

Registered Company No: SC 172897

Registered Charity No: SC 025995



MULL & IONA

COMMUNITY TRUST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

MULL AND IONA COMMUNITY TRUST
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REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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Report of the Trustees for the year ended 31 March 2022

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name: Mull and Iona Community Trust

Registered Office: An Roth Community Enterprise Centre
Craignure
Isle of Mull
Argyll
PA65 6AY

Charity Registration Number: SC025995

Company Registration Number: SC172897

Trustees: Sandy Brunton (Chairman)
Derek Crook
Robert MacManaway
Ian Jones (resigned 08/11/2021)
Barry Whenman
Susan Elizabeth Hawkes
Heather Elizabeth Waller
Jane Griffiths
David James Currie
John Alexander Innes
Gary John David Wiltshire (resigned 11/05/2022)
John Ronald Maughan
Robert Gregor Cameron (appointed 27/07/2021)
Joe Jeffrey Reade (resigned 28/04/2021)

Secretary: Barry Whenman

Independent Auditors: Wylie & Bisset (Audit) Limited
Chartered Accountants
168 Bath Street
Glasgow
G2 4TP

Bankers: Unity Trust Bank
Nine Brindleyplace
Birmingham
BS1 2HB

The Co-operative Bank
1 Balloon Street
Manchester
M60 4EP

Solicitors: Twin Deer Law
Lochaber Rural Complex
Fort William
PH33 6SQ

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Report of the Trustees for the year ended 31 March 2022

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 2022.

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.

Purposes

The following statements of purpose are taken from the Trust's Articles of Association (4):

- (1) The advancement of community development (including the advancement of rural regeneration) within the Community;
- (2) To manage community land and associated assets for the benefit of the Community and the public in general.
- (3) 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) To advance the education of the Community.
- (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;
- (6) The prevention and relief of poverty.
- (7) The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.
- (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.
- (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 awards 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 was dissolved after the year end, with a total share capital of £100.

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.

Board of Trustees

The Trust's Articles of Association allow for up to 14 members to be elected as Trustees, 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.

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The Trust aims to maintain a suitably diverse Board in terms of geographic representation of the islands, 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 six roles identified as key management staff; **General Manager, Deputy General Manager, Finance Manager, MESS Manager, Ranger Service Manager and Fundraising Officer.**

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.

The Fundraising Officer is Sian Scott with responsibility for leading on grant funding as well as crowdfunding and seeking donations and legacies.

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.

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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 25 staff on payroll, distributed as follows:

- 6 full-time staff
- 11 part-time staff (approximately 6 full time equivalent)
- 8 staff on zero hours contracts (mainly “bank” charity shop staff and dial-a-ride drivers)
- Due to COVID-19 restrictions, the furlough scheme was used to contribute to six staff salaries

Volunteers

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

MESS and Island Castaways Shop – The team of Bunessan volunteers worked incredibly hard over the winter to refurbish the shop there and it reopened on 3 May 2021.

In the Craignure shop, alternative ways of serving the public were trialled including pre-booked personal shopping slots, online sales and eventually were able to reopen on 1 May 21 with most of the original team of volunteers.

A full covid risk assessment was done and alterations were made to both shops to keep the staff, volunteers and customers safe.

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The Tobermory shop remained closed as the Aros Hall was not available to use and volunteers were not yet ready to return.

All the Craignure and Bunessan volunteers worked hard throughout the year doing a fantastic job. The Christmas lunch had to be postponed to March 2022 due to further Covid restrictions.



The loss of one of our longest standing volunteers at Craignure Island Castaways was a particularly sad point during the year. Elaine Campbell volunteered in the shop for several years and always a cheery face behind the counter, she was shy of the camera but always had a glint of mischief in her eye!

Steering groups – Every project is supported by a steering group which comprises 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 volunteers. The time commitment varies but typically steering groups meet monthly with some input in between meetings.

Board Trustees – The volunteer Board Trustees 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 13 Trustees on the board at any one time.

Guardians of public access defibrillators – 26 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.

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Land Ownership

The Scottish Land Commission sets out a protocol of good practice for land owned by Charities. Below is a schedule of land owned by Mull and Iona Community Trust, what it is used for and how the public benefit from this ownership.

Description of land	Use of land	Public benefit
Public building in Craignure, Title reference ARG6448	An Roth Community Enterprise Centre, MICT Offices, Charity Shop	Public amenity
201 hectare forest, Title reference ARG27185	Community forest	Public amenity
Plot at Ulva Ferry, Title reference ARG21460	Affordable housing	Addressing depopulation, reducing fuel poverty
2 houses at Oskamull, Ulva Ferry, Title reference ARG25922	Affordable housing	Addressing depopulation, reducing fuel poverty
2 houses at Acharonich, Ulva Ferry, Title reference ARG22893	Affordable housing	Addressing depopulation, reducing fuel poverty
0.8 hectare plot at Tobermory, Title reference ARG22602	Industrial Park	Economic development, job creation
Land at Ulva Ferry, Title reference ARG26670	Car parking, motorhome hard standings, shore base for pontoon	Public amenity, economic development, job creation
House in Pennyghael Title reference ARG28844	Affordable housing	Addressing depopulation, reducing fuel poverty
Plot in Craignure Title Reference ARG28814	Self-storage site	Public amenity

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.

During the year 2021-22 the sale of standing timber at Ardura Community Forest started to produce income for the Trust. In due course, there will be surpluses from this income which the Board will consider how best to use to further deliver its strategic objectives.

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Primary support costs

The primary support costs attributed here are the costs associated with the operational costs, administration and governance of the organisation.

The Trust's primary shared support costs for the financial year 2021-22 were £125,974 and includes:

- Contribution to salaries for General, Deputy General Managers, Finance Manager, Fundraising Officer and Administration Assistant
- Pension fees
- Banking fees
- Postage, telephone, stationary and printing costs
- IT support costs
- Web hosting, domain names and website costs
- Accounting and audit fees
- Accountancy software cost
- Regulatory fees and membership subscriptions (e.g. DTAS, SCVO, SIF, CWA)
- Insurance costs

The total net income from Castaways, Nonhebel Park and the Gantry Self Storage contributing to this was £99,640 which included Government support grants during the Covid crisis. These grants made up £16,148 of the total.

Reserves policy and reserve funds

Mull and Iona Community Trust is funded by a combination of earned income and grants funding, the makeup of which is complex and varies each year depending on the level of project activity.

It is the policy of the Trust to have access to a minimum of six months, but with a target of twelve months staff and support costs available in a Reserves Account. The target amount required is based on employment costs of the key management staff, utilities costs, accounting costs, insurance, maintenance, mortgage and loan payments, and running costs for the houses, Nonhebel Park and Ulva Ferry Pontoon.

In addition, the Trust monitors its liability for staff redundancy and includes this in its reserves policy based on the liability at 31 March 2022.

The reserves policy is reviewed annually at the time of producing the annual report.

Based on the budget for the year end 31 March 2023, this would indicate an unrestricted reserves figure of around £236,991 to meet the minimum target of six months noted above.

Total funds at 31 March 2022 were £7,199,186, of which £3,985,359 are restricted, leaving unrestricted funds of £3,213,827. Of this amount £1,829,273 is tied up in the value of unrestricted fixed assets net of borrowings thereon, and a further £729,713 in the Forestry asset leaving £1,099,560. £862,233 is designated for spending on future projects at 31st March 2022, leaving free reserves of £237,327. For a detailed breakdown of funds please refer to note 23.

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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

The aim of the Investment Policy is to invest in island-based projects which deliver the dual benefits of a financial return for the Trust and also non-financial returns for the local community. Projects may be selected for investment which do not deliver a financial return for the Trust providing the projects deliver non-financial returns for the community in line with the Trusts' Charitable Purposes.

The Trustees have authority under the Articles of Association to make investments. The Trustees carefully consider their obligations to act in line with the Charitable Purposes detailed in the Articles of Association and to act in the best interest of the Charity. Investments will not be considered for projects which the Trustees feel are contradictory to the social and environmental objectives of the Trust.

Wherever possible, projects for investment will fit within the strategic objectives of the Trust. The Strategic Objectives are based on priorities of the community identified in regular consultations and noted in Community Development Plans.

All investments carry some level of risk. The Trustees balance the need for caution when considering the Reserves Policy and the current policy is for the Reserves to be invested in a low risk, instant access bank account.

Investment of unrestricted funds in projects which carry a degree of risk will depend on the business case for each project. The level of risk will be assessed and balanced against the predicted financial and non-financial returns for each project.

The Trustees expect that investment of the Trusts' own funds in MICT projects will help leverage external grants and loans. The Trustees intend that investments will not be concentrated on a single project but in a diverse range of projects helping address the strategic objectives of the Trust.

Investments will be managed by the Finance Standing Committee, drawn from the Board of Trustees along with senior members of staff and will in turn be authorised by the full Board.

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 organisation 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 these costs.

