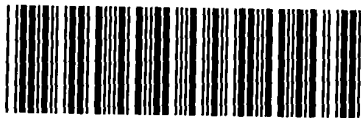


HEBRIDEAN TRUST

THE HEBRIDEAN TRUST LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2016

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INDEX

Page	1-6	Trustees' Report
	7-8	Independent Auditors' Report
	9	Statement of Financial Activities
	10	Balance Sheet
	11	Cash Flow Statement
	12-19	Notes to the Financial Statements

Registered Company Number 1653639

Registered Charity Numbers 285629 & SC038956

THE HEBRIDEAN TRUST LIMITED**Trustees' Report
for the Year Ended 31 March 2016****REFERENCE AND ADMINISTRATIVE DETAILS**

CHARITY REGISTRATION NUMBERS	285629 SC038956
COMPANY REGISTRATION NUMBER	1653639
COUNCIL (TRUSTEES)	M P Stanfield A M Smith MA (Oxon) L P Stanfield I L Boyd (appointed 21 December 2015)
AUDITORS	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE
SOLICITORS	Pagan Osborne Clarendon House 116 George Street Edinburgh EH2 4LH
BANKERS	The Royal Bank of Scotland 32 St Giles Oxford OX1 3ND
REGISTERED OFFICE	194 Woodstock Road Oxford OX2 7NQ

THE HEBRIDEAN TRUST LIMITED**Trustees' Report
for the Year Ended 31 March 2016 (continued)****GOVERNANCE**

The charity is governed by its Memorandum & Articles of Association.

The Trustees collectively form the Council of Management. The existing Council members appoint any new Trustees. The Trustees, all of whom are specialists in their own areas, are given the opportunity of attending additional training courses and making visits to projects. Michael Stanfield, who Chairs the Council of Management, will, from time to time, nominate a Trustee with particular knowledge relating to a project to oversee that project. In these circumstances the Trustee may also act as spokesperson for the project. All Trustees give of their time freely and no Trustee remuneration was paid in the year. The Trustees make policy decisions but are not involved in the day to day running of the Trust. Professor Ian Boyd rejoined the Trustees on December 21st 2015, following a leave of absence, the Trustees were delighted to welcome him back.

The major risks to which the charity has been exposed have been reviewed by the Trustees and systems established to mitigate those risks. We are glad to report that last year's surplus has been followed by a further surplus in this year.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Our mission remains to support, stimulate and develop the economies of island communities, to restore and maintain buildings of outstanding architectural work, to protect and preserve the natural environment and to educate the public in all matters Gaelic.

The Hebridean Trust was formed in 1982 with the aim of helping reverse the population decline in the Hebridean islands by creating jobs and income for those living on the islands, restoring buildings of architectural significance and informing the general public about the Hebrides, its way of life, its Gaelic culture and its natural heritage.

The Trust has referred to the guidance contained in the Charity Commission's general guidance on public benefit and the Office of the Scottish Charity Regulator's guidance on meeting the charity test when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Trust set out by restoring two significant buildings of heritage and architectural worth. The Signal Tower, Hynish, Isle of Tiree, once the only means of communicating with the keepers of the Skerryvore Lighthouse, some 10 miles out at sea, was opened as a small museum. More recently the Trust has re-told the "Story of Skerryvore Lighthouse" in an interpretative exhibition, now housed in a former smithy in Hynish. The exhibition attracts significant numbers of visitors and the Trust relies upon a network of local volunteers to run it. The Trust also restored a terrace of thatched buildings including a cottage, barn and byre, on the Isle of Tiree, which it has subsequently passed back into the island's housing stock.

Whilst there has been less demand for low cost housing on the Island all our available properties are let.

THE HEBRIDEAN TRUST LIMITED**Trustees' Report
for the Year Ended 31 March 2016 (continued)**

The Trust has regenerated a former stores building, also Category A listed, to provide a residential facility for visiting groups from all over the UK. In 1991, HRH The Princess Royal opened Alan Stevenson House, which, in conjunction with a former smithy conversion to a self-catering unit known as Morton Boyd House, now forms The Hynish Centre. Since then the Trust has subsidised use of the facilities by thousands of disadvantaged young people and educational groups. Part of the Trust's strategy in developing The Hynish Centre was to create additional employment within the Centre itself. It has employed a local full time Warden and various paid for and voluntary staff since the Centre opened. The local economy has benefited from supplies bought to run the Centre and from the custom of visiting groups. The Centre continues to flourish following a major refurbishment in 2011-12.

