

REGISTERED COMPANY NUMBER: SC282766 (Scotland)
REGISTERED CHARITY NUMBER: SC036441

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2013
for
Isle of Luing Community Trust

Jean Ainsley. CA
Ainsley Smith & Co
Chartered Accountants
21 Argyll Square
Oban
Argyll
PA34 4AT

Isle of Luing Community Trust

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for the Year Ended 31 December 2013**

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Isle of Luing Community Trust

Report of the Trustees
for the Year Ended 31 December 2013

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC282766 (Scotland)

Registered Charity number

SC036441

Registered office

c/o T C Young
7 West George Street
Glasgow
G21 BA

Trustees

A Fleming
P Hooper
H MacLachlan
J Robertson
N Bissell
N Dyckhoff

Company Secretary

P Hooper

Independent examiner

Jean Ainsley. CA
Ainsley Smith & Co
Chartered Accountants
21 Argyll Square
Oban
Argyll
PA34 4AT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

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

Isle of Luing Community Trust

Report of the Trustees for the Year Ended 31 December 2013

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Introduction: The main theme of 2013 was the early stages of the construction of the Atlantic Islands Centre, a story given in more detail below, together with the arrival of the Project Development Manager (PDM), Andrew Pinkerton, in post at the beginning of April.

Atlantic Islands Centre Project: the first task of the PDM was to guide the advertisement for tenders for the construction of the AIC. Following standard procedures, four construction companies were invited to submit full tenders, and following review by the PDM, QS and architect, the Board was presented with a recommendation to accept the lowest of the three valid tenders received. The final decision resulted in the award of the contract to MacLeod Construction Ltd, approved by the Board on 8 July 2013.

Work on site began in mid-August, with the initial task being to clean the overlying slate waste to enable the foundations to be laid on solid rock beneath. Unfortunately a slab of rock fell from the quarry side in late September, causing cessation of work on safety grounds until the problem had been properly assessed. The engineer called in a specialist geotechnical firm for this purpose, as a result of which a revised approach to foundations and layout was recommended. Local authority consent was obtained some weeks later, while Big Lottery provided an uplift in grant to cover the cost of the extra work. Work resumed in December with specialist contractors inserting fourteen 6 metre long 'minipiles' on the quarry side of the site to underpin the foundations and stabilise the quarry edge, enabling the main contractors to resume work in early January 2014.

In addition, it has been identified that the water main and telephone cables serving Cullipool have to be moved from under the site and to the other side of the adjacent track. The effect of these additional site works is to extend the contract period by up to three months meaning the Centre will now open in the latter half of summer 2014.

Funding for the fit-out of the AIC has been increased with grant awards by the Hugh Fraser Foundation and the Robertson Trust. Engagement of a firm of specialists to complete the fit-out of the exhibition and events spaces in the Centre is being finalised.

The timescale for use of the Bòrd na Gàidhlig grant of £15,000 for Gaelic signage and interpretation in the Centre has been extended. The bridging loan facility with Social Investment Scotland to cover the gap between the payment of invoices to the contractor and the repayment of claims to the Trust by the funders, has yet to be used, but will probably be needed from April 2014, though at a reduced level to that originally envisaged. Separate bank accounts are operated to handle the financial management of the construction, keeping such transactions out of the Trust main account.

Publications: copies of the Luing map, given free to visitors on the ferry, continue to be distributed, but a more professionally presented version is being planned for later in 2014. The walk leaflets and Luing History Group publications continue to sell slowly but steadily.

Moorings Project: our full application to ABSA FLAG funding was successful, one of only nine successful bids, and the Trust will now proceed to obtain the necessary statutory approvals from Marine Scotland and Crown Estates. This development is being delivered in partnership with the Luing Moorings Association. When implemented, the project will provide a small number of summer moorings for visiting yachts at Cullipool whose crews may wish to use the AIC facilities.

Governance: review of the Memorandum and Articles by the Trust solicitors will continue once we are past the busy construction phase. It is nearly ten years since the original 'Mem & Arts' were written for the newly formed Trust, and it is now time to check that they are still a relevant set of statements. The Trust trading company has lain dormant since the Trust was formed, but will be activated in 2014 in advance of the Centre opening. The operations of the café/restaurant and retail will come under the trading company, for which a small board of directors will be required.

External relations: the Trust is an Associate Member of Museums Galleries Scotland, which now works directly with Scottish Government to oversee the whole area of museums and similar institutions in Scotland. A membership subscription is no longer required.

There have been no developments concerning potential small-scale slate extraction, but it remains an aspect that the Project Development Manager intends to take forward.

The Scottish Islands Federation, of which the Trust is a member, has become part of a major project across thirteen island groups, from the Greek islands to the Hebrides, with funding from Intelligent Energy Europe, to develop Island Sustainable Energy Action Plans to meet or exceed EU sustainability targets by 2020. Luing is one of eight Scottish islands that will participate in this scheme, which is being managed under contract by Community Energy Scotland. Active work on this project is likely to begin later in 2014, and will complement the work on carbon reduction on the island which part of our Climate Challenge Fund grant is provided for.

