

Charity number: SC038217
Company number: SC300498

Development Coll
(A company limited by guarantee)

Directors' report and financial statements

for the period ended 31 December 2016

Development Coll
(A company limited by guarantee)

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Development Coll
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Legal and administrative information

Charity number SC038217
Company registration number SC300498

Registered office An Cridhe
Arinagour
Isle of Coll
Argyll
PA78 6SY

Directors

Lavinia Maclean-Bristol	
Carol Ann Flett	
Nicola Smith	
Juliette Summers	
Margaret Wheeler-James	
Heather Davis	Appointed 4 May 2017
Laura Oliphant	Appointed 4 May 2017
Samantha Martindale	Appointed 4 May 2017
Arlene Casey	Resigned 24 February 2017
Peter Alan Ings	Resigned 28 January 2017
David John Entwistle	Appointed 10 June 2015, resigned 7 June 2016

Accountants R A Clement Associates
Chartered Accountants
5 Argyll Square
Oban
Argyll
PA34 4AZ

Bankers Royal Bank of Scotland
Scarinish Branch
Scarinish
Isle of Tiree
Pa77 6UH

Development Coll **(A company limited by guarantee)**

Report of the directors (incorporating the trustees' report) for the period ended 31 December 2016

The directors present their report and the financial statements for the period ended 31 December 2016. During the 8 months the directors took the decision to change the accounting period end date to 31 December, thereby shortening this accounting period to 8 months. The decision was made for administrative reasons so the end of the accounting period would fall during a quieter period for the business. The directors, who are also trustees of Development Coll for the purposes of charity law and who served during the period and up to the date of this report are set out on page 1.

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 trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Introduction to Development Coll

"Promoting the sustainable development of the Isle of Coll for the benefit of residents, visitors, groups and businesses."

Development Coll is a community company limited by guarantee with charitable status. As a development trust, the organisation is underpinned by the ethos of self help and self reliance and a belief that community regeneration which is achieved through community owned enterprise and assets is the way to build strong and sustainable communities.

Highlights

Development Coll operated independently of any grant funding during the period

Coll Bunkhouse maintained its 5-star listing with Visit Scotland

An Cridhe provided a variety of events from classical to traditional music; from comedy to theatre; and played host to a number of private social events including weddings

An Cridhe's gym and main hall are now being utilised by a new GP referral initiative in conjunction with 'Coll Healthy Options'. This service has doubled the average number of individual gym sessions being taken each month (and is encouraging improved health and fitness in the community).

The mobile mast was extended to improve coverage and an additional service provider was added, providing greater choice for the community and its visitors

Objectives of the charity

The charity was formed:

- * *to manage community land and assets as part of the protection and sustainable development of the natural environment*
- * *to promote rural regeneration in areas of social and economic deprivation within the Community*
- * *to advance the education of the Community about its environment, culture and/or history*
- * *to promote, operate and/or support other similar charitable projects for the benefit of the Community.*

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Report of the directors (incorporating the trustees' report) for the period ended 31 December 2016

Our Activities

Since its formation, Development Coll (DC) has been involved in a wide variety of activities in keeping with its objectives. The activities are managed by various working groups and individuals acting in a voluntary capacity (except for An Cridhe and Coll Bunkhouse which are staffed) and the Board oversee all these activities. The wide scope of the objectives of DC allows for an extensive range of projects to be considered by the Board, but the ability to successfully undertake a project is dependent on both the willingness and expertise of volunteers both on the Board and in the wider community.

In order to achieve its objectives the charity focussed on the following activities during the reporting period;

An Cridhe

An Cridhe continues to be the island's key provider for leisure facilities, events, meeting rooms, and further educational studies, as well as being an attraction for visitors to the islands, either to use the wi-fi and printing services, visit the small gallery, or escape the elements. The building is open 9am to 9pm all but 4 days of the year, although is only staffed for a small portion of that time. In addition to staff time, volunteers and voluntary hours by staff, are crucial to the success of the centre, whether it be for groundskeeping or staffing events (bar and ticketing).

An Cridhe organises a number of cultural events throughout the year, such as theatrical performances, ceilidhs and concerts. These events contribute to the social sustainability of the island as the nearest performance venues are on the mainland and require, at the very least, an overnight trip away.

As a sporting facility, both the gym and the main hall continue to be used by local residents and visitors, as well as the primary school.

An Cridhe's price list was reviewed for 2016. DC's pricing policy reflects our strategy of enabling all within our community, whatever their means, to take part in our activities and to attend events or hire the building for private functions. An Cridhe has spaces which can be utilised for free for reading, wi-fi time (small payment for wi-fi service), having a cup of tea or some social time. Other spaces within the building have different prices and can be charged per person per hour, or a flat rate per hour, whichever is less.

Ticketed events during 2016 were generally priced at £10 per adult, with a family price of £25 (2 adults and 2 children).

