

Charity number: SC038217  
Company number: SC300498

**Development Coll**  
**(A company limited by guarantee)**  
**Directors' report and financial statements**  
**for the year ended 31 December 2017**

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

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

**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	
Nicola Smith	
Margaret Wheeler-James	
Heather Davis	Appointed 4 May 2017
Samantha Martindale	Appointed 4 May 2017
Elizabeth Jane Robertson	Appointed 1 February 2018
Brian MacIntyre	Appointed 25 September 2017
Juliette Summers	Resigned 10 August 2017
Carol Ann Flett	Resigned 10 August 2017
Laura Oliphant	Appointed 4 May 2017, resigned 29 September 2017
Arlene Casey	Resigned 24 February 2017
Peter Alan Ings	Resigned 28 January 2017

**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 year ended 31 December 2017**

The directors present their report and the financial statements for the year ended 31 December 2017. The directors, who are also trustees of Development Coll for the purposes of charity law and who served during the year 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**

*In response to the 2017 budget, the community came together to organise and support some fantastic fundraising events to support the running of An Cridhe, including playing host to the multi-million selling recording artist and Olivier Award winning actress, Scotland's Barbara Dickson.*

*Development Coll once again operated independently of any grant funding during the year*

*Coll Bunkhouse maintained its 5-star listing with Visit Scotland*

*An Cridhe provided a variety of events from Coll Bird Festival to Coll and the Cosmos, from classical to traditional music; theatre; and played host to a number of private social events including a wedding celebration.*

*An Cridhe's gym continued to be used by a GP referral initiative in conjunction with 'Coll Healthy Options', and a new weight management class utilised other spaces in the building .*

*Work began on the next project for the mobile mast, which aims to deliver the equivalent of fibre optic speed broadband to the village*

## **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.*

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

### **Report of the directors (incorporating the trustees' report) for the year ended 31 December 2017**

#### **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 and no change was made for 2017. 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 2017, 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.

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

### **Report of the directors (incorporating the trustees' report) for the year ended 31 December 2017**

#### **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 made 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. EE joined the mast in 2016 and BT during 2017. Work has commenced on the next project to bring fibre-optic speed broadband to the village.

#### **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 year to 31 December 2017 included:**

#### **An Cridhe - achievements include**

*Operating without additional grant funding, a key aim of DC*

*Achieving an operational surplus - the community organised and supported fundraising events towards the running costs of An Cridhe*

*Net income generated from events*

*Advance bookings for 2018 which includes 2 weddings and the return of the 3 events mentioned above*

#### **An Cridhe Performance**

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.

In response to the budget for 2017, the Board took action to reduce costs where possible, including: a substantial reduction in wages due to restructuring; renegotiation of contracts that fell due, and; non-essential expenditure was kept to a minimum. It was clear that additional income would need to be generated if DC was to ensure it could meet these costs by 2017 income alone.

With the support of many volunteers from the community, An Cridhe held three fundraising events, hosted coffee mornings and started a 500 Club (a form of lottery, licensed by the local authority). An Cridhe was delighted to welcome the Olivier Award winning actress and multi-million recording artist, Scotland's Barbara Dickson. The concert welcomed visitors from across the U.K. These fundraising events combined generated a significant net income.

The Board would like to extend their thanks to everyone who volunteered at events or helped with other voluntary tasks at An Cridhe, and to those who supported An Cridhe by using the facilities throughout 2017.

Once again, An Cridhe put on a number of events from musical concerts to theatre, providing variety for the community but often do not generate a surplus. Net income from Coll Bird Festival and Coll & the Cosmos more than met the combined losses from other events. While gym income increased significantly during 2017, income from other services (room and building hire, office services, event attendance) has decreased.

