COLONSAY COMMUNITY DEVELOPMENT COMPANY

CCDC Board Meeting
8th February 2024

Document Pack

Public

Please note that not all items on the agenda have supporting papers

Confidential items (e.g. relating to staffing) are not published in public

COLONSAY COMMUNITY DEVELOPMENT COMPANY

Board Meeting

Thursday 8 February 2024 at 7pm – Colonsay Village Hall and by Zoom

Please note that times are approximate and that there may be a short delay if the EGM overruns.

Agenda

Public

1.	19:00	Attendance and apologies	
2.	19:02	Minutes of last meeting and matters arising	
3.	19:05	Declarations of interest	
4.	19:06	Briefing Note	Dannie
5.	19:10	Scalasaig report	Carrie
6.	19:20	Campsite report	Lizzie
7.	19:30	Island Profile report	Lizzie
8.	19:40	Website update	Dannie
9.	19:45	Machair Wind update	Dannie
10.	19:50	Annual Accounts	Callum
11.	19:55	AOCB	

DONM

Private

12.	19:50	Minutes of last meeting and matters arising	
13.	19:55	Declarations of interest	
14.	20:00	Scalasaig (confidential)	Carrie
15.	20:10	Port Mor update	Dannie
16.	20:15	Annual Accounts (Trading Co.)	Callum
17.	20:15	Staffing update	Dannie
18.	20:20	AOCB	

Colonsay Community Development Company Board Meeting

Public Minutes

Thursday 18th January 2024

Present: Dannie Onn (DO), Darragh Keenaghan (DK), Will Young (WY), Callum Hay (CH), Andrew Abrahams (AA), Lesley McInnes (LM), Linsay Chalmers (LC), Helen Mann (HM)

Apologies: William Joll (WJ), Lizzie Keenaghan (LK), Carrie Seymour (CS)

1. **Minutes of last meeting and matters arising**

Minutes agreed and approved.

2. **Declarations of interest**

HM - campsite

3. **Briefing Note**

Circulated prior to the meeting.

The board agreed that HIE, MOWI, Scottish Ministers, councillors and others are to be advised of the STV visit prior to them coming. DO will prepare a note to brief directors, members and those lined up for interviews, which will be circulated prior to STV coming. We should take the opportunity to mention the support of our funders. We should also inform funders once the STV visit is confirmed.

We are advised that the minutes of the CCC meeting at the end of November dealt mainly with broadband and transport issues. They council decided that they will not be using the CCDC internet for their records and so on. They are exploring an offer from 'Parish Online', a specialist website offer. We are likely to have links to each other on our sites. They are also signing up to OS for map access, which could also benefit CCDC.

4. **Scalasaig report**

Circulated prior to the meeting. There was no additional information or questions.

DO has been working with LK on the Business Units' lease and associated Tenants' obligations. We are keen that the complex legal jargon be simplified, and the solicitors have agreed to look at that.

LK has asked for the boards direction on one clause which includes that: "tenants … shall maintain, repair, renew and rebuild the Subjects …. and irrespective of the cause …. so free, relieve and indemnify the Landlords of all the obligations otherwise incumbent upon [them]." The board was asked whether it is too onerous to make tenants responsible for all of this, solicitors say this can be toned down (something that is commonly done on a commercial letting). The board notes that funds are being built in for reasonable wear and tear, but a major repair caused by the hirer, accident etc should be covered by their own insurance. We should ensure that the tenant has insurance to cover accidental damage. There should be a clear definition of who is insuring what and we should share our insurance cover with them. A consensus emerged in discussion that we should find a middle way. AA suggested we might compare with what other communities are doing.

Details to be put before the next meeting when we expect to have the draft finalised and agreed with the tenants.

DRAFT

5. **Campsite update**

The A&B team that are giving the grant have been in touch with their planning colleagues. They advise that a permission has been granted and they will release the outstanding funding. We may now make a fifth claim and organise the remaining works.

There will be some conditions to satisfy once the permission is received.

6. **Bookshop**

We have received a copy of the title deeds from the agents. DO has advised them that any opportunity for SLF funding will not be available until the next financial year. In accordance with the board's recorded views, DO advised that CCDC is therefore not pursuing purchase at the moment, but remains interested in the property.

7. **Audit and Accounts**

Our auditors are still asking questions; therefore, the report is not ready to present to the board. CH will update directors by email on this and finalisation of accounts for the last financial year. Nevertheless, in anticipation of the accounts being ready we plan to hold an EGM immediately before the next board meeting to get member approval for the accounts 2022/23.

8. **Future agendas and planning**

Note. CH and DO have met to plan for future board meetings, and to produce quarterly finance/budget reports. In February likely agenda items will include allocations; local place planning; and the staff handbook. In March we might consider a community plan report; future management options; and a review of the Gass Report. In April we hope to initiate the new financial reporting structure and plan for our next AGM.

9. **AOCB**

None

DONM

Thursday 8th February 2023 with EGM open to the community in the hall.

DRAFT

COLONSAY COMMUNITY DEVELOPMENT COMPANY

GENERAL BRIEFING NOTE - January 2024

Beinn Sgoiltaire Croft

The opportunity to acquire the house and croft for the community has taken another step forward with the visit of the valuer and business consultant last week. We expect a valuation to be sent next week. At that point we can discuss the idea again with Danny and Barbara Hamilton. The business plan should be delivered in March and, if all looks good, we can then apply for SLF stage 2 funding to purchase the property.

We understand that current funding pots are increasingly constrained, and we thank Danny and Barbara for giving us the opportunity. We think that the potential of this site is of such benefit to our ambitions that the effort is worth the risk. The board will be kept informed as matters progress.

Old Baptist Manse update

The board has approved the repair of the access track and the bathroom (including the floor. Unfortunately, the funding application to Screwfix has failed. We will continue to look for funding, but the work must be done anyway. We are therefore contacting contractors for the road works as advised by the board. The groundwork contractors for our Scalasaig site may be returning to the island of other work and we will seek a price from them too. Once the track is done, we can instruct Chris Jewell to complete the internal repairs.