Coll Bunkhouse

A custom-built hostel with 16 beds across 3 dorms, Coll Bunkhouse opened in July 2012 and any surplus from the Bunkhouse is used to help sustain An Cridhe. The facilities are open all year round. Attached to Coll Bunkhouse is a laundry and drying room which is also open all year round and serves both the Bunkhouse, its customers, and the residents of Coll.

It continues to be a popular, 5-star accommodation provider for families, individuals, groups and workmen. It is ideally situated in Coll's only village, Arinagour, making it an excellent base to explore the island during the day, while starting and finishing the day within easy walking distance of Coll's amenities.

Mobile Phone Mast

The mobile mast, which went live in May 2015 initially with Vodafone as a service provider, continues to be a vital resource for residents and visitors alike, as well as local businesses and emergency services, some of whom are continuing to make small annual contributions towards the running costs. Development Coll is grateful for these continuing contributions. Development Coll is grateful to the partnership organisations - Scottish Government, Vodafone, SSE and Mono - for helping to ensure the smooth operation of the mast.

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Report of the directors (incorporating the trustees' report) for the period ended 31 December 2016

Communication

Development Coll continues to communicate regularly with residents and visitors alike, using email, notice boards both at An Cridhe and around the village, and social media. In addition to these methods of communication, both staff and directors are aware that 'word of mouth' can be key to the success of any DC meeting or event, and always bear this in mind when members of the public are in or around the premises.

Achievements and performance

Our achievements in the 8 months to 31 December 2016 included:

An Cridhe - achievements include

Operating without additional grant funding, a key aim of DC
Being the venue for 2 weddings and 2 local celebrations
Being the venue for the Coll Show, Coll Half Marathon and the Tunnell Trust Music Coll Event
Advance bookings for 2017/2018 including 3 weddings, 2 local celebrations and the return of the 3 events mentioned above
Increase in average monthly gym sessions as a result of the Coll Healthy Options scheme

An Cridhe's costs were met in part by the net income from Coll Bunkhouse and it is a positive that Coll Bunkhouse continues to support the community in this way.

Coll Bunkhouse - achievements include

Responding to Visit Scotland recommendations by installing electric showers
Maintaining a 5 star rating while operating 24 hours a day, 365 days a year, but only being staffed part-time

The success of Coll Bunkhouse relies heavily on a flexible workforce for check ins and cleaning, and also voluntarily keeping an eye on bookings (in particular weekend bookings) out with office hours to ensure staffing is arranged to meet any late bookings.

In the summer months, the Bunkhouse again benefited from the bookings of The Tunnell Trust and Basking Shark Scotland, and the same bookings are in place for 2017.

Occupancy levels are still low out with the peak holiday times, in keeping with the flow of visitors to the island in general. Development Coll continue to consider options for trying to attract more customers at off peak times, while acknowledging that the first challenge is to attract more visitors to the island. Previous off-peak initiatives, such as Coll Bird Festival and Coll and the Cosmos, continue to attract visitors but do not necessarily benefit the Bunkhouse as hoped.

In August 2016, a customer registration form was established which provides more data about the age and nationality of visitors, and asks how the customer first heard about the Bunkhouse. The form also enables the customer to sign up to a Bunkhouse mailing list which can be used to notify them of exclusive discounts and other offers.

DC has identified changes that can be made to the website which aim to provide more information about Coll and the Bunkhouse, and to increase the conversion of views to bookings by making it easier to book online. These updates will be applied in the first half of 2017.

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Report of the directors (incorporating the trustees' report)
for the period ended 31 December 2016

Mobile Phone Mast

In August 2016, EE joined the mast, and BT are due to start providing services from May 2017. It is hoped that the addition of BT, and possibly other service providers in the future, will keep the mast sustainable in the long term.

Now that the mast is established, considerably less staff time is being spent on administration and, for the foreseeable future, the staff involvement will be restricted to processing of a small number of invoices over the course of the year.

Housing

As at 30 April 2016, an application to the Scottish Land Fund to purchase land had been unsuccessful as no agreement had been reached with a registered housing provider, which raised concerns that funding may not be available to build, even if DC were able to buy the land. DC's application had received positive feedback and DC was invited to resubmit the application to the next round of funding. This option has not been pursued as ACHA are currently building additional housing within the village of Arinagour.

Financial Review

General comments on financial outturn

During the 8 months to 31 December 2016, Development Coll operated without any grant funding. The financial outturn, excluding depreciation, shows a net increase in general reserve funds of £7,020, however, this is impacted by the shortening of the financial period from 12 months to 8 months. The months of January to April see significant net expenditure when Bunkhouse occupancy is very low, and monthly expenditure commitments remain. Projections show that a 12 month reporting period would have incurred a net loss of around £800 (before depreciation). This net loss would not necessarily be reflected in the cashflow as January to April see significant payments in advance for Bunkhouse bookings, and a material debtor account was settled early in 2017.

