**Development Coll 10th Annual General Meeting**

 **Monday 24th October 2016**

Directors Present Nic Smith, Lavinia McLean Bristol, Carol Flett, Margaret Wheeler James, Peter Ings

Staff Present Jane Metcalfe,

Members Present 8

Members of the public 2

1 Lavinia welcomed everyone to Development Coll’s 10th AGM.

There were no apologies

**2** Reading of notice of meeting. Lavinia reminded those present that while Full, Associate and Junior members are welcome at the meeting, only full members are eligible to vote. She reported that no full voting member had applied to stand as a director seven days prior to the AGM and that we welcome new directors at any point in the year.

Lavinia reminded the meeting of the structure of Development Coll, it being the umbrella organisation with 4 sub committees looking after various aspects of DCs work. These being the finance committee, mobile mast committee, housing committee and the management committee which advises the main board about An Cridhe and Bunkhouse’s affairs.

3 Lavinia gave a precis of the minutes of last AGM which are on the website. The members agreed the minutes were a true and accurate record.

4 Lavinia read a statement from the independent examiner’s report who had reported that all was in order with the accounts.

5 Lavinia gave the chairman’s address. She reported that during the year we have concentrated on developments with the mobile phone mast, affordable housing and keeping up communication with our fellow islanders about what has been going on.

**Mobile phone**: since April the Directors, through their lawyers, have been in protracted negotiations with EE and Alex's lawyers, which culminated in an agreement being finalised for an extension to the mast to accommodate dishes for EE. DC are to receive an annual payment of £6,500 to be shared with Alex in line with the original lease agreement with him.
Following this addition we now have EE mobile coverage in addition to Vodafone. Peter McKay reported he knows someone who is using EE. It isn’t as fast as Vodafone but it is good enough.

We continue with the fortnightly bulletin of events and community news which is available to members and non members.

Nic reported on Affordable (Social) Housing. Acha are to build 2 houses on Carnan Road. Acha have been to Coll on 2 different occasions recently to meet with local people who are keen to rent one of the new houses. Development Coll has no plans at present to pursue further new housing.

Jane reported that in May we said our farewells to George. George put his heart and soul into his role of Development Manager both as a member of staff and as a volunteer working hard to develop the bunkhouse and An Cridhe. He was a vital member of the team and is a big miss. Jane added that she doesn’t think there are many ideas anyone could suggest (and we are always open to suggestions) that George hadn’t tried. Some were really successful some not so. She spoke for everyone involved in running these two buildings when she said how grateful we are to George for all his hard work and the foundations he has built.

When Fra left Gerry Casey and then Peter Ings voluntarily took on some of the finance work, Jane thanked them for the many voluntary hours they put into preparing the accounts. In June, Alison Jones was appointed as Finance Officer who with her accounting background is already proving to be a real asset hopefully allowing Peter to claim back some of his spare time. Alison has also become our new Assistant Manager and has fitted really well into the team. Jane mentioned that we recently lost another valuable member of staff when Karen left at the beginning of October. Happily Karen has been replaced by a new Centre Assistant Diane Delaney.

Jane reminded the meeting that next July we celebrate 5 years of being. The praise and comments, the community, receive about An Cridhe, seem to be growing every year. Visitors comment on how welcoming, how well thought out, how well built, how clean, what a great facility, what a great asset to the island and see it as a reflection of a vibrant, forward looking, caring community. Jane said that the Community of Coll can be justifiably proud of what has been achieved.

Jane repeated part of the mission statement of the Management Committee, reminding us of where we are and what we constantly try to achieve *“Both buildings should be run for the overall benefit of the community.....”* Achieving this is a constant reviewing, learning and balancing process of what works and what doesn’t. An example of what works is the Tunnell Trust’s annual visit, the Trust hires the Bunkhouse and An Cridhe which brings us income and they put on concerts that benefit the community and using this as an example of something that works. George started discussions with Puppet Animation Scotland, an organisation that holds an annual summer school every year. They are really interested in coming to Coll in 2017. Excitingly we have provisionally agreed dates at the end of Aug 2017 for a 6 day residency (hire of An Cridhe and the bunkhouse, shows for the community). We are currently waiting for them to confirm their funding.

Jane told the meeting about the biannual artist’s residency made possible through grants the RSA gives to artists, this is something else that works. It brings income into the bunkhouse in quieter months and it was a pleasure to have the artist Kate Fahey staying with us in January of this year. Hopefully an artist will want to come to Coll in 2018.

Weddings are another successful formula. They bring business to An Cridhe and the bunkhouse as well as to other businesses on the island. It is worth all the hard work to see the day running smoothly and everyone enjoying themselves. Sadly we have no weddings planned for next year and marketing of this is something we need to work on.