**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

*Coll Bunkhouse - achievements include*

*A considerable increase in forward bookings for 2018 as compared to 2017 bookings at the end of 31 Dec 2016 , and the retention of 2 significant customers for 2018*

*Maintaining a 5-star rating while operating 24 hours a day, 365 days a year, but only being staffed part-time*

*Coll Bunkhouse - Performance*

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

In the summer months, the Bunkhouse again benefitted from the bookings of The Tunnell Trust and Basking Shark Scotland, and the same bookings are in place for 2018.

Coll Bunkhouse did exceed budgeted income by almost 10%, but occupancy levels were still low out with the peak holiday times, in keeping with the flow of visitors to the island in general. Annual occupancy is less than 30%. Although the question has not been asked of other short-term accommodation providers on the island, this occupancy figure does not seem out of keeping with general tourism on Coll during 2017.

During 2017, the management team trialled a new pricing strategy during the quieter periods which was successful in increasing income by a modest amount. This strategy was proposed to, and approved by, the Board as part of a wider 2018 Coll Bunkhouse pricing policy. In addition, the Board confirmed the pricing decisions that could be made by the management team without further reference to the Board. This will allow the management team to respond more quickly and hopefully generate more income during the quieter periods.

Development Coll continue to consider options for trying to attract more customers at off peak times, while acknowledging that the first challenge may be to attract more visitors to the island. Towards the end of 2017, Coll Bunkhouse made a small investment in marketing, with one advert being placed with a leading cycling publication as part of a Scottish feature, and another being placed with Visit Scotland as part of their Explore Argyll 2018 magazine. The customer registration form will enable DC to measure the effectiveness of these adverts. Although completion of that part of the form is optional, most customers are happy to provide the information.

*Mobile Phone Mast*

In May 2017, BT joined the mobile mast, increasing the annual income for the duration of the contract. As at 31 December 2017, the mast had made an operating surplus and the Board was delighted to be able to thank the bodies who had made contributions towards mast running costs in previous years and advise them that DC would no longer be requesting these contributions.

**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

**Financial review**

The financial outturn for the year to 31 December 2017 was favourable in comparison to budget and is attributed to the following factors:

- Coll Bunkhouse exceeding budgeted income by almost 10%;
- An Cridhe event income exceeding original expectations;
- the fundraising efforts that were made during 2017, and;
- careful monitoring and control of costs, with non-essential spend being limited

Despite setting a very challenging budget in terms of expenditure, every aspect of the business performed well.

An Cridhe outturn included net income from local events and private functions that were not known of at the time of budgeting. Net income from fundraising events (including 500 Club) and from hall hire and bar income from local events were £7,137 and £8,285 respectively.

Coll's mobile phone mast performed in line with expectations for 2017. The addition of BT to the mast during 2017 has helped ensure that the mast is self-sustaining. As a result, DC wrote to services that had previously made a voluntary contribution to the running cost of the mast and advised that these contributions would not be requested for 2018.

The financial outturn shows an increase in unrestricted funds of £13,538 with a closing balance of £29,432; the equivalent of 5-6 months operational costs. This provides increased financial stability for Development Coll as it heads through 2018.



**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

*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. During 2017 the Board agreed a pricing strategy that can be put in to action to encourage bookings if significant income was lost. An Cridhe is dependent largely on the local community for its customers and there is a limit to the number of big anniversaries or local events a community of this size can bring to An Cridhe. The Board continue to work with the staff and Management Committee to increase utilisation of the facility where possible but, more importantly, the focus is on increasing the net income from Coll Bunkhouse, which supports An Cridhe.

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 service from that of other local providers.

**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

*Financial outturn for the year*

In reporting the financial outturn for the year to 31 December 2017 it should be noted the previous reporting period was a shorter period of 8 months and no direct comparison should be drawn between the two sets of figures in the statements.

An Cridhe had a total income of £40,279 plus general donations of £2,218 and other income of £49. Expenses were 37,744 excluding depreciation. This resulted in a net surplus of £4,802 prior to depreciation. An Cridhe's expenditure was above budget but only to the extent that it generated additional income for An Cridhe, with income being significantly above budget.