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Report of the directors (incorporating the trustees' report)
for the period ended 31 December 2016

Principal risks and uncertainties

Development Coll faces certain risks and uncertainties and takes steps to mitigate against these where possible:

Business Interruption - a temporary cessation in trading due to an unforeseen event (e.g. a fire) would result in loss of income over a period where committed costs remain. In order to mitigate this risk, DC carries out regular health and safety checks and has maintenance contracts for essential equipment such as fire alarms. DC also maintains business interruption insurance, and a reserve that would allow it to meet committed costs over the short term. In addition, with three sources of income (An Cridhe, Coll Bunkhouse and the mast) it is unlikely that more than one service would be interrupted at any given time.

Changing demographics - the changing demographic and variable population of the island will impact on An Cridhe, although the multi-purpose capabilities of the facility help ensure a variety of services can be catered for, and it is difficult to assess more accurately the impact these changes could have.

Economic impact on tourism - Coll Bunkhouse is dependent on tourism to the island. While it continues to be difficult to attract visitors out with peak holiday times, and political changes within the United Kingdom could have unknown consequences for exchange rates (and the willingness of foreign customers to holiday in the UK), there is no specific reason to believe that tourism will decline from its current position. The majority of visitors to the Bunkhouse are UK residents, or non-UK nationals who are permanent or temporary residents within the UK. The Bunkhouse' targeted marketing is restricted to Scottish or UK organisations and publications.

Customer Dependence - The Bunkhouse has significant income from one customer over the summer months. At this time the Bunkhouse is not considered to be dependent on that income as alternative bookings would be found over that peak period.

Competition - Coll Bunkhouse is a relatively unique business in its locality, but there is some competition. DC will work to ensure retention of existing customers and to differentiate the product from that of other local providers.

Financial outturn for the year

An Cridhe (and general donations) had a total income of £29,391 with general donations of £2,711, and expenses of £37,544 (excluding depreciation of £21,917). This resulted in a net loss before depreciation of £5,442.

Coll Bunkhouse had a total income of £28,500 and laundry income of £1,055, and expenses of £17,397 (excluding depreciation of £7,746). This resulted in a net surplus before depreciation of £12,158.

The mobile mast had income of £4,246 and expenditure of £3,037 (excluding depreciation of £11,546), a net income before depreciation of £1,209.

Development Coll had management expenses of £3,420 which cannot be allocated to the individual projects, and includes costs for accountancy and directors' insurance. DC generates a small income for managing the bookkeeping of Coll Half Marathon.

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Report of the directors (incorporating the trustees' report)
for the period ended 31 December 2016

Assessing performance in relation to the financial outturn is made more difficult by the shortening of the financial period to 8 months. The budget for May 2016 to April 2017 was not phased across those 12 months and phasing the budget evenly across the 12 months would not present a realistic budget estimate against which to compare the outturn as the income in January to April is significantly lower for both An Cridhe and Coll Bunkhouse. Expenditure, however, maintains a reasonably steady profile over a calendar year. Phasing the budget for April to December 2016 gives the following expenditure estimates:

- * An Cridhe; £30,080 budgeted expenditure against actual expenditure of £37,544
- * Coll Bunkhouse; £18,780 budgeted expenditure against actual expenditure of £17,397
- * DC (incl Mobile Mast)- £5,813 budgeted expenditure against actual expenditure of £6,457

The above information shows that An Cridhe accounts for a significantly larger percentage of overall expenditure than it does overall income.

The most significant expenditure items are staff salaries, heat and light, insurance and repairs and maintenance. The net loss made by An Cridhe reflects the under-utilisation of the building, and a pricing policy that is designed to ensure the building is accessible by the community to which it belongs. Repairs and maintenance expenditure is largely in relation to planned servicing, including the heating system and emergency systems.

The Board renegotiate utility and insurance contracts at regular intervals to ensure best value for money, but there is limited scope for reduction in these four main expenditure lines.

Review of Funds

DC holds both unrestricted and restricted funds. Unrestricted funds are spent or applied at the discretion of the trustees to further any of the charity's purposes, and may be used to supplement expenditure made from restricted funds. Restricted funds arise when the donor making the gift stipulates the purpose for which the funds can be used. Further detail on the movement on the funds during the reporting period can be found in the notes to the accounts. Three of the funds have been recategorized as 'Other Creditors' as the funds do not belong to, and are not controlled by, DC.

The following restricted funds have been reduced by the amount of depreciation charged during the reporting period:- An Cridhe and Bunkhouse; Mobile Phone Mast; and, Gym and Equipment. Depreciation accounts for the cost of general wear and tear to these assets during the reporting period and requires that cost to be reflected in the revenue expenditure of the organisation so that the expenditure of the organisation reflects the 'Total Cost' of the operations.