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In March 2022, in response to advice from its auditors, the Trust opened an account on the Charities Aid Foundation Cash Platform. This is not an investment vehicle, but it helps reduce/eliminate the risk of losses in the event of a banking failure. It provides the facility to place cash on deposit with UK banking institutions covered by the UK Financial Services Compensation Scheme. The FSCS provides depositors with a government guarantee for deposits up to £85,000 per bank. The cash platform will be utilised to hold cash balances for reserves and pending expenditure or investment.

Factors likely to affect the Charity in future

The lack of housing available as homes on the island is increasingly being described as a crisis so it is likely that addressing this will remain the top priority for the Trust over the coming year.

Recruitment of staff is increasingly difficult due in part to the demographic changes resulting from the housing crisis but also because of wage inflation.

The global and UK economic situation will make grant funding increasingly difficult to secure, not just for specific projects but more so for general revenue funding.

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.

WHAT WE DO

Ongoing activities and services

Advice and support to local organisations

The Trust is an agent of Argyll and Bute Third Sector Interface 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 and Bute TSI.

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 Committee
- Dervaig Village Hall Committee
- Mull Fishermen's Association
- Aros Park Disc Golf
- Salen Community Association
- Ross of Mull and Iona Community Transport
- Isle of Mull Rugby Club
- Glengorm Estate
- Mull First Aid

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.

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Green Energy Mull and the Waterfall Fund. Legally independent from MICT, the Trust is committed to supporting Green Energy Mull and the Waterfall Fund. The two organisations were setup by MICT to generate renewable energy at Garmony and in turn to generate profits for distribution to the communities of Mull and Iona via the Waterfall Fund. At the time of writing, the country is facing a major cost of living crisis and the Waterfall Fund is well placed to help residents in fuel poverty to meet the rising costs of heating their homes.

Mull and Iona Community Enterprise (MICE)



MICE (Mull and Iona Community Enterprise) was established in 1997 and led by Duncan Swinbanks as the legal entity fundraising, securing grants and campaigning to get a much-needed swimming pool for Mull and Iona.

The pool opened in 2008, alongside Isle of Mull Hotel. After their herculean efforts over so many years, Duncan and most of the original directors of MICE stood down soon after the opening of the pool.

Mull and Iona Community Trust was heavily involved in the project helping secure the funding and to facilitating the project build.

However, MICE has to continue as the legal entity for a 25 year liability period of the grants, to look after the assets of the pool for the benefit of our community – so until 2033. After appeals for new MICE directors failed to encourage anyone else to become involved, Duncan suggested that Mull and Iona Community Trust (MICT) take responsibility for the administration and running of MICE and to ensure that sufficient Directors are always in place.

As a Community Anchor Organisation, MICT agreed to and continues to take on this role.

An Roth Community Enterprise Centre

Long term lets for West Coast Motors and the Maritime and Coastguard Agency carried on as normal during the period.

A new tenant was granted a 5 year lease, Reed In Partnership provide driver theory examinations on behalf of DVSA.

The MICT staff began a hybrid model of working from the office and home, providing front of house service for room bookings which began again as restrictions were gradually lifted.

Island Castaways charity shops and MESS

The year began slowly with all MESS staff bar one, at home on furlough. Initially it was unclear when visitors would be able to return, which in turn made income projections difficult. The outlet for receiving unsellable textiles was closed in the early part of the year so initially caused a storage issue with too many donations, textiles and insufficient space to store them. Once things started to open up again at the beginning of May, both Bunessan and

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Craignure shops were fully opened with the return of all staff and most volunteers. Tobermory shop remained closed for the season as the Aros Hall was not available for use.

Both shops had a very busy season with lots of good donations and plenty of shoppers. Customers loved that we had a great selection and choice of affordable items to buy, donors appreciated having an outlet for their unwanted items and volunteers again enjoyed the chance to come back into a safe environment and interact and help with the community once more.

Both staff and volunteers reported that people from Oban were coming to Craignure specifically to visit Castaways which was lovely to hear.

Gantry Self-Storage

The self-storage activity performed well with high levels of occupancy throughout the year.

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

Nonhebel Park

Nonhebel Park, named after local businessman Andrew Nonhebel, welcomed its first tenants on 1st March 2020 offering self-storage, fenced compounds, lock up units and business premises. Just 2 years later, the site is fully occupied, supporting 20 businesses and 36 existing jobs in the area and has enabled a further 13 new employment opportunities. Tenants on site include three business start-ups and a range of uses including property maintenance, building, butchery, stock storage, wholesale seafood and soap manufacturing.

With an extensive waiting list, plans to develop the site further are continuing and will enable us to provide more much needed small business premises to help our fragile island economy and generate a sustainable income for MICT to support other community benefit projects.

Ulva Ferry Community Transport

Ulva Ferry Community Transport reverted to a near normal passenger carrying operation after focussing during the pandemic on delivery of groceries, prescriptions and supplies to residents.

The services provided included weekly shopping trips, wheelchair transport, medical appointments, trips to the mainland linking with West Coast Motors services in Salen, daily travel to work, we also supported passengers attending Dervaig Community Library, and the children from Ulva Primary School travelling for swimming lessons.

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In December we took delivery of our all electric Mercedes eVito thanks to a grant from the Scottish Governments Plugged in Communities Fund. The 100kW battery gives a range of up to 250 miles and the eight passenger capacity and wheelchair ramp makes it a versatile vehicle for our service. Related to our public access defibrillator project, we were delighted when the Isle of Mull Hotel donated a defibrillator to place in the Mercedes eVito.

We are working in partnership with Ross of Mull Community Transport taking a resident for twice weekly treatment on the mainland.

The scheduled service continues to operate on request 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.

During the year, our vehicles covered 17,023 miles and carried 822 passengers.

Ulva Ferry Car Park and Motorhome Hard Standings

Opened last year, these new facilities have been well used and are reinforcing our efforts to increase the resilience of the Ulva Ferry community.



Turus Mara support us by leasing half the car park space for their customers and in addition have space for a mobile sales vehicle.

At the year-end we granted a licence for a new business, to start selling coffee and bacon rolls from a mobile cabin in the car park.

The lease income and donations for parking allows us to cover costs like insurance and maintenance of the car park.

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The three motorhome stances provide electricity and water hook-ups as well as the means to properly empty chemical toilet cassettes. This much needed infrastructure will, it is hoped, reduce the incidence of illegal dumping of toilet waste.



Ulva Ferry Pontoon

Summer 2021 at the pontoon was good despite concerns about the impact of the pandemic.

Good weather helped bring 192 yachts to the pontoon yielding around £4,750 income in berthing fees.

In addition to paying for annual mooring inspection and maintenance, the annual electrical condition and inspection report and maintenance we had to replace the roller shutter door of the fuel cabinet which had corroded prematurely.

We also replaced the fuel management system which deals with chip and pin payments for account holders as the original system had become obsolete. Operating a pontoon is an expensive business!

As well as providing part-time jobs, the pontoon provides safe alongside berthing for the three tour boat companies operating from the pontoon and also allows us to sell marine gas oil to the fishing fleet based at Ulva Ferry.

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Public Access Defibrillator Network

The number of defibrillators on the network increased from 24 to 33 and crucially this means that every school on Mull has its own defibrillator.

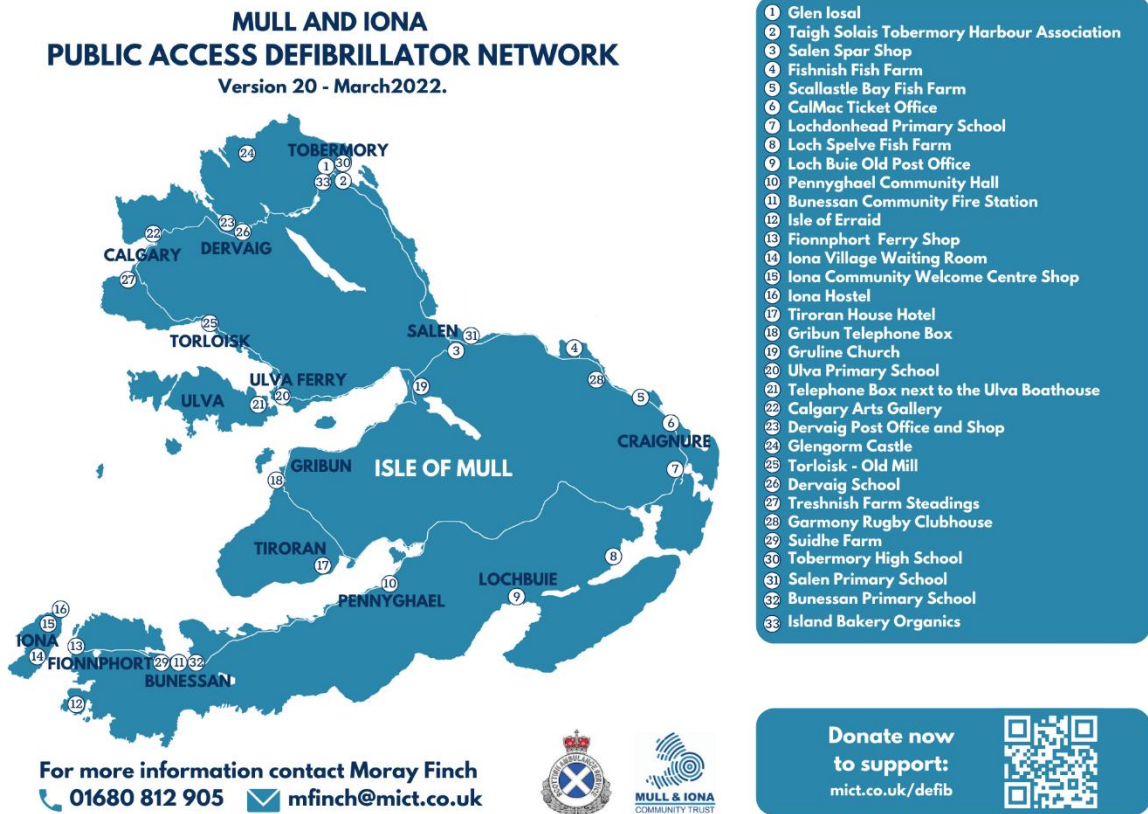
This was achieved through a combination of businesses installing a defibrillator, a generous donation from the family and friends of someone who tragically passed away whilst on holiday on Mull and grant income.