Coll Bunkhouse had a total income of £32,825, including laundry and other services, and expenses of £27,697 excluding depreciation. This resulted in a net surplus before depreciation and Corporation Tax of £5,128. The Bunkhouse's surplus was slightly below budget as a result of a fairer allocation of 2017 staff costs and an allocation of costs for the use of An Cridhe as an office and reception. A proportion of accountancy and other relevant administration costs have also been allocated to Coll Bunkhouse on the basis of share of total income.

The mobile mast had income of £9,659 and expenditure of £7,063 prior to depreciation, giving an operating surplus of £2,596. There was an increase in income as compared to the 2016 calendar year due to the addition of BT to the mast during 2017 and the recharge of electricity to EE (offset in expenditure by an equal amount). Mast income and expenditure both exceeded budget as a result of this recharge.

Development Coll had management expenses of £4,437 which are not allocated at source to the individual projects, and includes costs for accountancy and directors' insurance. Some of these costs have been allocated to Coll Bunkhouse on the basis previously stated. DC generates a small income for managing bookkeeping on behalf of a local committee. Income was above budget due to the allocation of overheads to Coll Bunkhouse. Expenditure was also above budget and this is attributed to additional ICT costs and ad hoc financial advice.

**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

*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 may 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 restricted funds - An Cridhe & Bunkhouse, Mobile Phone Mast, Gym & Equipment - have been reduced by the amount of depreciation charged during the reporting period. 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 and utilities for An Cridhe and was applied during the reporting period for this purpose. Income from fundraising events during 2017 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. No income or expenditure was allocated to this fund during 2017.

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

Touring Network - When Development Coll arranges a performance by an artist or group of artists who are registered with the Touring Network it can apply to the Touring Network for a bursary towards the performance fee. During 2017, Development Coll received £500 towards the performer fee for the performance of Crazy Glue.

*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 £16,548 with reference to the 2018 budget. 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 2017, the unrestricted reserve balance was £29,432

*Future Financial Planning*

The budget for 2018 estimates a net deficit of £4,112 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. It also does not include events not in the diary for 2018 at the time of setting the budget. This is a considerably smaller deficit than budgeted for 2017 and reflects a new pricing policy for Coll Bunkhouse, Bunkhouse advertising for 2018, a full year income from BT (who joined the mobile mast mid-2017), and estimated income from 2018 events already booked at An Cridhe (including 2 weddings). The Board and management team are confident that additional income from donations (not included in the budget) and income from additional events will meet this deficit. Close monitoring of the finances on a monthly basis will enable the Board to respond quickly should the financial position stray adversely from the budget.

Work has commenced on a summarised budget that will provide longer term financial planning for DC and which takes account of transactional events that do not occur annually, such as electrical checks and changes in mast rental income in line with contract terms and conditions.

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

**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

**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 the day to day operations is delegated to the Manager of An Cridhe and Coll Bunkhouse who operates within the financial budget and other parameters set out by the Board and any significant decisions are made by the Board.

Development Coll employs four part-time staff with staff hours split across An Cridhe and Coll Bunkhouse. During the winter months, total staff hours were 44 per week and in the summer months 62 hours per week. In addition, one member of staff provides finance support to DC for a nominal number of hours each month.

**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

*Remuneration and Connected Persons*

Remuneration for staff is set by directors. As an acknowledgement of the dedication shown by staff during 2017, the Board meeting of 4 December 2017 amended the proposed budget to include a small salary increase for all staff. 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 (active during 2017) 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 year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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.