In terms of natural heritage, the Trust raised funds to purchase the Treshnish Isles, which are one of the finest sites in the British Isles for studying natural history. An uninhabited archipelago of islands, rocks and skerries lying to the west of the Isle of Mull, they have attracted many visitors keen to explore and discover their unspoilt habitat. In 2000 their future was uncertain and, although the islands have SSSI (Site of Special Scientific Interest) status and classification as a Special Protection Area under the EC Directive on the Conservation of Wild Birds, the Trust felt it was important that they should be managed to maximise their long-term contribution to the community as well as to nature conservation. Since acquiring the islands, the Trust has co-ordinated and financed archaeological surveys and annual wildlife surveys which are published on the Trust's website. The Trust has produced a detailed management plan for the islands, which it is in the course of implementing.

ACHIEVEMENTS AND PERFORMANCE

The following report focuses on those activities undertaken to further our charitable purposes and provide public benefit.

Support, stimulation and development of the economies and cultures of island communities

Tenant changeover during the year offered us the opportunity to carry out refurbishment work in addition to the regular maintenance of our 11 Category A listed letting properties. These buildings of architectural significance could be viewed freely from the outside throughout the year as part of the Hynish Heritage Trail. In order to respect the privacy of the tenants, access to the interior was by arrangement only. The future use of these properties are under review, and refurbishment continues on some.

Visitor numbers to The Story of Skerryvore Lighthouse exhibition and the Treshnish Isles Natural History exhibition have increased. The exhibitions were open from April to September, with access available at other times by arrangement. We continue to subsidise the running costs and admission remains free. We are grateful to our volunteers for their time.

THE HEBRIDEAN TRUST LIMITED

Trustees' Report for the Year Ended 31 March 2016 (continued)

Restoration of buildings of historical and architectural worth

Following the scheduling of Cairn na Burgh castle on the Treshnish Isles, fundraising continued for the proposed archaeological survey of Cairn na Burgh Beg, which forms part of Cairn na Burgh castle. Having already carried out a standing building survey on the adjacent island of Cairn na Burgh More, which highlighted the great potential for further archaeological work on that island, this also demonstrated the benefits of a survey of the island of Cairn na Burgh Beg. By obtaining an overall picture of the conservation recommendations for the castle we would seek to prioritise the structures that require most urgent attention. As storm petrels use the castle walls as nesting habitat, our conservation work in both natural history and archaeology is strongly linked.

The development of the interpretative element of bringing Hynish harbour and flushing system back to life, with a view to restoring the system when the economic climate allows, has been taken forward. We have been working towards creating a digital animation of the system, supported by Glasgow School of Art's Digital Design Studio. They are responsible for the groundbreaking international 3D scanning project to digitally document Scotland's UNESCO designated World Heritage Sites and five international ones. Fund raising continues to progress this project.

Free public Open Days were held at a number of our properties. This enrichment of the historical and architectural worth enables a wider audience to enjoy the buildings that we have restored and conserved.

Protection and conservation of the natural environment

The annual seabird survey, conducted on our behalf by the Treshnish Isles Auk ringing Group (TIARG), took place at the end of June 2015. The majority of the week's fieldwork was centred upon Lunga & Sgeir a' Chaisteil where the regular annual full seabird census and the systematic ringing of specific seabird colonies was carried out. We provided the group of volunteers with access to a boat for the purpose of extending the scope of the survey and recording on as many of the islands as possible. The survey results are shown in full on our web site. All TIARG census and ringing data are fed into two national monitoring programmes, the Seabird Colony Register (J.N.C.C.) and National Ringing Database (British Trust for Ornithology), respectively. The data supplied are of great conservation value as they are the sole means by which the seabird colonies of the Treshnish Isles are currently monitored. As part of our monitoring for the presence of potential mammalian predators, it was noted that there were no known occurrences nor evidence of the presence of American Mink or Norway Rat on Lunga or Sgeir a' Chaisteil.

Provision of a residential facility for visiting groups

Three of our Category A listed buildings, forming the Hynish Centre, were let for short stays (1 night to 3 weeks) throughout the year, providing benefit through the experience of staying in them. Charges to stay in them are set to be within reach of a high proportion of the population. This also encourages high occupancy and maximising charitable income towards the on-going maintenance. Our buildings can be booked for the equivalent of £16 to £40 per person per night. For those unable to pay, and as part of our approach to widening access at the Centre, we have developed a bursary scheme to subsidise groups of disadvantaged young people to stay at the Centre. This was well received by groups and funders alike. The increased community use of the properties was also welcomed.

Work continues on the development of our new website, with a focus on increasing occupancy at the Hynish Centre and supporting the continuing movement online of many of the Trust's and its partners' activities.