Chris Walker is coming to the island shortly and we will keep him up to date with progress on the redevelopment of the Old Manse. We have advised that the temporary tenants are likely to be living there for another year at least.

STV filming our housing projects

STV propose to come to Colonsay in the next few weeks to film our new housing development, discuss the issues here with Carrie (and maybe Dannie), and interview some of the applicants for the new housing. Dannie will circulate details and timing to the board when they are fixed.

Moorings update

MOWI have now brought the mooring buoys ashore, dropped the chains and put in the winter buoys. The buoys are temporarily stored at the community garden car park, with the kind permission of the garden group. In future years we hope to be able to store these on our own land.

Tags to provide additional information as a way of encouraging payment have been ordered and these will be fixed in time for the re-opening in March/April.

Directors may recall that we have asked Alex Howard if he will now reconsider a license for a path to Queens Bay. Dannie wrote to him again on 20 December and sent a reminder on Tuesday this week. To date there has been no reply. We now propose to indicate a suitable route on our website moorings page and return the Paths for All grant.

Dannie Onn

COLONSAY COMMUNITY DEVELOPMENT COMPANY

PROJECT REPORT – Scalasaig Development

Project	Scalasaig Development			
Report Compiled by	Caroline Seymour			
Reporting Period	February 2024			
Project Status	Previous Status:		Current Status:	

1. SUMMARY OF ACTIVITY SINCE LAST REPORT

TSL UPDATE (From TSL)

Housing Site

Concrete culvert install ongoing:

- Rock break to batters, service tracks and drainage tracks complete
- Rock crushing complete and plant demobilized
- 2no Headwalls installed, and first 40m of culvert pipe.
- Topographic survey of site complete

Business Units

Service and drainage install ongoing:

- Service track for SW, BT and Power broken out, ducting installed ahead of service install. Scottish Water have visited site to and inspected track. On inspection main was found to be no longer live - connection for watermain to be extended to reach new connection point – approx. 15 – 20m.
- Outfall to Surface water installed, and main laid back to permeable paving area.
- Foul tie in excavation complete – tie in to commence this week.

Utilities

- SSEN/Scottish Power – site works now agreed – and works programmed for both housing and business units. SSEN install now scheduled for 06 th of February for Business units and 28th of March for housing site. MPANS have been generated, and progress being made with meter supplier – Scottish Power to book in meter install dates.
- Scottish Water – WIRS design approved, permissions to gain access to sites Scottish Water Portal to progress site works underway. Mains lay scheduled for 19th of March for housing site. Discussion regarding connection to business units is underway with Business Stream. Expected that connection will be complete by 23rd February.
- BT – Service design received and all materials onsite

Housing completion date: 10th June 2024

Business Unit completion date: 4th March 2024

COLONSAY COMMUNITY DEVELOPMENT COMPANY

PROJECT REPORT – Scalasaig Development

Financials

We have received the first valuations from TSL since last August and they have been passed through for payment. TSL have indicated that they have cashflow issues which is usual at this time of year so it was agreed that they can draw down a greater share of the housing pre-lim costs on this current valuation. This covers the increased costs that they have already incurred in this current stage for the drainage and access road.

Commercial

Confidential items dealt with in Private Business

Business Units

Lizzie is waiting for the revised leases from the solicitor so that they can be shared with the prospective tenants for them to review.

2. KEY ISSUES

None

3. FORMAL APPROVALS / DECISIONS REQUIRED

None

4. NEXT REPORTING PERIOD ACTIVITIES

- Review and sign-off loan agreement with Argyll & Bute Council
- Finalise business unit leases.
- Confirm rental allocations with CHT
- Confirm ABC loan terms
- Finalise Deed of Conditions and MOWI Heads of Terms
- Progress Standard Security with Scottish Government
- Progress Housing Management processes and procedures

5. APPENDICES

None

COLONSAY COMMUNITY DEVELOPMENT COMPANY

PROJECT REPORT – Moorings

Project report
Campsite

Project	**Campsite**			
Report Compiled by	**Lizzie Keenaghan**			
Reporting Period	**February 2024**			
Project Status	Previous Status:		Current Status:	

1. SUMMARY OF ACTIVITY

- Helen's application for planning permission has been approved, with conditions to meet. Helen to report on this - requirements, timescales etc. WHHA works beginning will be a big help with this.
- Argyll & Bute Council administering the Infrastructure Fund were promptly in touch to approve further grant fund claims.
- As a result, all outstanding invoices are now paid. David & Sarah Hobhouse have been thanked for their patience over a long period of time.
- Dannie & Helen are working together to amend the Development Agreement - responsibilities and roles etc. going forward
- The allocation of tasks ahead is to be along the lines of:
    - the campsite business organising infrastructure works to the specifications needed/wanted & communicating on planning issues
    - CCDC supporting on site works, but focussing more on administration of funds, claims & communications with ABC around the grant
- Because much time has passed, and contractor availability changed, before the works can begin again there needs to be an up-to-date assessment of quotes and what's needed that is essential to achieve the site ready to open. Chris Nisbet has offered practical support, and is now included within the campsite business team.
- Helen is arranging an archaeologist for a watch brief at soakaway site
- Remaining funds available to spend are: £16,173, from a project total of £44,778 (Infrastructure £40,000 plus Staycation grant of £4778)

PROJECT REPORT – Moorings

2. KEY ISSUES

- Unfortunately it's still the case that ABC's Infrastructure Fund team have revised the specific items eligible for grant funding - resulting in a reshuffle of funded/not funded elements. Previously the fund didn't want to support croft storage container for the business or the planning permission fee – but the quad bike (necessary for water transport) and mover (to top tent area) were included. This was then reversed part-way through the project, and it has been difficult to contest. Helen & CCDC need to plan together how best to complete the reshuffle.