**Development Coll**  
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**Report of the directors (incorporating the trustees' report)**  
**for the year ended 31 December 2017**

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 *31st May 2018* and signed on its behalf by



**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 year ended 31 December 2017 set out on pages 2 to 27.

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 year ended 31 December 2017

	Notes	Year ended 31/12/17		Unrestricted funds £	Restricted funds £	Total £	Year ended 31/12/16		
		Unrestricted funds £	Restricted funds £				Unrestricted funds £	Restricted funds £	Total £
<b>Income from:</b>									
Donations, grants & legacies		2,218	-	2,218		2,218	1,505	1,206	2,711
Charitable Activities	3	32,189	500	32,689		29,391	29,391	-	29,391
Fundraising activities	2	35,733	6,719	42,452		30,097	30,097	-	30,097
Investment income		-	-	-		1	1	-	1
Other income	4	9,724	-	9,724		4,246	4,246	-	4,246
<b>Total income</b>		<u>79,864</u>	<u>7,219</u>	<u>87,083</u>		<u>65,240</u>	<u>1,206</u>		<u>66,446</u>
<b>Expenditure on:</b>									
Bunkhouse costs	5	28,256	10,759	39,015		17,844	7,299		25,143
Charitable activities	6, 7, 8	40,274	61,613	101,887		39,108	38,357		77,465
<b>Total resources expended</b>		<u>68,530</u>	<u>72,372</u>	<u>140,902</u>		<u>56,952</u>	<u>45,656</u>		<u>102,608</u>
<b>Net income/(expenditure) before transfers</b>		11,334	(65,153)	(53,819)		8,288	(44,450)		(36,162)
Transfers between funds		2,204	(2,204)	-		(1,268)	1,268		-
<b>Net movement in funds</b>		<u>13,538</u>	<u>(67,357)</u>	<u>(53,819)</u>		<u>7,020</u>	<u>(43,182)</u>		<u>(36,162)</u>
Total funds brought forward		15,894	2,387,625	2,403,519		8,874	2,430,807		2,439,681
<b>Total funds carried forward</b>		<u>29,432</u>	<u>2,320,268</u>	<u>2,349,700</u>		<u>15,894</u>	<u>2,387,625</u>		<u>2,403,519</u>

The notes on pages 17 to 27 form an integral part of these financial statements.



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

**Balance sheet**  
**as at 31 December 2017**

SC300498

	Notes	31/12/17		31/12/16	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		2,315,674		2,377,049
<b>Current assets</b>					
Stocks		731		834	
Debtors	14	5,252		8,244	
Cash at bank and in hand		61,967		46,972	
		<u>67,950</u>		<u>56,050</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(33,924)</u>		<u>(29,580)</u>	
<b>Net current assets</b>			<u>34,026</u>		<u>26,470</u>
<b>Net assets</b>			<u>2,349,700</u>		<u>2,403,519</u>
<b>Funds</b>					
Restricted income funds	16		2,320,268		2,387,625
Unrestricted income funds			29,432		15,894
<b>Total funds</b>			<u>2,349,700</u>		<u>2,403,519</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 17 to 27 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 year ended 31 December 2017**

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

(a) that for the year 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 year ended 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 year and of its surplus or deficit for the year 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 *3rd May* and signed on its behalf by

*2018*



.....  
**Lavinia Maclean-Bristol**  
**Director**

**The notes on pages 17 to 27 form an integral part of these financial statements.**

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

**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. 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.

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

**1.3. 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.

**1.4. 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% reducing balance
Computer Equipment	-	33% straight line
Mobile Phone Mast	-	10% straight line from year following completion

**1.5. Stock**

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

**1.6. 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.

**1.7. 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.

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

**2. Fundraising activities**

	Unrestricted funds £	Restricted funds £	Year ended 31/12/17 Total £	Period ended 31/12/16 Total £
Fundraising events	-	6,719	6,719	-
500 Club	588	-	588	-
Bunkhouse Income	32,825	-	32,825	29,555
Management charges	2,320	-	2,320	542
	<u>35,733</u>	<u>6,719</u>	<u>42,452</u>	<u>30,097</u>