An Cridhe Fundraising - this balance is held over from fundraisers held for the building of An Cridhe. The fund can be used to cover the cost of repairs and maintenance for An Cridhe and was applied during the reporting period to new lighting in the Shared Space. Income from coffee mornings was added to this fund.

Gym and Equipment - this fund is generated from donations made solely for the purpose of expenditure on the gym and sports equipment. Sports Fund - £645 was added to this fund during the reporting period and no expenditure was allocated to either fund.

Mobile Phone Mast Maintenance - there has been no mast maintenance to date and the balance on this fund remains unchanged.

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Report of the directors (incorporating the trustees' report)
for the period ended 31 December 2016

Reserves policy and going concern

Where the Trustees are able to do so, they seek to retain an unrestricted reserve of approximately three months operational costs to ensure stability, and this has been estimated at £15,000. Reserves are needed to bridge the gap between the spending and receiving of income (cashflow) and to cover unplanned emergency repairs and other expenditure.

As at 31 December 2016, the general reserve balance was £15,894.

The budget for 2017 estimates a net deficit of £7,805 prior to depreciation. The budget is prudent and does not include income, such as donations, which are received year on year but which cannot be assured and no specific service is performed in order to achieve these donations. While the budget and cashflow demonstrate that Development Coll can continue to operate beyond April 2018, this reduction in reserves would not be sustainable year on year. It has an impact on the ability of DC to meet unexpected costs for significant sums. The Board and management team are already actively working to improve the forecast outcome for 2017.

Future Financial Planning

DC has prepared a budget and cashflow forecast to April 2018. The budget is prepared on a prudent basis and does not account for income which is not generated specifically by services provided and which cannot be reasonably estimated, such as the general donations that are received each year.

A detailed budget has been prepared to ensure that it reflects all expenditure that has been identified for the 16 months to April 2018, and to allow for improved monitoring and reporting against budget. Estimated figures, such as Bunkhouse and An Cridhe income, have been based on turnover over the past 2 years and include any known income-generating events. Again, these have been estimated at a prudent level.

The budget for the 12 months to December 2017 shows a deficit of £8,296, and a similar cash outflow. It highlights the need to further the actions already being taken to try and increase asset utilisation, whether it be Bunkhouse bookings or An Cridhe hire; to continue to closely monitor costs and keep staff costs under review; and, to generate additional income through raising of funds. The first 4 months of 2018, a period where Bunkhouse income is particularly low, would increase the losses further although it is at this time that the Bunkhouse starts to generate cash inflows in relation to advance bookings and so the net loss would not be fully reflected in cash outflows.

In addition to staff costs, the key costs are electricity, insurance and repairs and maintenance. Repairs and maintenance costs largely relate to planned and routine maintenance which is required for health and safety purposes, such as emergency systems and gas safety. Development Coll has an established programme of health and safety and general maintenance checks, and while unforeseen and expensive events can occur, it is hoped that this programme of checks helps mitigate the risk of sudden and expensive repair bills. During the first 3 months of 2017, DC have taken positive steps to address the budget deficit, including fundraising.

Development Coll **(A company limited by guarantee)**

Report of the directors (incorporating the trustees' report) for the period ended 31 December 2016

Structure, governance and management

Development Coll is a company limited by guarantee, governed by its Memorandum and Articles of Association. The company is registered in Scotland, company number SC300498. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR).

Full Membership is open to any person over the age of 18 who is ordinarily resident on the Isle of Coll; is entitled to vote at a local government election in a polling district that includes the Isle of Coll; and supports the aims and activities of the company

Each Full Member has one vote. Membership will be granted at the discretion of the Board, and will only be refused if there is good cause or reason to do so. No paid employee of the Company may become a member.

For others who are not eligible for Full Membership and who wish to support the aims and activities of the company, Associate Membership is open to any individual aged 18 years or over, and Junior Membership is open to any individual aged between 12 and 17 years. No voting rights are conferred.

Recruitment and Appointment of Trustees

Anyone who wishes to be a Trustee and who meets the criteria may make their request in writing to the company. Trustees must usually be a Full member of Development Coll and be appointed by the Directors. Co-Opted Directors need not be a full member and are instead appointed by the Directors for their special skills and experience.

The maximum number of directors is 12, of whom no more than 7 may be Elected Directors and no more than 5 may be Co-opted Directors. Of the 5 Co-opted Directors no more than 3 may be drawn from the Associate Membership.

Trustee Induction and Training

At the Board meeting of 1 March 2017, the opportunity was taken to draw the Board's attention to 'Guidance and Good Practice for Charity Trustees', a publication produced by OSCR in June 2016. This will be circulated to all trustees as a refresher, and also provided to any new, or potential, trustees in the future, to ensure they have the information they require to carry out the responsibilities of a trustee to the best of their ability. It is acknowledged that a key driver behind the improved guidance being provided by OSCR is helping trustees to better understand how to identify and respond to a conflict of interest. Coll is a very small community where residents often have more than one voluntary or employment role within the community, and the Board acknowledge the risk of conflicts of interest arising. It is hoped that provision of this guidance will reassure and support trustees in their responsibilities.

