Balance b/fwd £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Balance c/fwd £</b>
<b>Restricted funds</b>					
Sea Eagles	4,330	23,200	16,808	-	10,722
Ranger – Mink	311	-	-	-	311
Ranger Calgary Bay	4,964	6,048	2,460	-	8,552
Mess Revolve	145	-	-	-	145
CBRC Capital	6,196	-	6,196	-	-
Ranger Forestry & Activities	17,743	14,300	10,306	-	21,737
NTS South Mull & Iona Ranger	757	32,143	27,040	-	5,860
Forest Geocaching	226	-	-	-	226
Mull Musical Minds	14,399	1,296	1,342	-	14,353
Community Defibs	1,884	6,909	6,754	-	2,039
Dervaig First Responders	-	500	-	-	500
Ulva Ferry First Responders	-	125	-	-	125
Dervaig Community Tree					
Nursery	-	1,473	-	-	1,473
Ulva Ferry Development Officer	2,500	-	-	-	2,500
Ulva Ferry Pontoons Revenue	1,088	-	-	-	1,088
Ulva Ferry Housing Project – Revenue	18,821	-	-	-	18,821
Ulva Ferry Housing Project – Capital	141,121	-	-	-	141,121
Ulva Ferry Housing Project - Revenue Phase 2	20,602	14,612	20,802	-	14,412
Ulva Ferry Housing Project - Capital Phase 2	210	14,198	-	-	14,408
Ulva Ferry Community MiniBus	35,481	27,183	28,746	-	33,918
Ulva Ferry Pontoon Capital	13,340	-	2,316	-	11,024
UF Shore Facilities/Car Park Capital	-	442,700	-	-	442,700
Energy Advisor Mull & Iona	2,886	-	2,886	-	-
Community Broadband	8,534	-	8,534	-	-
Intergenerational Project	8,859	-	8,859	-	-
Tobermory Light Industrial Park - Capital	867,521	911,750	8,782	-	1,770,489
HIE Capacity Building – Richard	1,510	18,864	20,374	-	-
Path & Viewpoints	21,173	590,887	593,429	-	18,631
Creich to Pottie Path	-	142,013	142,013	-	-
Lochdon Pavement Project	-	10,000	310	-	9,690
Ardura Forest	-	523,670	-	-	523,670
Big Bike Review	259	-	-	-	259
CCF- Rethink MESS	1,486	95,067	66,218	-	30,335
ACCESS	80	-	80	-	-
Tobermory Lighthouse Path	10,691	2,876	500	-	13,067
Ardura Forest Path Pilot project	-	50,559	-	-	50,559
Ardura Forest revenue	-	4,750	4,750	-	-
<b>Total restricted funds</b>	<b>1,207,117</b>	<b>2,935,123</b>	<b>979,505</b>	<b>-</b>	<b>3,162,735</b>

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**24. Restricted Funds (continued)**

<b>Analysis of Fund movements - 2019</b>	<b>Balance b/fwd £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Balance c/fwd £</b>
<b>Restricted funds</b>					
Sea Eagles	2,752	16,878	5,567	(9,733)	4,330
Ranger – Mink	367	-	56	-	311
Ranger Calgary Bay	2,638	2,831	504	(1)	4,964
Mess Revolve	145	-	-	-	145
Childcare	1,595	17,553	18,970	(178)	-
CBRC Capital	11,178	-	4,880	(102)	6,196
Ranger Service Activities	-	30,898	32,685	1,787	-
Ranger Forestry & Activities	15,988	6,000	10,817	6,572	17,743
NTS South Mull & Iona					
Ranger	-	27,000	25,368	(875)	757
Forest Geocaching	272	-	46	-	226
An Roth Trading	75	-	75	-	-
Mull Musical Minds	9,860	5,992	1,198	(255)	14,399
Community Defibs	1,897	2,542	2,555	-	1,884
Ulva Ferry Development					
Officer	2,503	14,587	13,115	(1,475)	2,500
Ulva Ferry pontoons					
Revenue	-	9,088	7,511	(489)	1,088
Ulva Ferry Housing Project					
– Revenue	28,034	1,920	10,278	(855)	18,821
Ulva Ferry Housing Project					
– Capital	1,821	139,300	-	-	141,121
Ulva Ferry Housing Project					
- Revenue Phase 2	-	20,966	258	(106)	20,602
Ulva Ferry Housing Project					
- Capital Phase 2	-	210	-	-	210
Ulva Ferry Community					
MiniBus	32,571	27,343	24,074	(359)	35,481
Ulva Ferry Pontoon Capital	-	15,908	2,568	-	13,340
Energy Advisor Mull & Iona	2,886	-	-	-	2,886
Community Broadband	9,041	44	524	(27)	8,534
Intergenerational Project	16,829	-	7,698	(2)	8,859
Tobermory Light Industrial					
Park - Revenue	-	9,500	10,631	1,131	-
Tobermory Light Industrial					
Park - Capital	-	871,611	4,088	(2)	867,521
HIE Capacity Building –					
Richard	-	29,894	26,432	(1,952)	1,510
Path & Viewpoints	14,901	8,000	1,617	(111)	21,173
Tobermory Walled Garden	-	-	58	58	-
Ardura Forest	-	16,975	18,023	1,048	-
Big Bike Review	516	-	257	-	259
CCF- Rethink MESS	-	96,397	89,596	(5,315)	1,486
ACCESS	9,916	-	9,661	(175)	80
Tobermory Lighthouse Path	-	12,222	1,531	-	10,691
More MESS Waste LESS	857	(607)	250	-	-
<b>Total restricted funds</b>	<b>166,642</b>	<b>1,383,052</b>	<b>331,086</b>	<b>(11,491)</b>	<b>1,207,117</b>

## **MULL AND IONA COMMUNITY TRUST**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

#### **24. Restricted Funds (continued)**

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 Calgarry Bay** – Restricted for Volunteer's expenses and overheads.