The project could not run without the valued annual donations from local people and businesses – thank you!

Through the year, volunteers continue to monitor and take care of the 24 public access defibrillators across Mull and Iona with several of them requiring routine replacement of batteries and pads.

Training courses are run for residents in CPR and the use of a defibrillator and we're delighted that the schools can provide training to the pupils thanks to the volunteers from Heartstart.



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Mull and Iona Ranger Service

Covid lockdowns restricted in-person events and the Rangers adapted by expanding an online presence, mainly on Facebook with an increase of around 20% in the number of followers.

Jan Dunlop provided additional support to the farming community by undertaking diversionary feeding of a pair of nesting Sea Eagles at Gorton on behalf of Nature Scot. The aim being to reduce lamb predation from the nursery fields around the nest sight.

Jan was instrumental in helping a local community group establish a new disc golf course in Aros Park facilitating discussions between Forestry and Land Scotland and the community group.

At Ardura, with the support of Mull Bird Club Jan held events for local children to put up over 20 bird boxes. The Bird Club has also installed an owl box in the forest. Jan is working with members of the Bird Club to carryout ongoing bird surveys through the year to establish a baseline.



Staycation holidays increased otter worrying incidents leading to concerned residents asking the Ranger Service for help. Jan set up an action group with Police Scotland, Mull Otter Group, Nature Scot, Visit Mull and Iona, tour operators and concerned individuals. The group produced a leaflet with best practice guidance for otter watching, a short video featuring Iolo Williams and a specially designed sign to discourage parking in passing places near hotspots.

Jan established Ardura Acorns, with funding from Outdoor Woodland Learning (OWL), a toddler group based in Ardura Community Forest.

Emily Wilkins hosted several film crews to Staffa and Iona as travel documentaries also focused on staycations. In the lead up to the COP26 Climate Summit we were delighted to host a photographer for a week's visit showcasing our conservation work including wildlife surveys of seabirds, plants and rare moths, working alongside farmers and crofters to keep habitats in good condition, and raising awareness through providing interpretation and assistance to those accessing the great outdoors.

Also on the climate theme Emily and a team of volunteers installed digital loggers at the top of the hill on Burg to monitor the impact of changing soil temperatures on some of our rarest plants.

Emily made use of the Ross of Mull Community Garden as an easily accessible outdoor venue, for afterschool nature clubs adorning the shed with cheery paintings of island wildlife, and gentle Garden Gathering wellbeing events in partnership with the SWMID community gardeners.

The Junior Forester Award was a big focus as schools began to welcome back ranger assistance with lessons, across the island children enjoyed learning about tree identification, habitats, risk assessment and all the skills it takes to look after our community forests, at

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Bunessan in partnership with SWMID Tiroran Community Forester. Other school sessions focused on our marine environment.

The Nature Adventure Days programme in partnership with Headland Explorations and funded by Baillie Gifford took local teenagers from the Ross of Mull hillwalking, climbing, sailing and kayaking, all the time thinking about the ways to connect with our land and seas, how they can be damaged and what can be done to help look after them.



Other partnership working saw the ranger service work alongside the new RSPB Corncrakes Calling project, assist academics from Glasgow University with their Iona Namescapes project researching placenames, take a group of musicians to Burg for some landscape inspiration, continue to attend forums such as Iona community council and Mull Deer Management Group and contribute sessions to the out of school care pilot held at Garmony where some stripy caterpillars stole the show.

Funding for the Ranger Service continues to be an issue although the outlook is slightly brighter. The Rangers service secured a contract with Argyll and Bute Council to help deliver a Staycation Warden service for then under a Scottish Government response to increased Staycation holidays due to international travel restrictions. For similar reasons, Nature Scot changed policy and will continue to provide funding for the ranger service albeit at a reduced rate. National Trust for Scotland continues to be a valuable partner for the Ranger Service.

Jan and Emily proactively put together a fundraising campaign with match funding of up to £6,000 offered by Nature Scot. A video produced by the team and our own volunteer videographer, Barry Whenman, helped reach this target to secure the full amount from Nature Scot!

Ardura Community Forest

Harvesting started in August 2021 after the bird nesting season and once construction of the new forestry roads required to extract the timber onto the A849 was completed. The harvesting work by Tilhill Forestry went well although there were delays due to operatives catching Covid19 and needing to self-isolate and due to a particularly wet winter season. The latter made ground conditions difficult and this contributed to several instances of groundwater runoff into watercourses which required work to stop whilst remedial action was taken.

Due to be completed by April 2022, the harvesting itself ran over by a month or so with extraction by road planned to be completed by winter of 2022.

We are committed to avoiding the use of pesticides and herbicides in Ardura. Pine weevils tend to breed prolifically on clear fell sites of sitka spruce trees, and they then tend to predate on any new seedlings planted. Conventionally, forestry managers attempt to protect seedlings by treating them with neonicotinoid chemicals which kill the pine weevils (and other invertebrates). Our strategy to mitigate the risk of damage to tree seedlings by pine weevils is to plant seedlings immediately after harvesting, in the hope that the seedlings are sufficiently established by the time the weevil population starts to increase in August. At the time of writing this report we have our fingers crossed!

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

Report of the Trustees for the year ended 31 March 2022

Over 110,000 seedlings have been planted on the clear fell sites as well as on areas planted by the previous owners which had suffered losses due to deer browsing. The species planted include oak, alder, rowan, downy birch, silver birch, hawthorn, aspen, eared willow, and Scots pine. This included the first 300 oak seedlings grown at the community tree nursery in Dervaig from acorns collected at Ardura.



Our Community Wellbeing Officer, Rachel French and Ranger Jan Dunlop held events in Ardura, bringing together lots of folk from across the island. Ardura Acorns, a toddler group, has proved popular.

Shown in the picture is a moth trapping event which produced some fascinating insights to the range of moths and butterflies which make a home in the Atlantic oak woodlands.

At the year end, plans were in place for construction of new paths within Ardura Community Forest, providing additional options for residents and visitors to explore and to see first-hand how the trees we are planting start to develop and create a fantastic new habitat.

Mull Community Tree Nursery

The volunteers of Mull Native Woodlands Group have been successful in collecting thousands of seedlings from native trees across Mull and cultivating them at the nursery in Dervaig. With little prior experience between them, the group has a thirst for knowledge, seeking to share and gain from experience from other commercial and community tree nurseries across Scotland.



On behalf of Mull Native Woodlands Group, MICT has registered with the Forestry Commission for approval to collect seeds as “Forest Reproductive Material”. This means that the seedlings can be sold to grant funded projects (like Ardura) to cover the operational cost of the nursery. FRM Supplier Number: S0348

PROGRAMMES AND PROJECTS

Ulva Ferry Housing Project – Phase 2

Four new affordable homes at Ulva Ferry were completed in May 2022. Designed and built by The Wee House Company, modular construction is very energy and time efficient, with the houses being 90% complete before leaving the factory for site.

31 applications were received for the houses and using an allocation policy agreed by USCA (Ulva School Community Association) and the wider Ulva Ferry community. We were delighted to hand over the keys in May 2022; our tenants pay a social level rent level in warm, secure homes. As one successful applicant commented, ‘*The positive impact MICT have had*

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

Report of the Trustees for the year ended 31 March 2022

on us and other families can genuinely not be underestimated, and securing our home is truly life changing.'

With six affordable rental homes at Ulva Ferry, the school roll of Ulva Primary increased to 16 – the highest number in decades, and requiring the appointment of a second class teacher for the first time. 11 of those pupils live in MICT owned homes.