Key Management Personnel

The Key Management Personnel of the charity comprise the Board of Directors who are in day to day control of the decision making in the charity. Management of much of the day to day operations are delegated to the Manager of An Cridhe and Coll Bunkhouse but the Manager must operate within the financial budget and other parameters set out by the Board and any significant decisions, such as contract negotiations, are made by the Board.

Staffing Structure

The 8 months to 31 December 2016 saw significant staff restructuring following the departure of the Development Manager. The role was combined with that of Operations Manager, to become Manager. The new position of Assistant Manager was filled in June 2016 and, just prior to that, a Finance Officer was also appointed to address a skills gap within the company. The two Centre Assistant positions continued throughout 2016, and also saw staff changes during the reporting period. Development Coll employs four part-time staff and staff hours are split across An Cridhe and Coll Bunkhouse. During the winter months, total staff hours were 49 per week and in the summer months 62 hours per week.

Prior to the end of the reporting period winter hours were reduced to 44 hours per week at the request of staff.

Development Coll
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Report of the directors (incorporating the trustees' report)
for the period ended 31 December 2016

Remuneration and Connected Persons

Remuneration for staff is set by directors. A workplace pension scheme is available to staff who meet the criteria for enrolment. There has been no take up of this scheme.

Directors do not receive any remuneration in relation to services provided as a charity trustee.

Two trustees regularly make use of An Cridhe to run their own income generating activities, and they make payment to An Cridhe for the use of the premises. This treatment is consistent with that of other local residents.

One trustee has a family member who receives payment from Development Coll by way of a peppercorn rent for land rental and a 'share of income' agreement in relation to the mobile phone mast .

Trustees' responsibilities in relation to the financial statements

The directors (who are also trustees of Development Coll under charity law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial period 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 these financial statements, the directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Report of the directors (incorporating the trustees' report)
for the period ended 31 December 2016

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

Fiona McGlynn of R A Clement Associates was deemed to be reappointed as independent examiner and the directors recommend that Fiona McGlynn remains in office until further notice.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Board on 8th June 2017 and signed on its behalf by

A solid black rectangular box redacting the signature of the director.

Lavinia Maclean-Bristol
Director

Development Coll
(A company limited by guarantee)

Independent examiner's report to the directors on the unaudited financial statements of Development Coll.

I report on the accounts for the period ended 31 December 2016 set out on pages 2 to 25.

This report is made to the charity's Trustees in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the charity's Trustees and for no other purpose.

To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees, as a body, for my work or this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

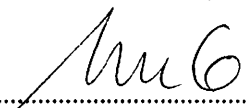
Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 seeks explanations from the 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.

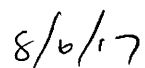
Independent examiner's statement

In the course of 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 Regulations
 - to prepare accounts which agree with the accounting records and comply with Regulation 8 of the 2006 Regulationshave 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.


.....

Fiona McGlynn
Chartered Accountant
Independent examiner


.....

Date

Of R A Clement Associates
5 Argyll Square
Oban
Argyll
PA34 4AZ

Development Coll
(A company limited by guarantee)
Statement of financial activities (incorporating the income and expenditure account)
For the period ended 31 December 2016

	Notes	Unrestricted funds £	Restricted funds £	Period ended 31/12/16 Total £	Unrestricted funds £	Restricted funds £	Year ended 30/04/16 Total £
Income from:							
Donations, grants & legacies	2	1,505	1,206	2,711	2,894	8,858	11,752
Charitable Activities	4	29,391	-	29,391	35,573	-	35,573
Fundraising activities	3	30,097	-	30,097	29,039	486	29,525
Investment income		1	-	1	15	-	15
Other income	5	4,246	-	4,246	536	2,732	3,268
Total income		<u>65,240</u>	<u>1,206</u>	<u>66,446</u>	<u>68,057</u>	<u>12,076</u>	<u>80,133</u>
Expenditure on:							
Fundraising	6	17,844	7,299	25,143	27,826	9,659	37,485
Charitable activities	7, 8	39,108	38,357	77,465	47,511	78,947	126,458
Total resources expended		<u>56,952</u>	<u>45,656</u>	<u>102,608</u>	<u>75,337</u>	<u>88,606</u>	<u>163,943</u>
Net income/(expenditure) before transfers		8,288	(44,450)	(36,162)	(7,280)	(76,530)	(83,810)
Transfers between funds		(1,268)	1,268	-	7,861	(7,861)	-
Net movement in funds		<u>7,020</u>	<u>(43,182)</u>	<u>(36,162)</u>	<u>581</u>	<u>(84,391)</u>	<u>(83,810)</u>
Total funds brought forward		8,874	2,430,807	2,439,681	8,293	2,515,198	2,523,491
Total funds carried forward		<u>15,894</u>	<u>2,387,625</u>	<u>2,403,519</u>	<u>8,874</u>	<u>2,430,807</u>	<u>2,439,681</u>

The notes on pages 16 to 25 form an integral part of these financial statements.