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

**Childcare** – restricted for costs of feasibility study

**CBRC Capital** – restricted for costs of building.

**Ranger Service Activities** - Payment of Wages & Ranger Activities

**Ranger Forestry & Activities**– restricted for payment of wages and overheads.

**NTS South Mull & Iona Ranger** - Restricted for payment of wages and overheads of Ranger Service Staff

**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.

**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 Revenue** – 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** – Grant funding received for Capital Building costs.

**Ulva Ferry Housing Project - Revenue Phase 2** - Restricted for payment of wages and overheads of Housing Project staff and for associated professional fees

**Ulva Ferry Housing Project - Capital Phase 2** - Restricted for land purchase costs and associated legal fees

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

## MULL AND IONA COMMUNITY TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

#### 24. Restricted Funds (continued)

**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.

**Tobermory Light Industrial Park Revenue** - Restricted for payment of wages and overhead of Tobermory Light Industrial Park project staff.

**Tobermory Light Industrial Park Capital** - For the development of a Light Industrial Park & Storage.

**HIE Capacity Building – Richard** - Help build Capacity in the Local Community

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

**Tobermory Walled Garden** - Restricted for costs associated with restoration work for Aros Park Walled Garden

**Ardura Forest** - Restricted for development costs for the business case to purchase Ardura Forest.

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

**CCF Rethink MESS** - Restricted for payment of wages and overhead of project officer and for purchase of materials and equipment for the project.

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

**Tobermory Lighthouse Path** – Restoration of an existing pathway / walkway.

**Dervaig First Responders** – Funds raised for a group of volunteers working for the Scottish Ambulance Service.

**Dervaig Community Tree Nursery** – Funds received to support Mull Native Woodland Group to develop a community tree nursery.

**UF Shore Facilities/Car Park Capital** – Funding received from the Rural Tourism Infrastructure Fund for construction of further facilities at Ulva Ferry Pontoon.

**Creich to Pottie Path II** – Funds received for the second phase of the path noted above, extending the route to the Pottie Road End.

**Lochdon Pavement Project** – Funding secured to conduct a short section of pavement between a new housing development and the primary school in Lochdon.

**Ardura Forest Path Pilot project** – Funding received to develop the Ardura Forest path.

**Ardura Forest revenue** – Funding received towards the management fees for Ardura Forest.

**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**25. Net assets over funds**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2020 £</b>
Fixed assets	1,832,662	2,646,747	4,479,409
Forestry asset	-	287,000	287,000
Investments	100	-	100
Stock	3,626	-	3,626
Debtors	221,093	4,000	225,093
Cash	143,559	224,988	368,547
Current liabilities	(291,196)	-	(291,196)
Long term liabilities	<u>(251,482)</u>	<u>-</u>	<u>(251,482)</u>
	<u>1,658,362</u>	<u>3,162,735</u>	<u>4,821,097</u>

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2019 £</b>
Fixed assets	1,925,845	1,021,982	2,947,827
Investments	100	-	100
Stock	1,414	-	1,414
Debtors	243,702	4,000	247,702
Cash	336,370	181,135	517,505
Current liabilities	(646,847)	-	(646,847)
Long term liabilities	<u>(140,143)</u>	<u>-</u>	<u>(140,143)</u>
	<u>1,720,441</u>	<u>1,207,117</u>	<u>2,927,558</u>



**MULL AND IONA COMMUNITY TRUST**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**26. Reconciliation of net income to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net income for the year (as per the Statement of Financial Activities)	1,893,539	1,004,475
Adjustments for:		
Loss / (Profit) on disposal of fixed assets	24,838	(1,309)
Depreciation charges	47,221	42,134
Dividends, interest and rents from investments	(13,210)	(11,224)
Interest payable	8,462	4,994
Donation in kind	(10,000)	-
(Increase) / decrease in stocks	(2,212)	2,535
Decrease / (Increase) in debtors	22,609	(46,850)
(Decrease) in creditors	(303,885)	(100,281)
Net cash provided by operating activities	<u>1,667,362</u>	<u>894,474</u>

**27. Analysis of cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	368,547	517,505
Total cash and cash equivalents	<u>368,547</u>	<u>517,505</u>

**28. Operating Lease Commitments**

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

	<b>Property</b>		<b>Other</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Under 1 year	1,000	1,000	1,627	2,441
Between 2 and five years	4,000	4,000	-	1,424
Over 5 years	11,000	12,000	-	-
	<u>16,000</u>	<u>17,000</u>	<u>1,627</u>	<u>3,865</u>