3. FORMAL APPROVALS / DECISIONS REQUIRED

- none

4. UPCOMING ACTIVITIES

- 5th claim to Infrastructure Fund to submit, for expenditure of £16,304 – many invoices & transaction statements to collate.
- Conversation with ABC needed about extension into the financial year approaching, on account of changing contractor availability and time of year challenges.
- Outstanding works needed on site have to be allocated/costed within remaining funds – this task with the campsite business currently
- CCDC will charge project VAT to campsite business (VAT-registered) as 'onward supply'

Appendices

COLONSAY COMMUNITY DEVELOPMENT COMPANY

Annual Accounts

Report to CCDC Board – 8th February 2024

Background

The final draft Annual Accounts for CCDC and the Trading Company for 2022/23 are included in the appendices to this report for approval, following presentation at the EGM earlier today.

Commentary

Following the delayed Audit, there have been no material changes to the initial draft accounts first presented to the Board in September. The auditor has found no areas of concern – their commentary can be found in the accounts.

Recommendation

Neither our accountants nor our auditor have issued any qualifications, requirements or recommendations for action that the company needs to take.

They are also satisfied that CCDC is a "going concern". This latter opinion is essentially looking forward from the accounting year (2022/23) to make sure that the company is in good shape, and a viable business.

I recommend that the Board:

- Note any comments raised at the EGM, and agree any necessary action to follow
- Approve the annual accounts.

Callum Hay – Director

February 2024

Colonsay Community Development Company

Company Limited by Guarantee

Company registration No – SC208892
Charity registration No – SC030317

Unaudited financial statements
for the year ended
31 March 2023

Simmers & Co
Chartered Accountants
OBAN

Colonsay Community Development Company

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

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Colonsay Community Development Company

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	Colonsay Community Development Company	
Charity registration number	SC030317	
Company registration number	SC208892	
Principal office and registered office	Colonsay Service Point Scalasaig Isle of Colonsay Argyll PA61 7YW	
The trustees	Mr A Abrahams	
	Ms S Dance	(Resigned 6 December 2022)
	Mr C Hay	
	Mr W Joll	
	Mr L McNeill	(Resigned 6 December 2022)
	Mr D Onn	
	Ms H Mann	
	Ms S Hobhouse	(Resigned 5 June 2023)
	Mr D Keenaghan	(Appointed 29 September 2022)
	Ms L M McInnes	(Appointed 25 August 2022)
	Ms L A Chalmers	(Appointed 3 May 2023)
Accountants	Simmers & Co Chartered accountants Albany Chambers Albany Street Oban PA34 4AL	
Auditor	Nicola Jane Cadwallader FCCA Chartered accountants & statutory auditor Unit 3 Bignell Park Barns Chesterton Nr Bicester Oxfordshire OX26 1TD	

Structure, governance and management

The Company (registration number SC208892) is limited by guarantee of its members. It is a charity registered in Scotland (SC030317) and is governed by a memorandum and articles of association. All directors, including those appointed during the year by the existing directors to fill vacancies, resign and offer themselves for re-election at the Annual general Meeting of members. All the directors are volunteers and none of the directors, nor anyone connected with them, receive any remuneration or other benefit from the company.

Objectives and activities

Colonsay Community Development Company (CCDC) is a registered charity with the following aims: Promoting the wellbeing of the residents of Colonsay and Oransay.

1. Advancing education amongst the community, particularly among young people and the unemployed.
2. Addressing the issues of social and economic exclusion and providing access to employment and enterprise.
3. Protection and preservation of the natural environment of Colonsay and Oransay, for the benefit of the local population

The organisation works with the community to find out what their basic needs are - particularly for those who experience disadvantage or acute isolation. They respond by fundraising and delivering a wide range of community learning and development activities. We aim to create opportunity for islanders, their families and visitors to come together through learning, history and celebration, Owner and managed by the community, we aim to promote a more sustainable future for our residents. CCDC is independent but seeks to work in partnership with other private public and third sector organisations, it has the ambition to reduce dependency on grant support be generating income through enterprise and the ownership of assets. All trading surpluses are reinvested in the organisation and the community. The Trustees have paid due regard to guidance issued by the Office of the Scottish Charity Regulator in deciding what activities the Charity should undertake. All the organisations directors are volunteers.

Achievements and performance

2022-23 has been another busy period for the company with progress being made on several fronts. We are indebted to our staff and volunteers for the huge amount of work done over the year. The following is but a brief summary.

Projects

Construction of our main projects in Scalasaig had progressed well through the summer of 2022, with the houses wind and water tight by the end of March and fitting out in progress. The six community houses are intended to complement the five affordable housing units being built at Port Mor by West Highland Housing Association. Unfortunately, progress on that site is still held back by circumstances outwith our control.

Three of our community crofters are moving forward with their plans to build croft houses. These have now started on site. The crofts project has been successful in bringing younger people and families to the island, despite the difficulties associated with crofting law. We are delighted that permanent homes are now being built on the crofts. We are actively pursuing other opportunities to offer further crofts for new families to move to the island.

Our tourism projects include the new visitor moorings proposed for Queens Bay and the Colonsay Campsite. The Moorings installation at Queens Bay were installed in summer 2022 and are in use. With the kind assistance of MOWI the project is secured for the first three years. Early indications are that the moorings have met expectations for summer use.
The campsite project has fallen victim to planning delays and some funding concerns. CCDC is working with Argyll and Bute Council and its croft tenant to deliver the project in 2023/24.

The Old Baptist Manse was no longer required by our Scalasaig contractor and has once again been made available to one of our families in temporary need of a home.

Earlier in the year we followed up on the possibility of a grant to trial e-bikes on the island. We discussed the project with an existing bikes and paddleboards hire company on the island and successfully put together a funding package. Unfortunately, the project ran into issues relating to liabilities and insurance. These have put delivery of the project on hold.