Development Coll
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Balance sheet
as at 31 December 2016

SC300498

	Notes	31/12/16		30/04/16	
		£	£	£	£
Fixed assets					
Tangible assets	13		2,377,049		2,416,991
Current assets					
Stocks		834		1,062	
Debtors	14	8,244		3,772	
Cash at bank and in hand		46,972		49,671	
		<u>56,050</u>		<u>54,505</u>	
Creditors: amounts falling due within one year	15	<u>(29,580)</u>		<u>(31,815)</u>	
Net current assets			<u>26,470</u>		<u>22,690</u>
Net assets			<u>2,403,519</u>		<u>2,439,681</u>
Funds					
	16				
Restricted income funds			2,387,625		2,430,807
Unrestricted income funds			15,894		8,874
Total funds			<u>2,403,519</u>		<u>2,439,681</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The directors' statements required by s475(2) and s475(3) are shown on the following page which forms part of the Balance Sheet.

The notes on pages 16 to 25 form an integral part of these financial statements.

Development Coll
(A company limited by guarantee)

Balance sheet (continued)

SC300498

Directors statements required by the Companies Act 2006
for the period ended 31 December 2016

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the period stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the period ended 31 December 2016.


(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its surplus or deficit for the period then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on 8th June 2017 and signed on its behalf by


.....
Lavinia Maclean-Bristol
Director

The notes on pages 16 to 25 form an integral part of these financial statements.

Development Coll
(A company limited by guarantee)

Notes to financial statements
for the period ended 31 December 2016

Legal Status of the charity

The charity is constituted as a company limited by guarantee and is governed in accordance with its Memorandum and Articles of Association.

1. Accounting policies

The principal accounting policies adopted are summarised below.

1.1. Basis of preparation and assessment of going concern.

The 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 requirements of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) as well as the Companies Act 2006, and the Statement of Recommended Practice (SORP)- Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective January 2015) (FRS 102).

The charity meets the definition of a public benefit entity as defined by FRS 102.

The directors, who are the trustees of the charity under charity law, consider that there are no material uncertainties about the Trust's ability to continue as a going concern. A review of the key risks and uncertainties is included in the directors' report.

1.2. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the directors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, a restatement of comparative items was needed. No restatements were required.

Development Coll
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Notes to financial statements
for the period ended 31 December 2016

1.3. Incoming resources

Income is recognised in the statement of financial activities when the charity is entitled to the income, any performance conditions attached have been met, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. Such income is only deferred when the donor specifies performance conditions which must be met before the charity has unconditional entitlement. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. 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.

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.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.4. Resources expended

Expenditure is recognised when there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated on an appropriate basis to the various activities of the charity. Where costs cannot be allocated directly, they are apportioned to categories on the basis of a reasonable estimate of the costs.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Governance costs include those costs necessary for the board to fulfil its constitutional and statutory obligations and are now included as support costs included in charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

The charity is registered for VAT, but is partially exempt and accordingly expenditure includes all vat which is irrecoverable.

Development Coll
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Notes to financial statements
for the period ended 31 December 2016

1.5. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

An Cridhe	-	Straight line over fifty years
Bunkhouse	-	Straight line over fifty years
Fixtures, fittings and equipment	-	25% straight line
Computer Equipment	-	33% straight line
Mobile Phone Mast	-	10% straight line from year following completion

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Defined contribution pension schemes

Employees of the charity are entitled to join a defined contribution "money purchase" scheme. The charity contribution is restricted to the contributions disclosed in note 11. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included in the appropriate cost centres and charged to the relevant fund.

1.8. Financial Instruments

The charity has only financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently measured at their settlement value with the exception of bank loans which are measured at amortised cost using the effective interest rate method.

Basic financial instruments include debtors, prepayments, creditors, provisions and cash at bank and on hand.