Pennyghael Schoolhouse

Following the purchase of Pennyghael Schoolhouse in March 2021 the property has undergone extensive renovation, including a new kitchen, new air-source heating system, water treatment system and improved insulation.



A local steering group was set up to agree an allocation policy for this family home, and after receiving 8 applications, our new tenants moved in early in January 2022. The family, who were previously living elsewhere on Mull, commented '*We are so happy and relieved to have been chosen to live in the Schoolhouse, we can't wait to move in and get settled. We are so grateful to everyone involved in the process for choosing us.'*

Rural Housing Burdens

This year we have been promoting Rural Housing Burdens, which is a mechanism under Scots Law that places a Title Condition on the deeds of a property which will apply in perpetuity. Under the Land Reform Act, a Rural Housing Burden can only be applied by a designated Rural Housing Body: MICT was approved by Scottish Ministers as a Rural Housing Body in 2014.

When a burden is first applied on behalf of the owner, the vendor may wish to offer a discount, usually 20-40% below the market valuation to help make it more affordable. The new property owner would have full legal title and ownership of their home, but they would be bound by legally enforceable conditions of the Burden which ensures that it must be their primary residence and not let as a holiday home.

Once the Burden is in place, MICT has a pre-emptive right to buy it back if the owner ever wishes to sell. If MICT does buy the property back it would be at the discount percentage (if applicable) of the current market valuation and it would then be sold on at the same discount percentage. This ensures that the original discount made will endure in perpetuity. The conditions and MICT's right of pre-emption remain with the Title forever.

So far, we have had conversations with several property owners on Mull who are considering applying Burdens to their homes, at a future point of sale, with two making the legal commitment to do so.

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Report of the Trustees for the year ended 31 March 2022

Glengorm Housing Project

MICT has been working with Glengorm Farming Partnership since 2019 to assist with their plans to refurbish an unused farm steading into 5 units for long-term affordable rent. This project has been awarded £660,000 from the Rural & Islands Housing Fund and £60,000 from Argyll & Bute Council. We supported Glengorm by undertaking a housing needs assessment and community consultation, drafting the allocation policy and securing the grant funding.

The Glengorm project is the first example in Argyll of a private landowner successfully accessing the Rural & Islands Housing Fund, and it is hoped others will follow suit and contribute to increasing the number of affordable homes in our most rural communities.



Wider Housing Plans

As the housing crisis on our islands continues, housing remains a key priority for MICT. In addition to the highlighted projects above, we have been actively encouraging the retention and delivery of permanent homes, both locally and at a national, strategic level.

Key projects this year have included:

- Working with Argyll & Bute Council's Empty Homes Officer to encourage owners of the 91 long-term empty properties to bring them back into permanent occupation;
- Working with local developers to promote locally affordable solutions for the delivery of the affordable element of larger housing developments;
- Engaging with landowners on Mull and Iona to encourage the release of land for affordable housing and crofting;
- Contributing to national consultations, including: short-term let legislation, controls on second homes, a Remote, Rural & Islands Housing Action Plan and National Planning Framework 4.

In December 2021, a Community Grant from Nationwide Building Society will enable the Housing Development Manager to continue working for two years from February 2022.

Keyworker Accommodation Study

The pandemic has seen a surge in properties being built and bought as non-permanent homes. The number of short-term lets on Mull increased by 40% between 2016 and 2021. One negative impact of this is the knock on lack of staff accommodation for local businesses and organisations.

In December 2021 we commissioned Community Enterprise to undertake a Keyworker Accommodation Study to better understand the issues anecdotally described by many local businesses in recruiting and retaining staff. The ensuing report will recommend the type and quantity of accommodation required, and in which locations across our islands. It is hoped that the feasibility study will inform a business case for support from Argyll and Bute Council's £50million Rural Growth Deal to deliver keyworker accommodation on Mull.

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Ulva Ferry Pontoon Shore Facilities Building



This year, work with the professional team of Thorne Wyness Architects, Cowal Design engineers and Moreham and Brotchie quantity surveyors has continued to development of the Ulva Ferry shore facilities building project. The building warrant application was submitted and design work undertaken.

After further community consultation, a small community/multifunction space was added to the designs requiring a resubmission of the planning application. After much fundraising work, capital funding has been secured from the Regeneration Capital Grant Fund (RCGF). Further work continues to secure revenue and match capital funding and the funding package is nearing completion. The building will provide a new multifunction community hub for people living in the Ulva Ferry, Ulva and Gometra area, will be a welcoming and fit for purpose gateway to Ulva and the islands and complement the pontoon, shore facilities and affordable housing developed by MICT in the area to date.

Rural Out of School Care Pilot

An out of school care pilot was completed on behalf of Scottish Government. The proposal allowed for the employment of dedicated staff who could focus initially on development and planning and then on the delivery of the trial. The aim was to have some holiday club provision up and running by the school summer holidays 2021 (July 2021).

In addition, there was a proposition to design and test new term-time services which would enable us to overcome the barriers to childcare provision in a rural area.

During the trial we –

- Employed a full time Co-ordinator, June 2021 – March 2022
- Employed 3 part time playworkers
- Provided 9 days (10am -4pm) of activity based holiday clubs, over 3 weeks during the summer holiday 2021, at one central location on the island (Isle of Mull Rugby Club at Garmony). We filled 140 places across the nine days offered, equating to an average of 15.55 places per day. These children came from 24 families. The majority came from within a 10-mile radius of the Rugby Club venue.
- Provided 45 sessions of after school care between September 2021 - March 2022, attendance from September – October was an average of 5.5 children, but this dropped to 3 during the final 3 months of the trial.

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- Engaged with 42 families about after school care opportunities, either through direct contact and care provision or survey data collected
- Arranged Childminding information sessions attended by 7 interested people
- Initial exploration into setting up a nanny agency on the island.



Ardura Community Well Being Project

The Ardura Community Well-Being Project began in May 2021, with funding from the National Lottery Community Fund to maximise the use of our community owned asset, Ardura Community Forest and to develop an outdoor-based programme of activities and events to promote the mental and physical well-being of the island community. The project aims to work with local organisations, specialists and the Mull and Iona Ranger Service to encourage everyone living on the island to access outdoor green spaces, with a particular focus on children and families, older people experiencing loneliness or social isolation and people with poor mental or physical health. Since May 2021, the project has brought a range of community members into the forest as well as other outdoor green spaces including Aros Park, Garmony, Scallastle and Dervaig Community Orchard. Ardura Acorns is a weekly outdoor baby and toddler group with a focus on nature, seasonal activities and child led play. The group is well attended and not only provides valuable outdoor engagement for children, but brings together parents, grandparents and carers in a safe outdoor setting allowing for social interaction, movement, and time in nature. Ardura Acorns aims to develop intergenerational connections and runs some sessions at Bowman Court to engage with the elderly residents.



**MULL AND IONA COMMUNITY TRUST
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Lochdonhead Primary School is the most local primary school to Ardura Community Forest. They have worked closely with the project officer to develop a connection to the woodland. Each child has planted a native tree on site, and they visit regularly for forest learning. They were supported in 2021 to achieve their Woodland Trust Green Trees School Award and have a regular after school club in the forest, using community transport and working alongside the Ranger Service.

In addition to Lochdonhead Primary, Ulva Primary and Tobermory High School have also visited the forest for a variety of activities. The project was awarded some additional funding in January 2022 from the Healthy Islands Grant fund which enabled the purchase some equipment and to bring in local specialists to deliver activities in the forest. Children with additional needs from the high school attended the forest for three full days to explore film and technology in an outdoor setting with the use of five new iPads. Both Ulva and Lochdon Primary Schools were able to visit the forest for a 'Drawing in the Wild' art session delivered by a local artist. The Healthy Islands Grant also supported the delivery of three well attended natural dye workshops and some bird song identification workshops.

Plans for the Future

We strive to make sure that our work aligns with the priorities identified by the community and recorded in the community development plans we have prepared over the years. During the year we reviewed the MICT Strategy documents carefully to make sure we are indeed focussing on what the community informed us about.

The Strategy document is a live working document, subject to continuous updates and the current version is available on request.

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Report of the Trustees for the year ended 31 March 2022

Extracted from the strategy document are the following key priorities and how we aim to address them:

Strategic Priority	Plans for coming year
Lack of affordable housing and other services	<ul style="list-style-type: none"> • Promote and encourage the use of Rural Housing Burdens • Develop opportunities with external stakeholders for new housing • Lobby Scottish Government for workable solution to Open Market Shared Equity system which is currently unworkable for Mull and Iona • Any other opportunities that arise
Lack of Childcare provision and sustainability of our Primary Schools	<ul style="list-style-type: none"> • Rural Out of School Care Trial for Scottish Government • Development of early learning and childcare nursery • Provision of affordable housing
Barriers to year round employment	<ul style="list-style-type: none"> • Expand of Nonhebel Park to support creation and expansion local businesses • Develop Ulva Ferry Shore Facilities Building • Development of Key Worker Accommodation project
Responding to new opportunities	<ul style="list-style-type: none"> • Development of a nursing and care home • Development of an early learning and childcare nursery
Enjoyment, sustainability, and preservation of the natural environment	<ul style="list-style-type: none"> • Rewilding of Ardura Community Forest, including provision of community infrastructure e.g. Forest Shelter, composting toilet and wildlife viewing hides

Acknowledgements

The Trustees wish to thank key funders for their continued support: The Scottish Government, Scottish Forestry, Local Energy Scotland, Energy Savings Trust, Inspiring Scotland, Regeneration Capital Grant Fund, Highlands and Islands Enterprise, Argyll & Bute Council, The National Lottery Community Fund, Development Trust Association Scotland, Rural Housing Fund, Nature Scot, Scottish Government, Forestry and Land Scotland, The National Trust for Scotland, Princes Countryside Fund, the Pebble Trust, Nationwide Building Society, Outdoor Woodland Learning and The Waterfall Fund.