Coll Bird Festival seems to be growing every year and with special guest speaker Professor Rhys Green and trips to Gunna planned, next year promises to be even better. This is an event that brings in income through a ceilidh and bar, boat trips and talks. It benefits other businesses and spreads the word about our beautiful island.

None of this could be achieved without the Bunkhouse built as it was to provide income to support the running costs of An Cridhe. We once again achieved 5 star status, a tribute to how well designed the building itself is and to the hard work of the staff. All the reviews we receive through our booking site are (out of 5) 5s or 4s, mostly 5s. Jane has printed some of the reviews and the Visit Scotland report should anyone wish to see them. One of our biggest customers is Basking Shark Scotland a partnership that George set up. Their bookings have increased each year. Next year they have booked the bunkhouse for 6 full weeks. This brings us a guaranteed income and also benefits other businesses on the island. Not everyone wants to stay in a bunkhouse and they usually eat out.

**Volunteer Co-ordinator**

Jane reported that in 2015 we were able to secure a grant from the Voluntary Action Fund. This enabled us to appoint a Volunteer Coordinator to run a 10 month project with the aim of supporting and encouraging volunteering. Volunteers play a valuable role in the running of An Cridhe doing a variety of tasks. Tamara Hedderwick was appointed and her energy and enthusiasm encouraged more volunteers to come on board and gave structure to supporting and encouraging them. Sadly Tamara moved on before the project was completed. Caroline Sharp took over for the remaining few weeks. The project culminated in 28 people having a productive afternoon planting trees in the grounds; an event the volunteers organised by themselves with support from Caroline. Part of the project involved documenting numbers of volunteers which we are continuing to do. The figures give a total of 89 people volunteering throughout the project. About 49 of these are regular ongoing volunteers many of whom have been with us since we first opened in 2012.

Jane finished her manager’s report by saying a huge thank you. Thank you first of all to the Directors for the hours of voluntary work they put into overseeing the management of An Cridhe and the Bunkhouse. Thank you to the Management Committee for all their voluntary hours of time discussing the day to day running of both buildings. Thank you to all our other volunteers, those who man ticket desks, put chairs away, look after the grounds, man the bar, lock up, open up, run coffee mornings - the list is extensive. Thank you to everyone who comes along to the events we run, who use the building in anyway. And last but not least thank you to our staff team for all their hard work and dedication. We should all be very proud of ourselves for what we have achieved so far.

6 Accounts to 30th April 2016 have been agreed and are on the website.

 Peter gave the following report.

This financial year has been extremely challenging, in March 2015 Fra left our employment as finance Manager and due to financial constraints at the time was not replaced. The Directors relied on the staff to maintain the accounting records and to produce meaningful accounts, unfortunately it was not appreciated that the staff did not have the relevant experience or expertise to undertake these responsibilities .As a consequence of this it has since transpired that the accounts for the year ended 30th April 2015 were prepared by our Accountants from erroneous and incomplete records and information.

Our Accountants are not employed to undertake an Audit, our size dictates that an Audit is not required either by the Companies Act or by Charities Acts, but purely to produce accounts based on the books of account kept by the Charity. It is the responsibility of the Directors to ensure that the books and financial records of the Charity are accurate.

The accounts for the year to 30th April 2016 should, therefore, not be taken in isolation but should be read in conjunction with the accounts for the previous year. A prime example of this is the apparent reduction in Bunkhouse income from £34k in 2015 to 28k in 2016. My investigations, when I joined the Board in January and was asked to be the Treasurer, indicated that reserves made in the 2014 accounts had not been reversed during the preparation of the 2015 accounts and no reserve had been made in the 2015 accounts for Bunkhouse income received in advance. The net result of this particular error was that the Bunkhouse income for 2015 was overstated by £3.7k and the 2016 income understated by a similar amount.

In addition a substantial part of the £8k transfer from restricted to unrestricted funds in the 2016 accounts actually relates to 2015.

Thus taking the two years together there was a combined deficit over the two years of approximately £12k, this is an unsustainable figure bearing in mind that our unrestricted funds as at the 30th April this year amounted to approximately £8k. Our task over the next few years is to increase this to a more realistic level, most charities would expect to have unrestricted funds equivalent to between 6 and 12 months of expenditure, in our case this would be between £40 and £80k.

In the original financial proposals to support the funding applications for building An Cridhe and the Bunkhouse is was assumed that the Bunkhouse would generate sufficient funds to support An Cridhe, sadly this has not proved to be the case and the Management Committee and the Board are exploring how the occupancy levels can be increased especially between October and March as, at the present time, the majority of occupancy occurs in the summer holiday period.