Isle of Luing Community Trust

Report of the Trustees for the Year Ended 31 December 2013

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Trust was represented at the Development Trusts Association - Scotland 2013 conference held in Cumbernauld in early September 2013. Membership of DTAS will become increasingly important as the opening of the Centre will mean the Trust becomes an operational development trust and social enterprise. We will also become a more active member of the Argyll and Bute Social Enterprise Network.

Relations with VisitScotland have been developed, and the Centre is already being promoted by the Argyll & the Isles Tourism Cooperative. The aim of the AIC to showcase Luing and the other Atlantic Islands is being pursued by establishing relations with other island community organisations. A small bursary provided through DTAS enabled a number of further island visits to be conducted in summer 2013 for this purpose.

Island Activities: the Trust organised an evening with folk singer Sarah McQuaid as part of her summer tour of Britain. A full house appreciated Sarah's visit, a singer with an international reputation whose concert we were very lucky to be able to secure. Further events, including a theatre show and Writing Day, are being planned in 2014.

The Trust was part of discussions in summer 2013 concerning the provision of on-island transport facilities after the withdrawal of the postbus service, scheduled for summer 2014. It became clear that no easy solution was available, but the Trust remains ready to help anyone trying to provide a private enterprise solution. Unfortunately funding for such transport is only available for replacement of old vehicles, not for start-up enterprises, and no help at all is available for running costs.

Broadband: in March 2013, a winning poem entry on behalf of the Trust by director Norrie Bissell for a competition for a year's free trial of a satellite-based broadband connection enabled the Trust to provide a high-speed broadband connection for the PDM for a year. As this is an expensive way of accessing the internet, it is unlikely to continue after the year has elapsed, and the connection may have to revert to copper wire type.

However the Trust was approached to help with the Scottish Government-funded Community Broadband Scotland project to provide a wireless high-speed broadband connection to Colonsay, with Luing being the base for a relay mast that could also provide high-speed broadband access to Luing and other nearby communities. Progress for the project appears to be slower than planned, but it is clear that fibre-optic broadband will not be coming our way in the foreseeable future, and that this is the best option we have.

Sub-groups: the three sub-groups - Luing History Group, Luing Playing Field Committee and Luing First Responders - are all thriving. The History Group annual exhibition in late July 2013, celebrating the 60th anniversary of the first vehicle ferry at Cuan, was the last one before the group has a permanent home in the Centre. The Group has built up a good level of resources and financial reserves to enable it to make an immediate impact in their new Gallery in the AIC.

Luing First Responders have had a particularly active year. In addition to their main activities providing first response cover every night and all day Sunday, and undergoing regular training. A replacement defibrillator was needed during the year which provoked a major fundraising effort that initially raised over £3000. However that was followed by a fundraising event by island residents on their behalf in the form of a round-island skiff row (not a race!). In turn this led to an island enterprise to build a new skiff by selling traditional one sixty-fourth shares in the new vessel.

Luing Playing Field Committee continues to maintain the playing field and children's playpark, in particular for the annual Sports Day for the school and the island. With members of the Parent Council and other residents, they mark out the track, arrange equipment and ensure refreshments are provided.

Other groups are welcome to approach the Trust to achieve the benefits of being part of a charitable organisation.

Websites: the Trust website, hosted by Differentia West Coast, continues, but a separate website for the AIC will be created in time for the opening.

The Trust Board: Following the 2013 AGM there was no change in the composition of the board of directors: Norrie Bissell, Nigel Dyckhoff, Alastair Fleming, Pete Hooper, Eoghann MacLachlan and John Robertson. In addition the Board appointed Annie Tunnicliffe as its business adviser on a voluntary basis, following the invaluable help Annie gave us during the grant applications as a consultant provided by the Big Lottery Fund. There were no changes to the officers during the year.

The directors of the Isle of Luing Community Trust
March 2014

Isle of Luing Community Trust
Report of the Trustees
for the Year Ended 31 December 2013

ON BEHALF OF THE BOARD :

Alastair Fleming
Alastair Fleming (Jul 18, 2014)

A Fleming - Trustee

18 July 2014

**Independent Examiner's Report to the Trustees of
Isle of Luing Community Trust**

I report on the accounts for the year ended 31 December 2013 set out on pages six to eleven.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Jean Ainsley (Jul 8, 2014)

Jean Ainsley. CA
Ainsley Smith & Co
Chartered Accountants
21 Argyll Square
Oban
Argyll
PA34 4AT

Date:

Isle of Luing Community Trust

Statement of Financial Activities
for the Year Ended 31 December 2013

	Notes	Unrestricted fund £	Restricted funds £	31.12.13 Total funds £	31.12.12 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		10,760	155,353	166,113	26,657
Activities for generating funds	2	165	1,141	1,306	1,010
Investment income	3	-	-	-	2
		<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources		10,925	156,494	167,419	27,669
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income		1,331	931	2,262	790
Fundraising trading: cost of goods sold and other costs		-	72	72	540
Charitable activities					
Maintenance of facility		-	50	50	888
Governance costs		510	477	987	581
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended		1,841	1,530	3,371	2,799
NET INCOMING RESOURCES BEFORE TRANSFERS					
		9,084	154,964	164,048	24,870
Gross transfers between funds	9	(180)	180	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources		8,904	155,144	164,048	24,870
RECONCILIATION OF FUNDS					
Total funds brought forward		45,354	51,456	96,810	71,940
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>54,258</u>	<u>206,600</u>	<u>260,858</u>	<u>96,810</u>