THE HEBRIDEAN TRUST LIMITED**Trustees' Report
for the Year Ended 31 March 2016 (continued)****FINANCIAL REVIEW**

Income - Total income amounted to £134k (2014/15: £137k). The Trust's balance sheet total is £2.85 million.

Expenditure - Total expenditure was £121k compared with £122k in the previous year.

Reserves

The Trust's deficit on unrestricted reserves is reduced to £29,455 as at 31 March 2016 (2015/16 - £43,178). The Trustees will seek to build free reserves through fundraising and income generation. The Trustees will also continue to raise funds to repay the balance of the loan outstanding at 31 March 2016.

PLANS FOR THE FUTURE

The Trust will continue its significant investment in the new website. The Trust also plans to carry out the proposed archaeological survey of Cairn na Burgh Beg as soon as funds allow. Fundraising will continue for the interpretative element of the harbour and flushing system at Hynish, Isle of Tiree.

THE HEBRIDEAN TRUST LIMITED**Trustees' Report
for the Year Ended 31 March 2016 (continued)****Statement of Directors' Responsibilities**

Members of the Council are directors of the company.

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 operation.

The directors 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.

So far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware.

Each director has taken all steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the Small Companies Regime under Section 419(2) of the Companies Act 2006.

This report was approved by the Council on 19/10/16 and signed on its behalf by


M P Stanfield
Chairman

INDEPENDENT AUDITORS' REPORT
To the Trustees and Members of The Hebridean Trust Limited

We have audited the financial statements of The Hebridean Trust Limited for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the 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.

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 responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including APB Ethical Standard – Provisions Available for Small Entities (revised) in the circumstances set out in note 1 (a) to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT
To the Trustees and Members of The Hebridean Trust Limited (continued)

Matters on which we are required to report by exception

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 take advantage of the small companies' exemption in preparing the Trustees' Annual Report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Robert Kirtland, Senior Statutory Auditor
For and on behalf of Critchleys LLP, Statutory Auditors

Oxford

Date: 21/10/2016

Critchleys LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE HEBRIDEAN TRUST LIMITED

**Statement of Financial Activities (Including Income and Expenditure Account)
for the Year Ended 31 March 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
INCOME FROM:					
Donations	4	29,957	24,350	54,307	60,318
Interest receivable		17	-	17	-
Charitable activities	5	<u>80,095</u>	<u>-</u>	<u>80,095</u>	<u>76,612</u>
Total income		<u>110,069</u>	<u>24,350</u>	<u>134,419</u>	<u>136,930</u>
EXPENDITURE ON:					
Charitable activities	6	<u>96,346</u>	<u>24,331</u>	<u>120,677</u>	<u>122,003</u>
Total expenditure		<u>96,343</u>	<u>24,331</u>	<u>120,677</u>	<u>122,003</u>
NET INCOME/(EXPENDITURE)	10	13,723	19	13,742	14,927
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		13,723	19	13,742	14,927
Balances brought forward		<u>(43,178)</u>	<u>2,875,651</u>	<u>2,832,473</u>	<u>2,817,546</u>
BALANCES CARRIED FORWARD AT 31 MARCH 2016		<u>(29,455)</u>	<u>2,875,670</u>	<u>2,846,215</u>	<u>2,832,473</u>

None of the trust's activities was acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 2016 or 2015 other than those included above.

THE HEBRIDEAN TRUST LIMITED

**Statement of Financial Activities (Including Income and Expenditure Account)
Comparatives for the Year Ended 31 March 2015**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
INCOME FROM:				
Donations	4	35,018	25,300	60,318
Interest receivable		-	-	-
Charitable activities	5	<u>76,612</u>	<u>-</u>	<u>76,612</u>
Total income		<u>111,630</u>	<u>25,300</u>	<u>136,930</u>
EXPENDITURE ON:				
Charitable activities	6	<u>90,684</u>	<u>31,319</u>	<u>122,003</u>
Total resources expended		<u>90,684</u>	<u>31,319</u>	<u>122,003</u>
NET INCOME/(EXPENDITURE)	10	20,946	(6,019)	14,927
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		20,946	(6,019)	14,927
Balances brought forward		<u>(64,124)</u>	<u>2,881,670</u>	<u>2,817,546</u>
BALANCES CARRIED FORWARD AT 31 MARCH 2015		<u>(43,178)</u>	<u>2,875,651</u>	<u>2,832,473</u>