The Bunkhouse, as currently constituted as a trading activity of Development Coll, is liable to Corporation tax on any surplus, in 2016 the Bunkhouse showed a small surplus as certain expenditure, notably depreciation, is disallowable for tax purposes, and thus there is a potential small tax liability. The Board, in conjunction with our Accountants, is currently investigating how this liability can be mitigated and how, in the future, the Charity should be constituted in such a way as to avoid any potential tax liability.

I would also thank Jane for the help she gave me earlier in the year when I was rectifying the errors mentioned above, which were not of her making, and taking on board the assistance I was able to give her on basic accounting principles and procedures.

The Board has decided that for administrative purposes the financial year of the Charity should be changed from the 30th April to the 31st December and therefore the next set of accounts will be for an eight month period to the 31st December 2016 with the next AGM held in April or May 2017. This was to ensure that the Budget process and the preparation of the accounts could be undertaken in the quieter period of the year.

The current accounting period has got off to a good start, helped by two weddings, and the change in accounting date removes the dead months of January, February and March from the current part year which should unrestricted reserve as at out New Year end. This is a one off occurrence and should not detract from the challenges ahead to place An Cridhe and the Bunkhouse on a sound financial footing.

With the addition of the EE dishes to the increased mast height this project should now be self-financing and any further income accruing from further additions to the mast should produce funds to assist the finances of the Charity.

Peter McKay asked what the shortfall is. Peter Ings replied it is £8 to £10K.

There was a discussion about bunkhouse pricing. This has been investigated and we are already at the top end of prices when compared to similar bunkhouses.

One of our problems is that at the time of building the BH we were registered for VAT, for all the right reasons. This means now that we lose the VAT from the income. We can’t de register for VAT for another 6 years. We have considered because of the corporation tax liability turning the BH into a separate trading organisation.

7 Re-appointment of directors retiring by rotation:

a) Nic Smith (elected by membership at 7th AGM, 6th February 2014) who, being eligible, offers herself for re-election and was re-elected. Proposed by Peter Ings, seconded by John Wheeler James. Agreed nem.com.

b) Margaret Wheeler James (elected by membership at 8th AGM, February 2015) who, being eligible, offers herself for re-election and was re-elected. Proposed by Nic Smith, seconded by Alison Fraser. Agreed nem.com.

8 Re-appointment of RA Clements as auditors and authorisation of directors to determine the remuneration of the auditors. John Wheeler James asked if they are value for money and Peter Ings reported that they are. Lavinia proposed that they be re-appointed, Peter McKay seconded. Agreed nem.com.

9 Lavinia reported that a letter was received on Friday from Colin Scott raising concerns about the structure of Development Coll, and whether it might be better to have An Cridhe and the bunkhouse as separate charities and dissolve Development Coll. She said that the directors haven't had time to convene a meeting to discuss his points before the AGM but will do so in the near future. If we feel after discussion that this matter needs to be addressed publicly we will convene a public meeting which all members will be able as usual to attend.

 Nicholas Maclean-Bristol suggested the letter be read out and the members agreed. Lavinia read the letter.

 Alison Fraser suggested that this (separate charities and dissolve DC) couldn’t happen as DC already own BH and AC. Tammy said we also have the mobile mast and surplus could go into other projects. Alison Fraser said we have no idea in the future what other amazing projects could come up for DC.

Peter suggested a letter of thanks for his time be sent to Colin. Members agreed.

Alison suggested that as we have a housing group, mobile mast group, we would be well advised to have a sub committee for fundraising, Tamara and Jane offered to join her.

Peter McKay asked about the problems with the floor. Jane explained that it is an expansion issue.

Peter Ings asked for more people to come forward and be Directors. We only have 5 directors who are resident on the island.

10 Conclusion of the meeting at 8.40pm.

Immediately following the AGM, the directors convened a directors’ meeting in order to appoint office-bearers and to co-opt directors from the associate membership and elsewhere.

Nic proposed that Lavinia should be Chairperson, seconded by Carol, agreed by Directors.

Lavinia proposed that Peter should be Treasurer, seconded by Margaret, agreed by Directors.

Lavinia proposed that Nic should be Vice Chairperson, seconded by Peter, agreed by Directors.

Lavinia proposed Carol should be Secretary, seconded by Nic, agreed by Directors.

Nic proposed Arlene should be co-opted as a Director, seconded by Carol, agreed by Directors.

Lavinia proposed Juliet should be co-opted as a Director, seconded by Nic, agreed by Directors.