2. Donations, grants & legacies

	Unrestricted	Restricted	Period ended	Year ended
	£	£	31/12/16	30/04/16
			£	£
Donation from previous association	-	-	-	853
Individual and group donations	1,505	1,206	2,711	2,894
Sports Fund	-	-	-	56
Coll Music Group	-	-	-	800
Other grants	-	-	-	4,992
Highlands & Islands Enterprise	-	-	-	2,157
	<u>1,505</u>	<u>1,206</u>	<u>2,711</u>	<u>11,752</u>

Development Coll
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Notes to financial statements
for the period ended 31 December 2016

3. Fundraising activities

	Unrestricted funds £	Period ended 31/12/16 Total £	Year ended 30/04/16 Total £
Fundraising events	-	-	486
Bunkhouse Income	29,555	29,555	28,439
Management charges	542	542	600
	<u>30,097</u>	<u>30,097</u>	<u>29,525</u>

4. Charitable Activities

	Unrestricted funds £	Period ended 31/12/16 Total £	Year ended 30/04/16 Total £
An Cridhe	26,621	26,621	32,435
Sports and Sport Hire	2,770	2,770	3,138
	<u>29,391</u>	<u>29,391</u>	<u>35,573</u>

5. Other income

	Unrestricted funds £	Period ended 31/12/16 Total £	Year ended 30/04/16 Total £
Refunds	-	-	531
Miscellaneous income	-	-	5
Contribution to Mobile Mast	1,168	1,168	2,732
Mobile Mast rents	3,078	3,078	-
	<u>4,246</u>	<u>4,246</u>	<u>3,268</u>

Development Coll
(A company limited by guarantee)

Notes to financial statements
for the period ended 31 December 2016

6. Fundraising activities

	Unrestricted funds £	Restricted funds £	Period ended 31/12/16 Total £	Year ended 30/04/16 Total £
Bunk House	17,844	7,299	25,143	37,485
	<u>17,844</u>	<u>7,299</u>	<u>25,143</u>	<u>37,485</u>

7. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	Period ended 31/12/16 Total £	Year ended 30/04/16 Total £
Enterprise Development Activities	3,421	-	3,421	13,841
An Cridhe	32,650	26,811	59,461	78,164
Housing & Consultations	-	-	-	13,704
Mobile Phone Mast	3,037	11,546	14,583	20,749
	<u>39,108</u>	<u>38,357</u>	<u>77,465</u>	<u>126,458</u>

8. Costs of charitable activities - by activity

	Activities undertaken directly £	Period ended 31/12/16 Total £	Year ended 30/04/16 Total £
Enterprise Development Activities	3,421	3,421	13,841
An Cridhe	59,461	59,461	78,164
Housing & Consultations	-	-	13,704
Mobile Phone Mast	14,583	14,583	20,749
	<u>77,465</u>	<u>77,465</u>	<u>126,458</u>

Development Coll
(A company limited by guarantee)

Notes to financial statements
for the period ended 31 December 2016

9. Net outgoing resources for the period

	Period ended 31/12/16 £	Year ended 30/04/16 £
Net outgoing resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	41,209	62,470
Examiner's/Auditor's remuneration	1,945	2,400
	<u>43,154</u>	<u>64,870</u>

10. Employees

Employment costs	Period ended 31/12/16 £	Year ended 30/04/16 £
Wages and salaries	23,966	46,525
Social security costs	-	219
Pension costs	30	-
Other costs	262	1,523
	<u>24,258</u>	<u>48,267</u>

No employee received emoluments of more than £60,000 (2016 : None).

Number of employees

The average monthly numbers of employees (excluding the directors) during the period, was as follows:

	Period ended 31/12/16 Number	Year ended 30/04/16 Number
Office Administrator	1	1
An Cridhe/Bunkhouse (full/part time)	1	3
	<u>2</u>	<u>4</u>

Key Management Personnel

The key management personnel comprise the Board of Directors, who are trustees of the charity.

Trustees' expenses and remuneration

The charity trustees, who are the directors of the company, were not paid and did not receive any remuneration, benefits in kind or reimbursement of expenses in their capacity as trustee during the year. No trustee received payment for professional or other services supplied to the charity.

Development Coll
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Notes to financial statements
for the period ended 31 December 2016

11. Pension costs

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £30 (12/2016) (nil; 4/2016)

	Period ended 31/12/16 £	Year ended 30/04/16 £
Pension charge	30	-

12. Taxation

The charity is a charitable company within the meaning of the Finance Act 2010. Accordingly the charity's activities fall within the exemptions from taxation in respect of income or capital gains afforded by the provisions of the Corporation Taxes Act 2010 and the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes. As a result, there is no taxation charge in these accounts.

13. Tangible fixed assets	An Cridhe £	Mobile Phone Mast £	Bunkhouse £	Fixtures, fittings and equipment £	Computer Equipment £	Total £
Cost						
At 1 May 2016	1,855,393	173,190	482,953	13,947	1,850	2,527,333
Additions	-	-	1,267	-	-	1,267
At 31 December 2016	<u>1,855,393</u>	<u>173,190</u>	<u>484,220</u>	<u>13,947</u>	<u>1,850</u>	<u>2,528,600</u>
Depreciation						
At 1 May 2016	65,752	17,319	19,318	6,103	1,850	110,342
Charge for the period	21,917	11,546	6,439	1,307	-	41,209
At 31 December 2016	<u>87,669</u>	<u>28,865</u>	<u>25,757</u>	<u>7,410</u>	<u>1,850</u>	<u>151,551</u>
Net book values						
At 31 December 2016	<u>1,767,724</u>	<u>144,325</u>	<u>458,463</u>	<u>6,537</u>	<u>-</u>	<u>2,377,049</u>
At 30 April 2016	<u>1,789,641</u>	<u>155,871</u>	<u>463,635</u>	<u>7,844</u>	<u>-</u>	<u>2,416,991</u>

The Big Lottery Fund has a standard security dated 11 December 2010 over ground on the Island of Coll in respect of all sums due or to become due in the future.