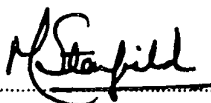
THE HEBRIDEAN TRUST LIMITED

Company number: 1653639

Financial Statements for the Year Ended 31 March 2016
Balance Sheet

	Note	2016		2015	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		2,617,651		2,622,446
Heritage assets	12		<u>255,687</u>		<u>255,687</u>
			2,873,338		2,878,133
CURRENT ASSETS					
Debtors	13	3,004		5,194	
Cash at bank and in hand	14		<u>57,795</u>		<u>30,907</u>
			60,799		36,101
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	15	<u>(47,922)</u>		<u>(31,761)</u>	
NET CURRENT ASSETS			<u>12,877</u>		<u>4,340</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,886,215		2,882,473
CREDITORS: AMOUNT FALLING DUE AFTER ONE YEAR	16		<u>(40,000)</u>		<u>(50,000)</u>
NET ASSETS			<u>2,846,215</u>		<u>2,832,473</u>
 Unrestricted funds	19		(29,455)		(43,178)
Restricted funds	19		<u>2,875,670</u>		<u>2,875,651</u>
TOTAL CHARITY FUNDS			<u>2,846,215</u>		<u>2,832,473</u>

The financial statements were approved and authorised for issue by the Council of Management on 19/10/16



M P Stanfield (Member of Council)

The notes on pages 12 to 19 form part of the financial statements.

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016
Cash flow statement

	2016	2015
	£	£
Cash flows from operating activities:		
Net cash provided by (used by) operating activities (analysed below)	<u>26,888</u>	<u>17,757</u>
Cash flows from financing activities		
Repayments of borrowing	<u>-</u>	<u>(7,827)</u>
Net cash provided by (used in) financing activities	<u>-</u>	<u>(7,827)</u>
Change in cash and cash equivalents in the reporting period	26,888	9,930
Cash and cash equivalents at the beginning of the reporting period	<u>30,907</u>	<u>20,977</u>
Cash and cash equivalents at the end of the reporting period	<u>57,795</u>	<u>30,907</u>

Note:

Reconciliation of net movement in funds to net cash flow from operating activities

	2016	2015
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	13,742	14,927
Adjustments for:		
Depreciation charges	4,795	6,113
(Increase)/decrease in debtors	2,190	(3,350)
Increase/(decrease) in creditors	<u>6,161</u>	<u>67</u>
Net cash provided by operating activities	<u>26,888</u>	<u>17,757</u>

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016 Notes

1 CHARITABLE COMPANY INFORMATION

The company is limited by guarantee (incorporated in the United Kingdom) not having any share capital. It is a public benefit entity with its registered office at 194 Woodstock Road, Oxford, OX2 7NQ.

2 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

a Basis of accounting:

The financial statements are prepared under the historical cost convention and in compliance with all applicable accounting standards, FRS 102 the Companies Act 2006 and the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (FRS 102).

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

b Going concern:

The financial statements have been prepared by the Trustees on a going concern basis despite the deficit on unrestricted funds as:

- A surplus was generated on unrestricted funds in the year and projections show the charity has sufficient cashflow to continue
- support is provided by a Trustee in the form of a loan.

c Income:

Income is included when they are receivable. For charitable activities any income received in advance of the service being performed is treated as deferred income. Any grants to assist with the purchase of tangible fixed assets are credited to the SOFA within restricted funds with the related fixed asset being capitalised on the balance sheet.

d Donations in kind:

The Trust receives donations in kind and unpaid assistance towards the cost of its operations. These donations are frequently difficult to evaluate due to their nature. The company's policy, accordingly, is to exclude the effect of all such contributions from the financial statements.

e Tangible fixed assets and depreciation:

Tangible fixed assets other than land and buildings are stated at historical cost less depreciation cost includes any irrecoverable VAT. Depreciation is provided on a straight line basis which reflects the anticipated useful lives of the assets and their estimated residual value. No depreciation is provided with respect to land and buildings as the Council are of the opinion that these assets represent the Trust's main contribution to meeting its objectives, and they will be maintained in the condition to which they are brought by restoration work through planned maintenance with effect that the residual values remain close to carrying values. Depreciation on the excess of carrying value over residual value would be considered immaterial.

f Heritage Assets

Heritage assets are included at cost

g Expenditure:

These are included on an accruals basis and include irrecoverable VAT. Direct costs are included in the relevant charitable activity and support costs are those costs that are not direct to one activity. These are allocated across the activities.

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year ended 31 March 2016
Notes – continued

h Fund accounting:

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

i Operating leases:

Operating lease rentals are charged to resources expended on a straight line basis.

j Pensions – defined contribution scheme:

Contributions are charged to resources expended as they become payable under the scheme rules.