The notes form part of these financial statements

Isle of Luing Community Trust

Balance Sheet
At 31 December 2013

	Notes	Unrestricted fund £	Restricted funds £	31.12.13 Total funds £	31.12.12 Total funds £
FIXED ASSETS					
Intangible assets	6	-	164,064	164,064	24,626
Tangible assets	7	134,828	761	135,589	134,979
		<u>134,828</u>	<u>164,825</u>	<u>299,653</u>	<u>159,605</u>
 CURRENT ASSETS					
Cash at bank		5,308	41,775	47,083	29,689
NET CURRENT ASSETS		<u>5,308</u>	<u>41,775</u>	<u>47,083</u>	<u>29,689</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES					
		140,136	206,600	346,736	189,294
 CREDITORS					
Amounts falling due after more than one year	8	(85,878)	-	(85,878)	(92,484)
NET ASSETS		<u>54,258</u>	<u>206,600</u>	<u>260,858</u>	<u>96,810</u>
 FUNDS					
Unrestricted funds	9			54,258	45,354
Restricted funds				206,600	51,456
TOTAL FUNDS				<u>260,858</u>	<u>96,810</u>

The notes form part of these financial statements

Isle of Luing Community Trust

Balance Sheet - continued

At 31 December 2013

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2013.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2013 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

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

The financial statements were approved by the Board of Trustees on 18 July 2014 and were signed on its behalf by:


Alastair Fleming

Alastair Fleming (Jul 18, 2014)

A Fleming -Trustee

Isle of Luing Community Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2013 nor for the year ended 31 December 2012 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2013 nor for the year ended 31 December 2012 .

6. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2013	24,626
Additions	139,438
	164,064
At 31 December 2013	164,064
 NET BOOK VALUE	
At 31 December 2013	164,064
	164,064
At 31 December 2012	24,626
	24,626

7. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2013	132,956	3,854	136,810
Additions	-	1,087	1,087
	132,956	4,941	137,897
At 31 December 2013	132,956	4,941	137,897
 DEPRECIATION			
At 1 January 2013	-	1,831	1,831
Charge for year	-	477	477
	-	2,308	2,308
At 31 December 2013	-	2,308	2,308
 NET BOOK VALUE			
At 31 December 2013	132,956	2,633	135,589
	132,956	2,633	135,589
At 31 December 2012	132,956	2,023	134,979
	132,956	2,023	134,979

Isle of Luing Community Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.13	31.12.12
	£	£
Other creditors	<u>85,878</u>	<u>92,484</u>

9. MOVEMENT IN FUNDS

	At 1.1.13	Net movement in funds	Transfers between funds	At 31.12.13
	£	£	£	£
Unrestricted funds				
General fund	45,354	9,084	(180)	54,258
Restricted funds				
History group	6,455	896	-	7,351
First responders	2,541	3,233	-	5,774
Playpark	907	(42)	-	865
AIC	41,553	150,877	180	192,610
	<u>51,456</u>	<u>154,964</u>	<u>180</u>	<u>206,600</u>
TOTAL FUNDS	<u>96,810</u>	<u>164,048</u>	<u>-</u>	<u>260,858</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	10,925	(1,841)	9,084
Restricted funds			
History group	1,136	(240)	896
First responders	4,172	(939)	3,233
Playpark	110	(152)	(42)
AIC	151,076	(199)	150,877
	<u>156,494</u>	<u>(1,530)</u>	<u>154,964</u>
TOTAL FUNDS	<u>167,419</u>	<u>(3,371)</u>	<u>164,048</u>

Isle of Luing Community Trust

Detailed Statement of Financial Activities
for the Year Ended 31 December 2013

	31.12.13	31.12.12
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations	6,256	6,636
Grants	152,544	12,482
Subscriptions	707	933
Grants: written off	6,606	6,606
	<hr/>	<hr/>
	166,113	26,657
Activities for generating funds		
Fundraising events/sales	1,306	1,010
Investment income		
Other fixed asset invest - FII	-	2
	<hr/>	<hr/>
Total incoming resources	167,419	27,669
 RESOURCES EXPENDED		
Costs of generating voluntary income		
Insurance	577	491
Sundries	1,426	146
Hire Hall	259	153
	<hr/>	<hr/>
	2,262	790
Fundraising trading: cost of goods sold and other costs		
Fundraising/Events	72	540
Charitable activities		
Maintenance	50	531
Governance costs		
Accountancy	510	462
No description	-	119
	<hr/>	<hr/>
	510	581
Support costs		
Finance		
Depreciation of tangible fixed assets	477	357
	<hr/>	<hr/>
Total resources expended	3,371	2,799
	<hr/>	<hr/>
Net income	164,048	24,870
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This page does not form part of the statutory financial statements



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