MULL AND IONA COMMUNITY TRUST
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Report of the Trustees for the year ended 31 March 2022

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.

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:

DocuSigned by:

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Name: Sandy Brunton

Date: 10 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Mull and Iona Community Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant 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 2022, 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

In auditing the financial statements the financial statements, we have concluded that the trustees' use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 contained within the Report and Financial Statements. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements or a material misstatement of 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2022

We have nothing to report in this regard.

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 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 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 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; or
- the 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 directors were not entitled to prepare financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 25, 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 2022

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations;

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Management bias in accounting estimates.
- Posting inappropriate journal entries.

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business;

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MULL AND IONA COMMUNITY TRUST FOR THE YEAR ENDED 31 MARCH 2022

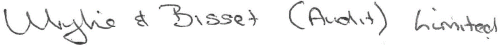
with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

DocuSigned by:

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Claire Dalrymple, FCCA (Senior Statutory Auditor)
For and on behalf on Wylie & Bisset (Audit) Limited, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

10 October 2022

MULL AND IONA COMMUNITY TRUST
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2022
(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income and endowments from:							
Donations and legacies	5	31,436	4,207	35,643	32,400	200	32,600
Charitable activities	6	343,116	135,180	478,296	329,659	1,333,886	1,663,545
Other trading activities	7	251,413	0	251,413	119,411	-	119,411
Investments	8	90,383	0	90,383	46,592	-	46,592
Other incoming resources	9	109	3,430	3,539	2,621	25,653	28,274
Total Income		716,457	142,817	859,274	530,683	1,359,739	1,890,422
Expenditure on:							
Raising funds							
Raising donations & legacies	10	32,171	-	32,171	26,419	-	26,419
Charitable activities	11	541,489	245,404	786,893	367,047	512,037	879,084
Total Expenditure		573,660	245,404	819,064	393,466	512,037	905,503
Net income / (expenditure) for the year		142,797	(102,587)	40,210	137,217	847,702	984,919
Transfers between funds		-	-	-	488	(488)	-
Other recognised gains							
Gain on revaluation of forestry asset	17	-	-	-	1,274,963	77,997	1,352,960
Net movement in funds		142,797	(102,587)	40,210	1,412,668	925,211	2,337,879
Funds reconciliation							
Total Funds brought forward	23, 24	3,071,030	4,087,946	7,158,976	1,658,362	3,162,735	4,821,097
Total Funds carried forward	23, 24	3,213,827	3,985,359	7,199,186	3,071,030	4,087,946	7,158,976

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 2022

		2022	2021
	Note	£	£
Fixed assets:			
Tangible assets	16	5,807,166	5,577,758
Forestry assets	17	1,094,690	1,639,960
Investments	18	100	100
Total Fixed assets		<u>6,901,956</u>	<u>7,217,818</u>
Current assets:			
Stocks		5,815	2,558
Debtors	19	360,332	79,904
Cash at bank and in hand	27	850,829	497,759
Total Current assets		<u>1,216,976</u>	<u>580,221</u>
Liabilities:			
Creditors falling due within one year	20	<u>(354,550)</u>	<u>(142,686)</u>
Net Current assets		862,426	437,535
Total assets less current liabilities		<u>7,764,382</u>	<u>7,655,353</u>
Creditors: Amounts falling due after more than one year	21	(565,196)	(496,377)
Net assets		<u>7,199,186</u>	<u>7,158,976</u>
The funds of the charity:			
Unrestricted funds	23	3,213,827	3,071,030
Restricted funds	24	3,985,359	4,087,946
Total charity funds		<u>7,199,186</u>	<u>7,158,976</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 October 2022 and signed on their behalf by:

DocuSigned by:

 D3598BDE13214C5...

Name: Sandy Brunton

DocuSigned by:

 A2295938D72B4BB...

Name: Rob MacManaway

Charity No: SC172897

**MULL AND IONA COMMUNITY TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	26	<u>61,428</u>	<u>1,133,679</u>
Cash flows from investing activities:			
Interest and rents received		90,383	46,592
Interest paid		(24,294)	(14,390)
Purchase of property, plant and equipment		(396,653)	(1,243,513)
Proceeds from disposal of forestry asset		545,270	-
Proceeds from disposal of fixed assets		1,834	5,501
Net cash (used in) investing activities		<u>216,540</u>	<u>(1,205,810)</u>
Cash flows from financing activities:			
Repayment of loans		(22,530)	(37,389)
Inception of mortgage		104,999	239,957
Repayment of mortgage		(7,367)	(1,225)
Net cash provided by financing activities		<u>75,102</u>	<u>201,343</u>
Change in cash and cash equivalents in the year		<u>353,070</u>	<u>129,212</u>
Cash and cash equivalents brought forward	27	497,759	368,547
Cash and cash equivalents carried forward	27	<u>850,829</u>	<u>497,759</u>

Analysis of net debt

	Note	1 st April 2021 £	Cashflow £	Other non cash changes £	31 st March 2022 £
Cash & cash equivalents	27	497,759	353,070	-	850,829
Borrowings					
Loans due within one year	20	(2,101)	22,530	(22,530)	(2,100)
Loans due after one year	21	(57,720)	-	22,530	(35,190)
Mortgage due within one year	20	(7,449)	7,367	(13,650)	(13,732)
Mortgage due after one year	21	(438,656)	-	(91,350)	(530,006)
Total net cash		<u>(8,167)</u>	<u>382,967</u>	<u>(104,999)</u>	<u>269,801</u>

MULL AND IONA COMMUNITY TRUST NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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 (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom (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 notes 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 2022

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 2022

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 12.

(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, Pennyghael House & 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.

(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 2022

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. Key estimations are detailed below:

Valuation of the forestry asset – At the start of the year, the charity entered into a contract to sell a proportion of the Forestry Asset. As such, the carrying value of the Forestry Asset has been based on the contract, being the sales value less any costs to sell.

Depreciation – Fixed assets are depreciated over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of the directors, with reference to assets expected life cycle.

MULL AND IONA COMMUNITY TRUST NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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.

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 £844 (2021: £3,123) for Island Castaways Bunessan is paid to Brook Partnership. Rental of £681 (2021: £1,335) was also paid to the Brook Partnership for the rental of four storage containers. During the previous year The Brook Partnership loaned the charity £5,000 for a 5 year period at an interest rate of 4% per annum, £163 of loan interest was paid during the year (2021: £200). At the year end The Brook Partnership was owed £3,117 (2021: £4,077). Derek Crook also personally lent the charity £1,000 on identical terms, at the year end the balance was £623 (2021: £815). During the year, loan interest of £33 was repaid (2021: £40).

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 £nil (2021: £Nil) were provided by Island Engineering. Chris Baker also provided the charity with a 15 year loan of £2,000 at an interest rate of 4% per annum. During the year, £76 of loan interest was repaid (2021: £80). At the year end date the balance was £1,796 (2021: £1,900) Chris Baker resigned as a director on 31st 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 £49,010 to the Mull and Iona Community Trust under Legal Terms and Agreements over the course of 2017 to 2020. During the year, an amount of £17,010 was repaid.

At the 31st March 2022 loan interest to the amount of £Nil (2021: £1,729) has been paid at a rate of 3.5%. At the year end the balance remaining was £Nil (2021: £17,010). The Loan Balance is secured against the premises in Craignure.

During the prior 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 £3,117 (2021: £4,077).

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%. During the year, loan interest of £114 was paid (2021: £120). The balance due at the year end date is £2,694 (2021: £2,850).

During the year, no Trustees received expenses relating to travel (2021: £Nil)

No Trustees received any remuneration during the year (2021: £nil).