Community Planning - This year has seen the completion of our new Community Plan. This has been funded through HIE's graduate placement programme. Extensive consultation following best practice guidance has enabled us to produce a comprehensive aspirational plan for the community. The new plan has been endorsed by the community council and the Colonsay and Oransay Heritage Trust, as the other community bodies representing the island community. As part of the planning exercise, we have engaged with the Scottish Government Islands Team to produce an island profile. This will provide a snapshot of the island's social and economic state. It will provide us with an evidence base for definition of future projects, a supporting document in the preparation of funding bids, and a means of measuring our success. It is a pilot project for the SG Islands Team and we will be reporting on the issues and lessons learned.

Management and Governance

In 2022 we completed the overhaul of our website and corporate image. There are still improvements to be made, but this has allowed us to better portray the community involvement in support of its sustainability on the island and demonstrate our increasing capacity to control our own affairs and make real change on the ground.

Although we have had the equivalent of two full time members of staff this year, we still have an over-reliance on the generosity of volunteer directors covering the management void in our company structure. The input of directors in that role alone is estimated to provide the equivalent of another full-time employee.

In terms of our strategic approach to community development we have engaged extensively with the Scottish Government, our MP and MSPs, local councillors and officials, and community focussed agencies such as HIE, The Land Commission, and Community Land Scotland. This manifested through meetings, attendance at seminars and workshops. We have also presented our major housing and business development at the CLS annual conference.

Trading Company

Our trading subsidiary, Colonsay Trading Company, continues to provide a vital support role by supplying various types of fuel for vehicles and home heating. We have rationalised the accounting and management systems, introduced card payment options and maintained the pump and equipment.

Financial review

Principal risks and uncertainties

The directors regularly examine the charity's exposure to strategic, financial, business and operational risks at board meetings with specific emphasis more recently on risks arising from the major housing and business space project. Details of mitigation actions are noted in the minutes of the meeting.

Financial outturn

Under the Statement of Recommended Practice 19 (SORP) for charity accounts, income is reported in the year it is received whilst expenditure may be reported in future years. As a result, funds may be carried forward to future years and expenditure in those years made out of those funds may exceed the income for the year.

The results for the year were total group income of £1,740,645 (2022 - £1,255,532) of which £1,642,742 (2022 - £1,169,720) was restricted income and £97,903 (2022 - £85,812) unrestricted. Group expenditure totalled £154,039 (2022 - £202,914), of which £49,229 (2021 - £70,616) was restricted and £104,810 (2022 - £146,771) was unrestricted. After transfers, the result for the year was a group surplus of £1,586,606 (2022 - £1,052,618) of which £1,591,527 (2022 - £1,116,302) was restricted funds and deficit £4,921 (2022 - 63,684) was unrestricted.

Total group reserves at the year end were £3,777,775 (2022 - £2,191,169) of which £3,593,117 (2022 - £2,001,590) of funds were restricted and £184,658 (2022 - £189,579) were unrestricted. Total charity's reserves at the year end were £3,755,997 (2022,£2,169,479) of which £3,593,117 (2022 - £2,001,590) of funds were restricted and £162,880 (2022 - £167,889) were unrestricted.

The group's reserves policy are to secure sufficient grant funding to complete the planned projects and thereafter through detailed management of the business plan , obtain income through sales and other grant and voluntary revenue funding to allow the company to operate successfully and achieve its stated charitable aims.

Plans for future periods

The year 2023 to 2024 will be a significant milestone for the company. The flagship housing and business unit construction should be completed within the year with people and businesses occupying all of the buildings. The board will be busy transitioning to an asset management role alongside our project development.

Projects

It is clear from the level of interest in the houses we are building that more will be needed. We have had 18 worthy applications for a total of 6 houses. We therefore intend to plan the next phase of housing development. At the same time, we have had little interest in the three discounted self-build plots created at our housing site. This may reflect the difficult mortgage market and the dramatic increase in building costs on our remote island. Therefore, we might quickly seek prices and consequent funding to develop any remaining plots with additional rental properties.

The financial year 2023/24 should also see the development of the Old Manse site. We are currently applying for funds to carry out the necessary consultation, planning and viability assessment for refurbishing and extending the existing house into a three-bedroom family home to a modern standard of accommodation and as an exemplar of retrofitting an old building to reduce its carbon emissions. We hope that would provide valuable insights for the conversion of other inefficient properties on the island. This project will include exploring the options for developing part of this relatively large site for additional development. That could be domestic or business use depending on demand, viability and funding.

For some years now, CCDC has been co-operating with West Highland Housing Association to deliver affordable housing at Kilchattan. Planning permission was obtained in 2017, but implementation has been stalled. Covid has again been a factor, and the legal processes for acquiring suitable access to the site for the development are taking some time. The project has been stalled further and whilst a return to site is expected this coming year, we do not anticipate completion until 2024/25.

The coming year should see the completion of the Colonsay Campsite project.

The company continues to act in the best interests of its community and frequently receives suggestions for opportunity projects. Currently we are looking into acquiring further community croft opportunities and a potential purchase of another business unit on the Colonsay Business Park.

Community Planning

The next step towards our community planning is the completion of the Island Profile. As part of our sustainability planning and following on from the successful publication of our 10-year community plan, we continue to look for ways to expand our asset portfolio. We aspire to complete an Action Plan and will be looking at ways to fund and deliver a local place plan to help us identify where the community-led development should be built. These documents will use the island profile as the main evidence base for defining project priorities. We will be consulting our community at an early stage. We will also engage with landowners and government to secure the right to do so.

Management and Governance

We are fortunate to have strengthened the board this year by co-opting a new director with considerable experience of managing a housing association. This will put us in a stronger position to negotiate the legal and technical requirements of managing our community's assets. We will look for further opportunities to strengthen the board in the coming year. Following on from last year's improvements to our governance we look forward to strengthening our supporting policies, continued engagement and co-operation with our community council, and updating our community on a more regular basis.