Included in the An Cridhe cost is an amount of £211,600 in respect of the purchase of land which will not be depreciated. Depreciation has been charged on buildings in 2015 following completion of construction.

Included in the Mobile Phone Mast cost is an amount of £15,550 in respect of professional fees relating to the long term lease of land for the mast. Depreciation will be charged on the total costs from 2016 onwards.

Development Coll
(A company limited by guarantee)

Notes to financial statements
for the period ended 31 December 2016

14. Debtors

	31/12/16	30/04/16
	£	£
Trade debtors	8,051	413
Other debtors	193	3,359
	<u>8,244</u>	<u>3,772</u>

15. Creditors: amounts falling due within one year

	31/12/16	30/04/16
	£	£
Trade creditors	248	1,011
Other taxes and social security	542	2,070
Other creditors	15,528	14,586
Accruals and deferred income	13,262	14,148
	<u>29,580</u>	<u>31,815</u>

16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2016 as represented by:			
Tangible fixed assets	2,236	2,374,813	2,377,049
Current assets	43,238	12,812	56,050
Current liabilities	(29,580)	-	(29,580)
	<u>15,894</u>	<u>2,387,625</u>	<u>2,403,519</u>

17. Unrestricted funds

	At 1 May 2016	Incoming resources	Outgoing resources	Transfers	At 31 December 2016
	£	£	£	£	£
Unrestricted Funds	<u>8,874</u>	<u>65,240</u>	<u>(56,952)</u>	<u>(1,268)</u>	<u>15,894</u>

Development Coll
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Notes to financial statements
for the period ended 31 December 2016

18. Restricted funds	At 1 May 2016 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2016 £
Capital Funds					
Coll Community Centre- An Cridhe (Asset)	2,256,070	-	(28,822)	1,268	2,228,516
Gym and Treadmill equipment (Assets)	2,366	-	(394)	-	1,972
Mobile Phone Mast (Asset)	155,871	-	(11,546)	-	144,325
Revenue Funds					
Community Housing	2,204	-	-	-	2,204
An Cridhe - Fundraising	7,323	561	(3,625)	-	4,259
Gym and Equipment - Revenue fund	2,136	-	-	-	2,136
Other restricted funds	4,837	645	(1,269)	-	4,213
	<u>2,430,807</u>	<u>1,206</u>	<u>(45,656)</u>	<u>1,268</u>	<u>2,387,625</u>

Purposes of restricted funds - Capital Funds

An Cridhe

The main fund represents the building and fitting out costs of An Cridhe and the Bunkhouse.

A separate revenue fund is shown for the fundraising and other incoming/outgoings related to An Cridhe.

Gym & Treadmill Equipment

Fundraising was carried in 2014 towards the costs of purchasing a treadmill and other equipment for the Gym. Equipment was purchased totalling £4,207, and a balance of £2,136 was carried forward in a revenue fund.

Mobile Phone Mast

This fund represents the asset capitalised in the balance sheet. Depreciation has been charged from the year following completion of the project and charged directly to the fund. A remaining balance of surplus funds are included in separate revenue fund to contribute to the maintenance and running costs (see below under "other restricted funds")

Purposes of restricted funds - Revenue Funds

Community Housing

A grant of £10,000 was received in 2015 from the Big Lottery Investing in Ideas towards the costs of consultations, studies and appraisal of housing needs and options. This was added to a small balance of £785 brought forward from an earlier year and was mostly spent in the year to April 2016 with a balance of £2,204 b/fwd to 2016

Development Coll
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Notes to financial statements
for the period ended 31 December 2016

Other restricted funds

Other restricted funds consists of small balances brought forward for various groups, together with funds for maintenance of the mast and the Sports Fund

	B/fwd	Incoming	Outgoing	Transfers	Closing
Mobile Phone Mast maintenance	2763	-	-	-	2,763
Sports Fund	805	645	-	-	1,450
Friday Football	356	-	(356)	-	-
Coll Players	853	-	(853)	-	-
Easter Concert	60	-	(60)	-	-
	<u>4,837</u>	<u>645</u>	<u>(1,269)</u>	<u>-</u>	<u>4,213</u>

Funds held for small group such as the Coll Players were held on their behalf and have been transferred to the balance sheet to be shown as amounts that are due to be paid over to them.

19. Company limited by guarantee

Development Coll is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.