One Trustee made a donation totalling £300 during the year (2021: £100)

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

5. Income from donations and legacies

	2022	2021
	£	£
Sea Eagles Donations	-	200
Membership Income	592	566
Donations and legacies	<u>35,051</u>	<u>31,834</u>
	<u>35,643</u>	<u>32,600</u>

6. Income from charitable activities

	2022	2021
	£	£
Environmental	112,130	254,903
Community services	154,999	127,511
Infrastructure	<u>211,167</u>	<u>1,281,131</u>
	<u>478,296</u>	<u>1,663,545</u>

7. Income from other trading activities

	2022	2021
	£	£
Consultancy & support services	70,664	40,983
Income from MESS activities	178,613	77,978
Miscellaneous income	<u>2,136</u>	<u>450</u>
	<u>251,413</u>	<u>119,411</u>

8. Investment income

	2022	2021
	£	£
Bank interest	-	88
Rent	<u>90,383</u>	<u>46,504</u>
	<u>90,383</u>	<u>46,592</u>

9. Other income

	2022	2021
	£	£
Gain on disposal of fixed asset	109	2,621
Coronavirus Job Retention Scheme	<u>3,430</u>	<u>25,653</u>
	<u>3,539</u>	<u>28,274</u>

10. Raising Funds – expenditure on raising donations and legacies

	Direct Costs	Support Costs	Total 2022
	£	£	£
Consultancy	-	32,171	32,171
	<u>-</u>	<u>32,171</u>	<u>32,171</u>
	Direct Costs	Support Costs	Total 2021
	£	£	£
Consultancy	-	26,419	26,419
	<u>-</u>	<u>26,419</u>	<u>26,419</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

11. Analysis of expenditure on charitable activities

	Environ- mental £	Economic Development £	Community Services £	Infrastru- cture £	Total 2022 £
Project costs	20,400	-	22,215	-	42,615
Subcontractors	-	-	-	13,255	13,255
Premises costs	-	-	-	6,802	6,802
Depreciation	4,258	-	-	106,686	110,944
Vehicle costs	-	-	-	5,586	5,586
Other costs	-	-	-	28,136	28,136
Governance costs (note 12)	9,833	2,701	18,027	9,064	39,625
Support costs (note 12)	133,981	36,801	245,645	123,503	539,930
	<u>168,472</u>	<u>39,502</u>	<u>285,887</u>	<u>293,032</u>	<u>786,893</u>

	Environ- mental £	Economic Development £	Community Services £	Infrastru- cture £	Total 2021 £
Project costs	227,446	-	30,117	-	257,563
Subcontractors	-	-	-	7,670	7,670
Premises costs	-	-	-	7,540	7,540
Depreciation	4,989	-	-	107,120	112,109
Vehicle costs	-	-	-	3,828	3,828
Other costs	-	-	-	12,830	12,830
Governance costs (note 12)	9,312	2,715	17,477	9,094	38,598
Support costs (note 12)	105,905	30,866	198,751	103,424	438,946
	<u>347,652</u>	<u>33,581</u>	<u>246,345</u>	<u>251,506</u>	<u>879,084</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

12. Allocation of governance and support costs

Cost type	Total 2021 £	Raising funds £	Environmental £	Economic Development £	Community Services £	Infrastructure £	Governance £	Basis
Salary of administrative staff	302,205	15,106	60,441	27,198	151,103	33,243	15,110	<i>Time spent</i>
Rent/rates/ins/cleaning	33,258	1,663	7,317	665	7,649	14,301	1,663	<i>Time spent</i>
Printing, postage, stationary and advertising	5,810	291	1,278	116	1,336	2,498	291	<i>Time spent</i>
Motor & travel expenses	41,892	2,095	13,824	838	20,946	2,095	2,095	<i>Time spent</i>
Loan interest	2,869	-	-	-	-	2,869	-	<i>Time spent</i>
Bank charges	4,320	216	950	86	562	2,290	216	<i>Time spent</i>
Legal & statutory fees	913	23	46	23	46	730	46	<i>Time spent</i>
Telephone	6,255	313	1,877	125	938	2,690	313	<i>Time spent</i>
Staff training	79	4	30	2	20	20	4	<i>Time spent</i>
Subscriptions	3,794	190	949	76	493	378	1,707	<i>Time spent</i>
Depreciation	30,175	1,509	6,639	604	4,828	15,088	1,509	<i>Time spent</i>
Car lease	1,625	81	260	16	780	406	81	<i>Time spent</i>
Miscellaneous expenses	55,757	2,788	12,267	1,115	10,036	26,763	2,788	<i>Time spent</i>
Materials	106	5	27	2	14	53	5	<i>Time spent</i>
Total	489,058	24,284	105,905	30,866	198,751	103,424	25,828	

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

12. Allocation of governance and support costs (continued)

Cost type	Total 2022 £	Raising funds £	Environmental £	Economic Development £	Community Services £	Infrastructure £	Governance £	Basis
Salary of administrative staff	354,430	17,718	70,886	31,899	177,215	38,986	17,722	<i>Time spent</i>
Rent/rates/ins/cleaning	42,150	2,108	9,273	843	9,695	18,125	2,108	<i>Time spent</i>
Printing, postage, stationary and advertising	3,267	163	719	65	751	1,405	163	<i>Time spent</i>
Motor & travel expenses	73,041	3,652	24,104	1,461	36,521	3,652	3,652	<i>Time spent</i>
Loan interest	1,983	0	0	0	0	1,983	0	<i>Time spent</i>
Bank charges	3,047	152	670	61	396	1,615	152	<i>Time spent</i>
Telephone	4,150	208	1,245	83	623	1,785	208	<i>Time spent</i>
Staff training	4,149	207	1,577	83	1,037	1,037	207	<i>Time spent</i>
Subscriptions	4,000	200	1,000	80	520	400	1,800	<i>Time spent</i>
Depreciation	54,576	2,729	12,007	1,092	8,732	27,287	2,729	<i>Time spent</i>
Miscellaneous expenses	55,730	2,787	12,261	1,115	10,031	26,750	2,787	<i>Time spent</i>
Materials	955	48	239	19	124	478	48	<i>Time spent</i>
Total	601,478	29,972	133,981	36,801	245,645	123,503	31,576	

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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:

Governance costs:	2022	2021
	£	£
Meeting expenses	78	787
Auditor's remuneration	10,170	14,118
Support costs (see above)	31,576	25,828
	<u>41,824</u>	<u>40,733</u>

Breakdown of governance and support costs by activity:

	Support Costs	Governance	2022
			£
Environmental	133,981	9,833	143,814
Economic Development	36,801	2,701	39,502
Community Services	245,645	18,027	263,672
Infrastructure	123,503	9,064	132,567
Total for charitable activities	<u>539,930</u>	<u>39,625</u>	<u>579,555</u>
Raising funds	29,972	2,199	32,171
	<u>569,902</u>	<u>41,824</u>	<u>611,726</u>

	Support Costs	Governance	2021
			£
Environmental	105,905	9,312	115,217
Economic Development	30,866	2,715	33,581
Community Services	198,751	17,477	216,228
Infrastructure	103,424	9,094	112,518
Total for charitable activities	<u>438,946</u>	<u>38,598</u>	<u>477,544</u>
Raising funds	24,284	2,135	26,419
	<u>463,230</u>	<u>40,733</u>	<u>503,963</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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

	2022	2021
	£	£
Salaries and wages	336,050	276,127
Social security costs	16,656	11,453
Pension costs	16,107	13,399
Total staff costs	<u>368,813</u>	<u>300,979</u>

No employees had employee benefits in excess of £60,000 (2021: Nil).

	2022	2021
	No.	No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>25</u>	<u>22</u>

	2022	2021
	£	£
Key management personnel remuneration:	<u>166,287</u>	<u>141,082</u>

The number of key management personnel employed by the charity during the year was six (2021: five). Details of these staff members can be found on page 4.

14. Net income for the year

This is stated after charging / (crediting):	2022	2021
	£	£
Depreciation	165,520	142,284
Auditor's remuneration:		
Audit fees	10,170	14,118
Interest payable	24,294	14,390
Loss / (Profit) on disposal of fixed assets	<u>(109)</u>	<u>(2,621)</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

15. Government Grants

	2022	2021
	£	£
HIE- Capital	-	2,680
Nature Scot Grant	12,000	24,000
Energy Saving trust – Plugged in Communities	54,774	-
Scottish Government – Business Ventilation fund	500	-
Energy Saving Trust – EV Charging Point	371	-
Scottish Land Fund	-	121,254
Third Sector Resilience Fund	-	72,617
Wellbeing Fund	-	20,925
Argyll & Bute Council Business Support Grants	-	40,000
Keep Scotland Beautiful	-	29,254
Nature Scot, Better Places Fund	-	19,772
Islands Equivalent Payment - Strategic Framework	-	16,000
Rural and Islands Housing Fund	-	777,856
Scottish Government - Healthy Islands Fund	9,800	-
Inspiring Scotland – Rural Communities Ideas into Action Fund	20,017	-
Inspiring Scotland – Investing in communities	77,550	-
Coronavirus Job Retention Scheme	3,430	25,653
Total	<u>178,442</u>	<u>1,150,011</u>

HIE – Capital – HIE Funding for the development of Nonhebel Park.

Nature Scot Grant relates to funding to support the Mull and Iona Ranger service.

Scottish Land Fund relates funding provided to purchase Pennyghael School House and funding provided to purchase Ardura Forest in the prior year.