The development company currently operates from the Argyll and Bute Service Point and we are grateful to the council for their support and the contribution to the company that goes with it. We note that the council has twice looked at closing the Service Point in recent years. We will look to work with the council to provide a solution to making council services accessible on Colonsay, to reducing the burden on their finances, but still allowing CCDC to have a base in the building.

As last year, we continue to work towards a sustainable future for the community company, where the income from the assets is used to pay for their management and upkeep. The board recognises that the responsibility for the assets will rest with the community, but the management tasks should be handled by suitably qualified or experienced paid staff. Some elements of this will be outsourced to specialist companies, but CCDC seeks to employ an asset or a charity manager to oversee the business of the company. We continue to look at sources of revenue funding to pay for the necessary management role, not least because it would reduce the high workload on volunteer directors.

A future development with a potentially huge impact on Colonsay is the proposed construction of a 2GW offshore wind farm to the west of Colonsay. There is no visible land to the west of us and the open views and sunsets are among the most spectacular anywhere. Scottish Power Renewables has successfully bid for the option to develop the Machair Wind site which could consist of more than 100 turbines at 200m high standing about 10 to 15 kilometres from our shore. CCDC, along with the community council has engaged with SPR and a draft memorandum of understanding has been drafted to ensure that Colonsay community and SPR maximise the benefits of the project to renewable energy, to our community and to the rest of Scotland. We anticipate concluding that understanding in the coming months and continuing to work alongside SPR during the lengthy process of establishing the development.

We are extremely grateful to our funders and supporting agencies. We look forward to further sharing our experience with these bodies at their conferences and other events. Colonsay Trading Company

We anticipate that the Colonsay Trading Company will continue to provide a vital fuel supply service for both the island's residents and visitors, although we are planning now for the eventual phasing out of solid fuels and a reduction in demand for vehicle fuel. This combined with a desire to minimise the cost to customers means that the trustees will no longer be assuming a contribution from the company to the activities of CCDC.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on xx February 2024 and signed on behalf of the board of trustees by:

Mr C Hay
Trustee

Mr D Onn
Trustee

Independent Auditor's Report to the Members of Colonsay Community Development Company

Year ended 31 March 2023

Opinion
We have audited the financial statements of Colonsay Community Development Company (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Balance Sheet, the Group and Parent Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- Give a true and fair view of the state of the Group's and Parent Charitable Company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
the information given in the Trustees Annual Report (incorporating the directors' report) for the financial year for which
the financial statements are prepared is consistent with the financial statements
the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the Group and Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirements to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to the Charities SORP, Charities and Trustee Investment (Scotland) Act 2005, Companies Act 2006 and data protection laws (including UK General Data Protection Regulation (GDPR)).

We assessed the risks of material misstatement in respect of fraud by

- Making enquiries of management and those charged with Governance
- Reviewing fraud risk factors within discussion of related party relationships and transactions

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. The Charity's policies and procedures for compliance with those laws and regulations was obtained and discussed with management.

We corroborated our enquiries through review of board meeting minutes. No contradictory evidence was identified.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries throughout the year into our audit approach. Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud including a review of the accounting policies adopted by the Charity particularly in relation to the recognition of income.

We have considered the extent to which the audit was considered capable of detecting irregularities which is inherently difficult when dealing with incoming resources from donations. The group and parent company's internal control procedures have been designed to mitigate against this risk.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nicola Jane Cadwallader FCCA
(Senior Statutory Auditor)
For and on behalf of
David Cadwallader & Co Limited
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Unit 3 Bignell Park Barns
Chesterton
Nr Bicester
Oxfordshire
OX26 1TD

Date: xx February 2024

Colonsay Community Development Company

Company Limited by Guarantee

Statement of Financial Activities (Group)
(including income and expenditure account)

Year ended 31 March 2023

	Note	Unrestricted funds £	2023 Restricted funds £	**Total funds £**	2022 Total funds £
Income and endowments					
Donations and legacies	**5**	6,778	1,642,742	1,649,520	1,160,345
Charitable activities	**6**	11,441	–	11,441	17,490
Subsidiary trading income		79,630	-	79,630	77,670
Other trading activities	**7**	53	–	53	27
Investment income	**8**	1	–	1	–
Total income		97,903	1,642,742	1,740,645	1,255,532
Expenditure					
Expenditure on charitable activities	**9,10**	104,809	49,229	154,038	202,914
Total expenditure		104,809	49,229	154,038	202,914
Net (deficit) income		(6,906)	1,593,513	1,586,607	1,052,618
Transfers between funds		1,986	(1,986)	–	–
Net movement in funds		(4,920)	1,591,527	1,586,607	1,052,618
Reconciliation of funds					
Total funds brought forward		189,579	2,001,590	2,191,169	1,138,551
Total funds carried forward		184,659	3,593,117	3,777,776	2,191,169

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 30 form part of these financial statements.

Colonsay Community Development Company

Company Limited by Guarantee

Statement of Financial Position (Group)

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	**16**	3,191,996	1,498,132
Investments	**17**	-	-
		3,191,996	1,498,132
Current assets			
Stocks	**18**	19,424	19,119
Debtors	**19**	149,726	71,950
Cash at bank and in hand		712,297	638,801
		881,447	729,870
Creditors: amounts falling due within one year	**20**	295,667	36,833
Net current assets		585,780	693,037
Total assets less current liabilities		3,777,776	2,191,169
Net assets		3,777,776	2,191,169
Funds of the charity			
Restricted funds		3,593,117	2,001,590
Unrestricted funds		184,659	189,579
Total charity funds	**22**	3,777,776	2,191,169

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on xx February 2024 and are signed on behalf of the board by:

Mr C Hay
Trustee

Mr D Onn
Trustee

The notes on pages 16 to 30 form part of these financial statements.