**3. Income from Charitable Activities**

	Unrestricted funds £	Restricted funds £	Year ended 31/12/17 Total £	Period ended 31/12/16 Total £
An Cridhe	27,434	500	27,934	26,621
Sports and Sport Hire	4,755	-	4,755	2,770
	<u>32,189</u>	<u>500</u>	<u>32,689</u>	<u>29,391</u>

**4. Other income**

	Unrestricted funds £	Year ended 31/12/17 Total £	Period ended 31/12/16 Total £
Refunds	16	16	-
Miscellaneous income	49	49	-
Contributions & recharges	1,816	1,816	1,168
Mobile Mast rents	7,843	7,843	3,078
	<u>9,724</u>	<u>9,724</u>	<u>4,246</u>

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

**5. Bunkhouse Trading costs**

	Unrestricted funds £	Restricted funds £	Year ended 31/12/17 Total £	Period ended 31/12/16 Total £
Bunk House	28,256	10,759	39,015	25,143
	<u>28,256</u>	<u>10,759</u>	<u>39,015</u>	<u>25,143</u>

**6. Costs of charitable activities - by fund type**

	Unrestricted funds £	Restricted funds £	Year ended 31/12/17 Total £	Period ended 31/12/16 Total £
Enterprise Development Activities	4,415	-	4,415	3,421
An Cridhe	26,341	44,294	70,635	59,461
Mobile Phone Mast	7,063	17,319	24,382	14,583
	<u>37,819</u>	<u>61,613</u>	<u>99,432</u>	<u>77,465</u>

**7. Costs of charitable activities - by activity**

	Activities undertaken directly £	Year ended 31/12/17 Total £	Period ended 31/12/16 Total £
Enterprise Development Activities	4,415	4,415	3,421
An Cridhe	70,635	70,635	59,461
Mobile Phone Mast	24,382	24,382	14,583
	<u>99,432</u>	<u>99,432</u>	<u>77,465</u>

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

**8. Governance costs**

	<b>Unrestricted funds £</b>	<b>Year ended 31/12/17 Total £</b>	<b>Period ended 31/12/16 Total £</b>
Cost of trustees' meetings	88	88	-
Current tax charge/(credit)	921	921	-
Prior year charge/(credit)	1,446	1,446	-
	<u>2,455</u>	<u>2,455</u>	<u>-</u>

No provision was made in 2016 for the potential tax liability on net profits from the Bunkhouse. As a result both the current year and prior year tax charge are shown under the current year.

**9. Net outgoing resources for the year**

	<b>Year ended 31/12/17 £</b>	<b>Period ended 31/12/16 £</b>
Net outgoing resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	61,580	41,209
Examiner's/Auditor's remuneration	1,695	1,945
	<u>63,275</u>	<u>43,154</u>

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

**10. Employees**

<b>Employment costs</b>	<b>Year ended 31/12/17 £</b>	<b>Period ended 31/12/16 £</b>
Wages and salaries	30,107	23,966
Pension costs	-	30
Other costs	-	262
	<u>30,107</u>	<u>24,258</u>

No employee received emoluments of more than £60,000 (2017 : None).

**Number of employees**

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

	<b>Year ended 31/12/17 Number</b>	<b>Period ended 31/12/16 Number</b>
Office Administrator	1	1
An Cridhe/Bunkhouse (full/part time)	1	1
	<u>1</u>	<u>1</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**  
**(A company limited by guarantee)**

**Notes to financial statements**  
**for the year ended 31 December 2017**

**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 £nil in 2017 (£30; 12/2016) (nil; 4/2016).

	<b>Year ended 31/12/17</b>	<b>Period ended 31/12/16</b>
	<b>£</b>	<b>£</b>
Pension charge	-	30

**12. Taxation**

The charity is a charitable company within the meaning of the Finance Act 2010. Accordingly the charity's activities mainly 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. However, the charity operates the Coll Bunkhouse which represents a source of trading income, and where this does not fall within the available exemptions, profits from this source are subject to tax.