Third Sector Resilience Fund relates to funding to help with support costs and ranger service costs during the COVID-19 pandemic.

Wellbeing Fund relates to funding to support the running costs of Ulva Ferry Community Transport service during the COVID-19 crisis.

Keep Scotland Beautiful funding relates to funding relating to the purchase of an electric van for MESS.

Nature Scot, Better Places Fund relates to funding to support development costs of Ulva Ferry Shore Facilities Building.

Islands Equivalent Payment – Strategic Framework Business Fund relates to funding to support the operational costs of An Roth, Castaways in Craignure and Bunessan and the support costs of the Trust.

**MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

15. Government Grants (continued)

Argyll & Bute Business Support Grants relate to funding to support the operation of Bunessan Castaways, An Roth Community Enterprise Centre and Ulva Ferry Pontoon during the COVID-19 pandemic.

Coronavirus Job Retention Scheme relates to funding for staff that were furloughed during the year.

Rural & Islands Housing Fund relates to funding for Ulva Ferry Housing Phase 2 construction.

Energy Saving Trust – Plugged in Communities Fund relates to funding to purchase an electric MPV for community transport.

Energy Saving Trust – Workplace EV Charging Point relates to funding received to install an EV charging point.

Inspiring Scotland – Investing in Communities Fund relates to funding awarded to purchase a new electric minibus.

Inspiring Scotland – Rural Communities Ideas into Action Fund relates to funding awarded to conduct the keyworker accommodation feasibility study.

Scottish Government Business Ventilation Fund relates to funding for changing windows and improving ventilation in Island Castaways and Craignure.

Healthy Islands Fund relates to an award received for revenue costs to run specialist well-being events, including transport costs.

At the year end there were no unfulfilled conditions or contingences related to these grants, (2021: None)

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

16. Tangible Fixed Assets

	Heritable Property	Land	Plant & Machinery	Fixtures, fittings and Equipment	Motor Vehicles	Assets under construction	Ulva Ferry House	Total
Cost or valuation								
At 1 April 2021	3,429,253	653,490	204,730	104,137	89,206	1,005,716	819,922	6,306,454
Additions	-	23,808	85,357	13,202	54,069	175,458	44,759	396,653
Disposals	-	-	-	-	(7,260)	-	-	(7,260)
Transfers	-	-	-	-	-	(1,094,649)	1,094,649	-
At 31 March 2022	3,429,253	677,298	290,087	117,339	136,015	86,525	1,959,330	6,695,847
Depreciation								
At 1 April 2021	475,203	-	126,795	84,042	42,656	-	-	728,696
Charge for the year	115,601	-	29,066	3,794	17,059	-	-	165,520
Eliminated on disposal	-	-	-	-	(5,535)	-	-	(5,535)
At 31 March 2022	590,804	-	155,861	87,836	54,180	-	-	888,681
Net book value								
At 31 March 2022	2,838,449	677,298	134,226	29,503	81,835	86,525	1,959,330	5,807,166
At 31 March 2021	2,954,050	653,490	77,935	20,095	46,550	1,005,716	819,922	5,577,758

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

17. Forestry asset

	2022	2021
	£	£
Balance as at 1 st April	1,639,960	287,000
Unrealised gain on fair value	-	1,352,960
Disposals	<u>(545,270)</u>	
Balance as at 31 st March	<u>1,094,690</u>	<u>1,639,960</u>

Previously 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.

At the start of the year, the charity entered into a contract to sell a proportion of the Forestry Asset. As such, the carrying value of the Forestry Asset has been based on the contract, being the sales value less any costs to sell.

18. Investments

	Shares in group undertakings
	£
Cost and net book value	
At 1 April 2021 and 31 March 2022	<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 2022 An Roth Trading Limited reported a profit of £nil (2021: £nil) and had net assets of £310 (2021: £310). The company had not traded since 1 April 2018 and was dissolved in June 2022.

19. Debtors

	2022	2021
	£	£
Trade debtors	344,130	60,110
Other debtors	16,202	8,977
VAT debtor	-	10,817
	<u>360,332</u>	<u>79,904</u>

20. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	21,244	31,080
Taxation and social security	45,011	-
Mortgage	13,732	7,449
Loans	2,100	2,100
Other creditors	<u>272,463</u>	<u>102,057</u>
	<u>354,550</u>	<u>142,686</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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

	2022	2021
	£	£
Mortgage	530,006	438,656
Loans	35,190	57,721
	<u>565,196</u>	<u>496,377</u>

Mortgage

	2022	2021
	£	£
Due:		
In one year or less	13,732	7,449
Between one and two years	14,363	11,547
Between two and five years	46,897	37,955
Over five years	468,746	389,154
	<u>543,738</u>	<u>446,105</u>

Mortgage Liabilities are secured on the assets concerned.

Loans

	2022	2021
	£	£
Due:		
In one year or less	2,100	2,100
Between one and two years	2,100	2,101
Between two and five years	13,780	29,944
Over five years	19,310	25,677
	<u>37,290</u>	<u>59,821</u>

£nil of the Loan balance is secured against the premises in Craignure (2021: £17,010)

22. Deferred Income

	2022	2021
	£	£
Balance as at 1 st April	10,629	34,397
Released during year	(10,629)	(34,397)
Deferred during year	73,018	10,629
Balance as at 31 st March	<u>73,018</u>	<u>10,629</u>

Deferred income is included within other creditors and comprises funding received in advance for projects in the 22/23 year.

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

23. Unrestricted Funds

Analysis of Fund movements - 2021	Balance b/fwd £	Income £	Expenditure £	Gains & Losses £	Transfers £	Balance c/fwd £
Unrestricted funds						
Designated funds:						
MESS Craignure shop	187,234	-	-	-	(179,734)	7,500
MESS Bunessan shop	13,271	-	-	-	(11,271)	2,000
MESS Core	1,764	-	-	-	6,636	8,400
MESS Recyclate	31,300	-	-	-	(31,300)	-
MESS Business Recyclate	17,564	-	-	-	(17,564)	-
MESS Tobermory	3,184	-	-	-	(3,184)	-
Gantry Storage Craignure	112,264	-	-	-	(107,264)	5,000
An Roth Ent Centre	223,294	-	-	-	(213,294)	10,000
Ulva Ferry Pontoon Trading	21,562	-	-	-	(11,562)	10,000
PCC Vending Machine	1,847	-	-	-	(1,400)	447
Ulva Ferry Houses Trading	8,041	-	-	-	26,959	35,000
Ardura Revenue Trading	18,600	-	-	-	-	18,600
Ulva Ferry Community Transport	9,000	-	-	-	-	9,000
Housing Development Manager	-	-	-	-	11,000	11,000
Nonhebel Park	-	-	-	-	10,000	10,000
	648,925	-	-	-	(521,978)	126,947
General funds	1,009,437	530,683	393,466	1,274,963	522,466	2,944,083
Total unrestricted funds	1,658,362	530,683	393,466	1,274,963	488	3,071,030

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

23. Unrestricted Funds (continued)

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

Analysis of Fund movements - 2022	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Unrestricted funds					
Designated funds:					
MESS Craignure shop	7,500	-	1,080	1,080	7,500
MESS Bunessan shop	2,000	-	334	334	2,000
MESS Core	8,400	-	-	12,621	21,021
Facilities Management	-	-	-	50,000	50,000
Gantry Storage Craignure	5,000	-	5,000	-	-
An Roth Ent Centre	10,000	-	9,277	14,277	15,000
Ulva Ferry Pontoon Trading	10,000	-	7,473	7,473	10,000
Ulva Ferry Pontoon Shores					
Facility Building	-	-	-	63,987	63,987
PCC Vending Machine	447	-	447	-	-
Ulva Ferry House Trading	35,000	-	22,992	5,000	17,008
Ardura Revenue Trading	18,600	-	18,600	129,316	129,316
Ardura Operation and Maintenance	-	-	-	300,000	300,000
Ulva Ferry Community Transport	9,000	-	-	2,000	11,000
Out of School Childcare	-	-	-	2,036	2,036
Housing Development Manager	11,000	-	7,094	(3,906)	-
Nonhebel Park - Revenue	10,000	-	-	10,000	20,000
Nonhebel Park - Extension	-	-	-	150,000	150,000
ICF - Senior Management Restructuring	-	-	-	63,365	63,365
	126,947	-	72,297	807,583	862,233
General funds	2,944,083	716,457	501,363	(807,583)	2,351,594
Total unrestricted funds	3,071,030	716,457	573,660	-	3,213,827

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

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.

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.

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

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

**MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

23. Unrestricted Funds (continued)

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

Housing Development Manager – Funds designated to support staff costs to develop community solutions to the lack of affordable housing.

Nonhebel Park – Income generated from the light industrial park designated for payment of wages and overheads of project staff.

Facilities Management – Funds designated for the creation of a new Facilities Manager post.

Ulva Ferry Pontoon Shores Facility Building – To cover project officer salary costs and contribution to professional fees.

Out of School Childcare – Funds designated for future childcare projects.