Colonsay Community Development Company

Company Limited by Guarantee

Statement of Financial Position (Charity)

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	**16**	3,191,821	1,497,914
Investments	**17**	100	100
		3,191,921	1,498,014
Current assets			
Debtors	**19**	162,022	836,272
Cash at bank and in hand		693,375	623,276
		855,397	706,548
Creditors: amounts falling due within one year	**20**	291,322	35,083
Net current assets		564,075	671,465
Total assets less current liabilities		3,755,996	2,169,479
Net assets		3,755,996	2,169,479
Funds of the charity			
Restricted funds		3,593,117	2,001,590
Unrestricted funds		162,880	167,889
Total charity funds	**22**	3,755,997	2,169,479

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 23 September 2023 and are signed on behalf of the board by:

Mr C Hay
Trustee

Mr D Onn
Trustee

The notes on pages 16 to 30 form part of these financial statements.

Colonsay Community Development Company

Company Limited by Guarantee

Statement of Cash Flows (Group and Charity)

Year ended 31 March 2023

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Cash flows from operating activities				
Net income	1,586,606	1,052,618	1,586,517	1,051,738
Adjustments for:				
Depreciation of tangible fixed assets	9,797	10,003	9,754	9,949
Impairment of tangible fixed assets	-	52,313	-	-
Loss on sale of fixed assets	896	-	896	-
Other interest receivable and similar income	(1)	(3)	(1)	–
Accrued expenses/(income)	220,812	5,988	218,953	(10,834)
Changes in:				
Stock	(305)	(10,523)	-	-
Trade and other debtors	(79,647)	(57,201)	(78,750)	(54,7350
Trade and other creditors	39,894	3,340	37,286	22,428
Cash generated from operations	1,778,052	1,056,535	1,774,655	1,018,546
Interest received	1	-	1	–
Net cash from operating activities	1,778,053	1,056,535	1,774,656	1,018,546
Cash flows from investing activities				
Purchase of tangible assets	(1,704,738)	(594,911)	(1,704,738)	(594,911)
Proceeds from sale of tangible assets	181	-	181	–
Net cash used in investing activities	1,704,557	(594,911)	(1,704,557)	(594,911)
Net increase in cash and cash equivalents	73,496	461,624	70,099	423,635
Cash and cash equivalents at beginning of year	638,801	177,177	623,276	147,328
Cash and cash equivalents at end of year	712,297	638,801	693,375	570,963

The notes on pages 16 to 30 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is Colonsay Service Point, Scalasaig, Isle of Colonsay, Argyll, PA61 7YW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Consolidation

The financial statements consolidate the results of the charity and its wholly owned trading subsidiary Colonsay Trading Company.

Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumption about the carrying amount of assets and liabilities that are not readily apparent from other sources, The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Plant and machinery	-	15% reducing balance
Fixtures and fittings	-	20% reducing balance
Equipment	-	20% reducing balance

3. Accounting policies *(continued)*

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

3. Accounting policies *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The charity is limited by guarantee of its members. In the event of a wind up, individual members liability will be limited to £1 each.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Donations			
Donations	6,778	–	6,778
Grants			
Grants HIE	–	96,177	96,177
Grants Argyll & Bute Council	–	445,425	445,425
Grants MOWI	–	469,027	469,027
Grants Scottish Government	–	632,113	632,113
Subscriptions			
Membership fees	–	–	–
	6,778	1,642,742	1,649,520

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	–	29,695	29,695
Grants			
Grants HIE	–	56,330	56,330
Grants Argyll & Bute Council	–	–	–
Grants MOWI	–	500,181	500,181
Grants Scottish Government	–	574,065	574,065
Subscriptions			
Membership fees	74	–	74
	74	1,160,271	1,160,345

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Services provided under contract	4,648	–	4,648
Charitable rental income	5,095	–	5,095
Web advertising	–	–	–
Moorings rent	1,698	–	1,698
Other income from charitable activities	–	–	–
	11,441	–	11,441

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Services provided under contract	–	9,449	9,449
Charitable rental income	6,297	–	6,297
Web advertising	1,180	–	1,180
Moorings rent	–	–	–
Other income from charitable activities	564	–	564
	8,041	9,449	17,490

7. Other trading activities

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Other income from other trading activities	53	53	27	27

8. Investment income

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	1	1	–	–

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Charitable activities	18,562	44,595	63,157
Trading activities	76,466	-	76,466
Support costs	9,781	4,634	14,415
	104,809	49,229	154,038

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable activities	64,922	52,791	117,713
Trading activities	74,993	-	74,993
Support costs	6,856	3,352	10,208
	146,771	56,143	202,914

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	**Total funds 2023**	Total fund 2022
	£	£	**£**	£
Charitable activities	63,157	5,326	68,483	122,373
Trading activities	76,466	-	76,466	74,993
Governance costs	–	9,089	9,089	5,548
	139,623	14,415	154,038	202,914

11. Analysis of support costs

	Analysis of support costs	**Total 2023**	Total 2022
	£	**£**	£
General office	1,510	1,510	1,074
Governance costs	9,089	9,089	5,548
Website and advertising	3,816	3,816	3,586
	14,415	14,415	10,208

12. Net income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	9,797	10,003

13. Auditors remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	4,122	1,500
Other fees paid	-	2,498
Fees in regards to subsidiary accounts and audit	728	1,550
	4,850	5,548

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	37,947	49,181
Employer contributions to pension plans	397	416
	38,344	49,597

The average head count of employees during the year was 4 (2022: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff – service point	0.2	0.3
Number of staff - development	1.0	0.9
	1.2	1.2

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

15. Trustee remuneration and expenses

no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

16. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Equipment £	**Total £**
Cost					
At 1 April 2022	1,476,634	149,589	752	3,880	1,630,855
Additions	1,678,923	25,815	–	–	1,704,738
Disposals	(1,001)	(330)	–	–	(1,331)
At 31 March 2023	3,154,556	175,074	752	3,880	3,334,262
Depreciation					
At 1 April 2022	9,072	120,001	752	2,898	132,723
Charge for the year	4,536	5,065	–	196	9,797
Disposals	–	(254)	–	–	(254)
At 31 March 2023	13,608	124,812	752	3,094	142,266
Carrying amount					
At 31 March 2023	3,140,948	50,262	–	786	3,191,996
At 31 March 2022	1,467,562	29,588	–	982	1,498,132

Tangible fixed assets held at valuation

In February 2023, the 5 crofts were revalued by Bell Ingram Chartered Quantity Surveyors on a continuing use basis at a value of £148,000 which resulted in an impairment of £52,313. The trustees consider that there has been no variation in value between the year end and the date of the revaluation, thus the revised value should be incorporated in these financial statements.

17. Investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2022 and 31 March 2023	100
Impairment	
At 1 April 2022 and 31 March 2023	–
Carrying amount	
At 31 March 2023	100
At 31 March 2022	100

17. Investments *(continued)*

All investments shown above are held at valuation.

Listed investments
The Charity controls the Company listed below by a virtue of holding a controlling interest in the equity share capital.

Name of subsidiary	Country of incorporation	% of equity held
Colonsay Trading Company Ltd	Scotland	100

In the year, the subsidiary generated a profit after tax of £89 (2022 - £931), resulting in net assets of £21,879 (2022 £21,790)

18. Stock

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Stock of fuel	19,424	19,119	-	-

19. Debtors

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade debtors	51,976	12,230	42,897	4,048
Amounts owned by group undertakings	-	-	21,375	19,504
Prepayments and accrued income	1,438	545	1,438	545
Other debtors	96,312	59,175	96,312	59,175
	149,726	71,950	162,022	83,272

20. Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade creditors	1,390	13,556	1,390	13,484
Accruals and deferred income	225,995	5,183	222,458	20,149
Social security and other taxes	808	1,450	-	1,450
Other creditors	67,474	16,644	67,474	-
	295,667	36,833	291,322	35,083

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £397 (2022: £416).

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	Transfers	**At 31 March 2023**
	£	£	£	£	£
General funds	189,579	97,903	(104,810)	1,986	184,658

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	253,263	85,812	(146,771)	(2,725)	189,579

Restricted funds

	At 31 March 2022	Income	Expenditure	Transfers	**At 31 March 2023**
	£	£	£	£	£
HIE development office	-	19,898	(19,898)	-	-
Argyll & Bute Council	5,316	9,655	(4,991)	-	9,980
Waste Management	2,963	-	(444)	-	2,519
Scalasaig Land purchase	520,711	-	-	(5,160)	515,551
Manse Development	220,237	-	(7,069)	-	213,168
Paths for all	1,500	-	-	-	1,500
RBIP/Business Innovation Grants	1,886	-	-	-	1,886
Islands Green Recovery Plan	96,000	-	-	-	96,000
Moorings	10,419	5,421	(2,854)	(1,986)	11,000
Website	-	3,125	(3,125)	-	-
Graduate Scheme and Training	6,969	-	(6,969)	-	-
Scalasaig Development	1,135,299	1,576,169	(3,879)	5,160	2,712,749
Consultation	290	-	-	-	290
Campsite	-	28,474	-	-	28,474
	2,001,590	1,642,742	(49,229)	(1,986)	3,593,117

	At 31 March 2021	Income	Expenditure	Transfers	**At 31 March 2022**
	£	£	£	£	£
HIE development office	-	18,850	(19,159)	309	-
Argyll & Bute Council	4,518	9,449	(8,651)	-	5,316
Waste Management	3,486	-	(523)	-	2,963
The Robertson Trust	84	-	-	(84)	-
Scalasaig Land purchase	549,611	-	-	(28,900)	520,711
Manse Development	227,562	-	(7.325)	-	220,237
Paths for all	1,500	-	-	-	1,500
RBIP/Business Innovation Grants	2,500	-	(3,114)	2,500	1,886
Supporting	27	-	(27)	-	-
Islands Green Recovery Plan	96,000	-	-	-	96,000
Moorings	-	11,907	(1,488)	-	10,419
Website	-	3,125	(3,125)	-	-
Graduate Scheme and Training	-	19,700	(12,731)	-	6,969
Scalasaig Development	-	1,106,399	-	28,900	1,135,299
Consultation	-	290	-	-	290
	885,288	1,169,720	(56,143)	2,725	2,001,590

Highland and Islands Enterprise (HIE) - Funds were received to fund to development officers to promote and develop projects to support the charity's aims

Argyll & Bute Council - funds were received from the local council to support the operation of the local service point.

Waste management - funds were received from Colonsay and Oronsay Common Good Fund and Islay Energy Trust to facilitate the purchase of a waste composter.

Scalasaig Housing Project - Funds were received from Scottish Land Fund (SLF), HIE, Scottish Government Rural Housing Fund, Mowi and Crowd funding to facilitate acquisition of land and to build affordable housing.

Manse redevelopment - funds were receive from SLF to undertake feasibility studies for use of the former Baptist Manse Building for uses for the benefit of the community. Paths for all - funds were received from

Paths for All to develop a path from the planned moorings to the village centre. Consultation - funds were received from AACHA to undertake consultation on the islands future.

Island Green Recovery Plan - funds were received from Inspiring Scotland to develop and delivery economic growth and recovery by adopting green technology and practices

RBIP/ Business innovation funds - funds were received from 2 organisations to provide grants to projects on the islands which promote innovation and growth.

Moorings - funding was received from HIE to install moorings for yachting visitors to the island

Website - funding was received from HIE to allow the charity's website to be rebuilt

Consultation – funds were received from ACHA to allow a public consultation meeting to be held.

Campsite - funds were received from Argyll and Bute Council to support a local crofter to create a sustainable campsite on the island.

23. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	**Total Funds 2023**
	£	£	**£**
Tangible fixed assets	163,221	3,028,775	3,191,996
Current assets	317,105	564,342	881,447
Creditors less than 1 year	(295,667)	–	(295,667)
Net assets	184,659	3,593,117	3,777,776

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	167,172	1,330,960	1,498,132
Current assets	47,333	682,537	729,870
Creditors less than 1 year	(24,926)	(11,907)	(36,833)
Net assets	189,579	2,001,590	2,191,169

24. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	855,397	706,548
Financial liabilities measured at fair value through income and expenditure		
Financial liabilities measured at fair value through income and expenditure	(68,864)	(31,578)

25. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	**At 31 Mar 2023**
	£	£	**£**
Cash at bank and in hand	623,276	70,099	693,375

26. Charge

On 2 December 2022,the charity granted a charge over an area of land lying to the west of Colonsay Village Hall recorded as title ARG28288 to Argyll & Bute Council.

27. Related parties

There were no direct related party transactions. By the nature of the services provided by the charity and its subsidiary, trustees and other connected parties may purchase goods from the fuel point operated by the subsidiary but these transactions take place at the same prices available to all island residents.

The following pages do not form part of the financial statements.

Colonsay Community Development Company

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31 March 2023

	2023	2022
	£	£
Income and endowments		
Donations and legacies		
Donations	6,778	29,695
Grants HIE	96,177	56,330
Grants Argyll & Bute Council	445,425	–
Grants MOWI	469,027	500,181
Grants Scottish Government	632,113	574,065
Membership fees	–	74
	1,649,520	1,160,345
Charitable activities		
Services provided under contract	4,648	9,449
Charitable rental income	5,095	6,297
Web advertising	–	1,180
Moorings rent	1,698	–
Other income from charitable activities	–	564
	11,441	17,490
Other trading activities		
Other income from other trading activities	53	27
Subsidiary trading income	79,630	77,670
Investment income		
Bank interest receivable	1	–
Total income	1,740,645	1,255,532

Expenditure		
Expenditure on charitable activities		
Purchases	–	3,270
Wages and salaries	37,947	49,181
Pension costs	397	416
Rent	412	–
Rates and water	694	985
Light and heat	3,781	1,137
Repairs and maintenance	–	2,969
Insurance	1,510	1,423
Legal and professional fees	13,103	(323)
Telephone	–	116
Other office costs	2,340	1,072
Amortisation	895	–
Depreciation	9,754	9,949
Impairment	–	52,313
Subscriptions and events	349	30
Website and advertising	3,816	3,586
Subsidiary operating costs	79,040	76,793
	154,038	202,917
Total expenditure	154,038	202,917
Net income	1,586,607	1,052,618

Company registration number: SC253446

Colonsay Trading Company Limited
Trading as Colonsay Trading Company Limited

Unaudited filleted financial statements

31 March 2023

Colonsay Trading Company Limited

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Colonsay Trading Company Limited

Directors and other information

Directors	Ms Sarah Hobhouse Mr Andrew Abraham Mr William Joll Mr Liam McNeill Mrs Susan Dance Mr Callum Hay Ms Helen Mann Mr Dannie Onn
Company number	SC253446
Registered office	Scalasaig Isle of Colonsay Argyll & Bute PA61 7YW
Business address	Colonsay Village Hall Scalasaig Isle of Colonsay Argyll PA61 7YW
Accountants	David Cadwallader & Co Limited Unit 3 Bignell Park Barns Chesterton By Bicester Oxfordshire OX26 1TD

Colonsay Trading Company Limited

Report to the board of directors on the preparation of the unaudited statutory financial statements of Colonsay Trading Company Limited Year ended 31 March 2023

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Colonsay Trading Company Limited for the year ended 31 March 2023 which comprise the statement of financial position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants , we are subject to its ethical and other professional requirements which are detailed at http://www.accaglobal.com/en/member/ professional-standards/ rules-standards/acca-rulebook.html.

This report is made solely to the board of directors of Colonsay Trading Company Limited, as a body, in accordance with the terms of our engagement letter dated 1 February 2022. Our work has been undertaken solely to prepare for your approval the financial statements of Colonsay Trading Company Limited and state those matters that we have agreed to state to the board of directors of Colonsay Trading Company Limited as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at http://www.accaglobal.com/content/dam/ACCA_Global /Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Colonsay Trading Company Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Colonsay Trading Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Colonsay Trading Company Limited. You consider that Colonsay Trading Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Colonsay Trading Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

David Cadwallader & Co Limited
Chartered Accountants and Registered Auditors

Unit 3 Bignell Park Barns
Chesterton
By Bicester
Oxfordshire
OX26 1TD

23 September 2023

Statement of financial position (continued)
31 March 2023

	2023 £	2022 £
Fixed assets	175	218
Current assets	47,425	42,826
Creditors: amounts falling due within one year	(22,184)	(19,576)
Net current assets	25,241	23,250
Total assets less current liabilities	25,416	23,468
Accruals and deferred income	(3,537)	(1,678)
Net assets	21,879	21,790
Capital and reserves	21,879	21,790

Notes to the financial statements

1. Employee numbers

The average number of persons employed by the company during the year amounted to Nil (2022: Nil).

The companies business is managed by individuals thus the number of employees in the year was nil (2020 - nil)

2. Impact of Covid 19

The company was adversely affected by Covid through the loss of sales to visitors to the island. But as the companies costs are minimal, the impact was minor. As such the directors consider that the impact can be viewed as a non adjusting event and the preparation of the accounts under the going concern concept remains appropriate

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsiblities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the micro-entity provisions and have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the board of directors and authorised for issue on 23 September 2023, and are signed on behalf of the board by:

Mr Dannie Onn
Director

Mr Callum Hay
Director

Company registration number: SC253446

The company is a private company limited by shares, registered in Scotland.