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

13. Tangible fixed assets	An Cridhe £	Mobile Phone Mast £	Bunkhouse £	Fixtures, fittings and equipment £	Computer Equipment £	Total £
<b>Cost</b>						
At 31 December 2016	1,855,393	173,190	484,220	13,947	1,850	2,528,600
Additions	-	-	-	-	205	205
At 31 December 2017	<u>1,855,393</u>	<u>173,190</u>	<u>484,220</u>	<u>13,947</u>	<u>2,055</u>	<u>2,528,805</u>
<b>Depreciation</b>						
At 31 December 2016	87,669	28,865	25,757	7,410	1,850	151,551
Charge for the year	32,876	17,319	9,684	1,634	67	61,580
At 31 December 2017	<u>120,545</u>	<u>46,184</u>	<u>35,441</u>	<u>9,044</u>	<u>1,917</u>	<u>213,131</u>
<b>Net book values</b>						
At 31 December 2017	<u>1,734,848</u>	<u>127,006</u>	<u>448,779</u>	<u>4,903</u>	<u>138</u>	<u>2,315,674</u>
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>

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 at 10% straight line on the total costs from 2016 onwards.

14. Debtors	31/12/17 £	31/12/16 £
Trade debtors	4,775	8,051
Other debtors	477	193
	<u>5,252</u>	<u>8,244</u>

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

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

	31/12/17	31/12/16
	£	£
Trade creditors	22	248
Corporation tax	921	-
Other taxes and social security	397	542
Other creditors	17,523	15,528
Accruals and deferred income	15,061	13,262
	<u>33,924</u>	<u>29,580</u>

**16. Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2017 as represented by:			
Tangible fixed assets	1,815	2,313,859	2,315,674
Current assets	61,541	6,409	67,950
Current liabilities	(33,924)	-	(33,924)
	<u>29,432</u>	<u>2,320,268</u>	<u>2,349,700</u>

**Analysis of net assets between funds (prior year)**

	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 January 2017	Incoming resources	Outgoing resources	Transfers	At 31 December 2017
	£	£	£	£	£
Unrestricted Funds	<u>15,894</u>	<u>79,864</u>	<u>(68,530)</u>	<u>2,204</u>	<u>29,432</u>

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

18. Restricted funds	At 1 January 2017 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2017 £
<b>Capital Funds</b>					
Coll Community Centre- An Cridhe (Asset)	2,228,516	-	(43,142)	-	2,185,374
Gym and Treadmill equipment (Assets)	1,972	-	(493)	-	1,479
Mobile Phone Mast (Asset)	144,325	-	(17,319)	-	127,006
<b>Revenue Funds</b>					
Community Housing & communication	2,204	-	-	(2,204)	-
An Cridhe - Fundraising	4,259	6,719	(10,768)	-	210
Gym and Equipment - Revenue fund	2,136	-	-	-	2,136
Other restricted funds	4,213	-	-	-	4,213
Performance Sponsorships	-	500	(650)	-	(150)
	<u>2,387,625</u>	<u>7,219</u>	<u>(72,372)</u>	<u>(2,204)</u>	<u>2,320,268</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. Various fundraising events were held in the year to raise funds for the running costs of the hall. Costs met by these funds are initially for maintenance, groundskeeping, repairs and equipment, and utility costs.

**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 30 April 2016 with a balance of £2,204 b/fwd to 2017. After considering the terms and conditions of the original grants, the directors concluded that the funds had been spent as required and that the remaining funds should be released to general reserves. The surplus is likely to be allocated to improving IT infrastructure.

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

**Notes to financial statements**  
**for the year ended 31 December 2017**

**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	-	-	-	<b>2,763</b>
Sports Fund	1,450	-	-	-	<b>1,450</b>
	<u>4,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>4,213</b></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.