Nonhebel - Extension – Funds designated for MICT's capital contribution for extending the facilities at Nonhebel Park.

ICF – Senior Management Restructuring – to cover project officer salary costs and contribution to professional fees.

Ardura Operation and Maintenance – Maintenance and operational costs for Ardura Forest for the next 35 years.

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

24. Restricted Funds

Analysis of Fund movements - 2021	Balance b/fwd £	Income £	Expenditure £	Gains/ Losses £	Transfers £	Balance c/fwd £
Restricted funds						
Sea Eagles	10,722	200	2,630	-	-	8,292
Ranger – Mink	311	-	-	-	-	311
Friends of Calgary Bay	8,552	3,397	2,597	-	-	9,352
Mess Revolve	145	-	-	-	-	145
Ranger Forestry & Activities	21,737	-	-	-	-	21,737
Ranger Service	-	35,097	34,929	-	-	168
NTS South Mull & Iona Ranger	5,860	30,498	27,653	-	-	8,705
Forest Geocaching	226	-	-	-	-	226
Mull Musical Minds	14,353	1,000	161	-	-	15,192
Community Defibs	2,039	709	621	-	-	2,127
Dervaig First Responders	500	-	-	-	-	500
Ulva Ferry First Responders	125	-	-	-	-	125
Dervaig Community Tree				-		
Nursery	1,473	19,928	19,822	-	-	1,579
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	14,412	29,496	26,507	-	18,821	36,222
Ulva Ferry Housing Project - Capital Phase 2	14,408	827,317	6,183	-	-	835,542
Ulva Ferry Community MiniBus	33,918	61,845	34,622	-	-	61,141
Ulva Ferry Pontoon Capital	11,024	-	1,737	-	-	9,287
Ulva Ferry Shores Facilities Revenue	-	28,211	19,930	-	-	8,281
UF Shore Facilities/Car Park Capital	442,700	10,355	1,696	-	-	451,359
Nonhebel Park - Capital	1,770,489	5,628	109,121	-	-	1,666,996
Path & Viewpoints	18,631	14,665	6,091	-	(566)	26,639
Creich to Pottie Path	-	94,690	95,256	-	566	-
Lochdon Pavement Project	9,690	17,283	25,600	-	-	1,373
Ardura Forest	523,670	-	-	77,997	-	601,667
Big Bike Review	259	-	-	-	-	259
CCF- Rethink MESS	30,335	-	4,989	-	-	25,346
Tobermory Lighthouse Path	13,067	-	187	-	-	12,880
Ardura Forest Path Pilot project	50,559	-	44,970	-	-	5,589
Ardura Community Well Being Project	-	-	200	-	200	-
Out of School Childcare 21-22	-	-	400	-	400	-
Pennyghael House	-	135,554	2,068	-	-	133,486
HIE Communities Recovery Fund	-	18,213	15,914	-	-	2,299
Coronavirus Job Retention Scheme	-	25,653	25,653	-	-	-
Total restricted funds	3,162,735	1,359,739	512,037	77,997	(488)	4,087,946

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

24. Restricted Funds (continued)

Analysis of Fund movements - 2022	Balance b/fwd £	Income £	Expenditure £	Transfers £	Balance c/fwd £
Restricted funds					
Sea Eagles	8,292	-	15	-	8,277
Ranger – Mink	311	-		-	311
Friends of Calgary Bay	9,352	8,416	7,483	-	10,285
Mess Revolve	145	-	-	-	145
Ranger Forestry & Activities	21,737	-	-	-	21,737
Ranger Service	168	-	-	-	168
NTS South Mull & Iona Ranger	8,705	27,456	29,036	-	7,125
Forest Geocaching	226	-	135	-	91
Mull Musical Minds	15,192	102	1,014	-	14,280
Community Defibs	2,127	12,338	11,582	-	2,883
Dervaig First Responders	500	-	-	-	500
Ulva Ferry First Responders	125	-	-	-	125
Dervaig Community Tree Nursery	1,579	-	76	-	1,503
Ulva Ferry Housing Project – Capital	141,121	-	-	-	141,121
Ulva Ferry Housing Project - Revenue Phase 2	36,222	-	-	-	36,222
Ulva Ferry Housing Project - Capital Phase 2	835,542	14,300	540	-	849,302
Ulva Ferry Community MiniBus	61,141	-	-	-	61,141
Ulva Ferry Pontoon Capital	9,287	-	1,393	-	7,894
UF Shore Facilities/Car Park Capital	451,359	-	4,258	-	447,101
Ulva Ferry Shores Facilities Revenue	8,281	-	8,281	-	-
Nonhebel Park – Capital	1,666,996	-	105,383	-	1,561,613
Path & Viewpoints	26,639	2,000	2,049	(560)	26,030
Creich to Pottie Path	-	6,069	6,629	560	-
Lochdon Pavement Project	1,373	-	-	-	1,373
Ardura Forest	601,667	-	-	-	601,667
Big Bike Review	259	-	-	-	259
Tobermory Lighthouse Path	12,880	1,139	-	-	14,019
CCF- Rethink MESS	25,346	-	5,688	-	19,658
Ardura Forest Path Pilot project	5,589	-	-	-	5,589
Ardura Community Well Being Project	-	31,048	22,230	-	8,818
Out of School Childcare 21-22	-	36,519	33,883	-	2,636
Pennyghael House	133,486	-	-	-	133,486
HIE Communities Recovery Fund	2,299	-	2,299	-	-
Coronavirus Job Retention Scheme	-	3,430	3,430	-	-
Total restricted funds	4,087,946	142,817	245,404	-	3,985,359

MULL AND IONA COMMUNITY TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

24. Restricted Funds (continued)

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

Sea Eagles – Income from visits for distribution to groups and maintenance.

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

Friends of Calgary Bay – Restricted for Volunteer's expenses, overheads and Calgary toilets.

MESS Revolve - Restricted for Revolve marketing and communications for the charity shops

Ranger Service Activities - Payment of wages and overheads of Ranger Service staff.

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

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

Ulva Ferry First Responders – Restricted for use by first responders in the Ulva Ferry area.

Ulva Ferry Shores Facilities Revenue – Used for project officer costs during the year.

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

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

**MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

24. Restricted Funds (continued)

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

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.

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.

Ardura Community Well Being Project – Funding received towards recruitment costs incurred prior to year end.

Out of School Childcare 21-22 - Funding received towards recruitment costs incurred prior to year end.

Pennyghael House – Funding received towards purchase of restricted asset and funds held for refurbishment of the property for affordable housing.

HIE Communities Recovery Fund – restricted funding for distribution through MICT to local groups.

Coronavirus Job Retention Scheme – Funding received towards furloughing employees during the pandemic.

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

25. Net assets over funds

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Fixed assets	2,410,301	3,396,865	5,807,166
Forestry asset	729,713	364,977	1,094,690
Investments	100	-	100
Stock	5,815	-	5,815
Debtors	360,332	-	360,332
Cash	554,294	296,535	850,829
Current liabilities	(281,532)	(73,018)	(354,550)
Long term liabilities	(565,196)	-	(565,196)
	<u>3,213,827</u>	<u>3,985,359</u>	<u>7,199,186</u>

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Fixed assets	2,077,931	3,499,827	5,577,758
Forestry asset	1,274,983	364,977	1,639,960
Investments	100	-	100
Stock	2,558	-	2,558
Debtors	77,762	2,142	79,904
Cash	276,759	221,000	497,759
Current liabilities	(142,687)	-	(142,687)
Long term liabilities	(496,376)	-	(496,376)
	<u>3,071,030</u>	<u>4,087,946</u>	<u>7,158,976</u>

MULL AND IONA COMMUNITY TRUST
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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

	2022	2021
	£	£
Net income for the year (as per the Statement of Financial Activities)	40,210	2,337,879
Adjustments for:		
(Profit) on disposal of fixed assets	(109)	(2,621)
Depreciation charges	165,520	142,284
Dividends, interest and rents from investments	(90,383)	(46,592)
Interest payable	24,294	14,390
Unrealised (gain) on fixed assets	-	(1,352,960)
(Increase) / decrease in stocks	(3,257)	1,068
(Increase) / decrease in debtors	(280,428)	145,189
Increase / (decrease) in creditors	205,581	(104,958)
Net cash provided by operating activities	<u>61,428</u>	<u>1,133,679</u>

27. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	<u>850,829</u>	<u>497,759</u>
Total cash and cash equivalents	<u>850,829</u>	<u>497,759</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:

	Property	
	2022	2021
	£	£
Under 1 year	1,000	1,000
Between 2 and five years	4,000	4,000
Over 5 years	9,000	10,000
	<u>14,000</u>	<u>15,000</u>

29. Contingent Liability

The charitable company may be required to repay all or part of a grant to a funder. At the date of signing of these financial statements it has not been confirmed that the grant is repayable, nor is possible to reliably estimate the amount repayable. The maximum amount repayable would be £225,000 but the Trustees are confident any repayment would be significantly less than this.