3 TRANSITION TO FRS102

The only change on transition to FRS102 was that the Treshnish Islands (with a cost of £255,687) are now classified as heritage assets rather than tangible fixed assets. There was no effect on the overall net assets of the charity or the Statement of Financial Activities.

4 DONATIONS

	2016	2015
	£	£
Restricted income:		
Provision of a residential facility for visiting groups	<u>24,350</u>	<u>25,300</u>
	<u>24,350</u>	<u>25,300</u>
Unrestricted income:		
From H.B. Allen Charitable Trust	25,000	25,000
From other sources	<u>4,957</u>	<u>10,108</u>
	<u>29,957</u>	<u>35,018</u>

5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2016	2015
	£	£
Support, stimulation and development of the economics and cultures of island communities	16,732	8,776
Provision of a residential facility for visiting groups	<u>63,353</u>	<u>67,836</u>
	<u>80,095</u>	<u>76,612</u>

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016
Notes - continued

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities Undertaken Directly	2016 Support Costs	Total 2016
	£	£	£
Support, stimulation and development of the economies and cultures of island communities	10,964	4,446	15,410
Restoration of buildings of historical and architectural worth	-	7,041	7,041
Protection and conservation of the natural environment	2,305	741	3,046
Provision of a residential facility for visiting groups	<u>70,352</u>	<u>24,828</u>	<u>95,180</u>
	<u>83,621</u>	<u>37,056</u>	<u>120,677</u>
	Activities Undertaken Directly	2015 Support Costs	Total 2015
	£	£	£
Support, stimulation and development of the economies and cultures of island communities	15,224	7,387	22,611
Restoration of buildings of historical and architectural worth	-	4,029	4,029
Protection and conservation of the natural environment	4,219	7,052	11,271
Provision of a residential facility for visiting groups	<u>68,981</u>	<u>15,111</u>	<u>84,092</u>
	<u>88,424</u>	<u>33,579</u>	<u>122,003</u>

7 SUPPORT COSTS

	2016	2015
	£	£
Staff costs	12,266	10,132
Office costs	2,504	1,844
Insurance	9,370	7,421
Travel expenses	2,235	1,127
Depreciation	4,795	6,113
Governance costs (note 8)	5,197	6,079
Bank charges	<u>689</u>	<u>863</u>
	<u>37,056</u>	<u>33,579</u>

Support costs are allocated to the charitable activities based on the Trustees' estimate of the time spent supporting each of the four activities.

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016
Notes - continued

8 STAFF COSTS

	2016	2015
	£	£
Wages and salaries	44,039	40,082
Social Security costs	2,916	2,412
Pension	<u>-</u>	<u>315</u>
	<u>46,955</u>	<u>42,809</u>

The average monthly number of employees during the year was made up as follows:

	No	No
Hynish Centre	2	2
Support costs	<u>1</u>	<u>1</u>

No employees' emoluments exceeded £60,000 in the year.

One Trustees received reimbursement of travel and subsistence expenses totalling £1,821 (2015: £2,163 two trustees).

The Trustees are considered to be the only key management and received no remuneration in the year.

9 GOVERNANCE COSTS

	2016	2015
	£	£
Legal and professional fees	1,033	1,950
Audit and accountancy fees	<u>4,164</u>	<u>4,129</u>
	<u>5,197</u>	<u>6,079</u>

10 NET INCOME is stated after charging:

	2016	2015
	£	£
Depreciation	4,795	6,113
Auditor's remuneration	<u>3,500</u>	<u>3,500</u>

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016

Notes - continued

11 FIXED ASSETS - TANGIBLE ASSETS

	Freehold Property £	Equipment Furniture & Fittings £	Motor Vehicle £	Total £
Cost:				
At 1 April 2015	2,614,388	139,587	-	2,753,975
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2016	<u>2,614,388</u>	<u>139,587</u>	<u>-</u>	<u>2,753,975</u>
Depreciation:				
At 1 April 2015	-	131,529	-	131,529
Charge for year	-	4,795	-	4,795
Disposals	-	-	-	-
At 31 March 2016	<u>-</u>	<u>136,324</u>	<u>-</u>	<u>136,324</u>
Net book value:				
At 31 March 2016	<u>2,614,388</u>	<u>3,263</u>	<u>-</u>	<u>2,617,651</u>
At 31 March 2015	<u>2,614,388</u>	<u>8,058</u>	<u>-</u>	<u>2,622,446</u>

All assets held are used for direct charitable purposes. Equipment, fixtures and fittings are depreciated over 4 years.

12 HERITAGE ASSETS

	Treshnish Islands £
Cost	
At 1 April 2015 and 31 March 2016	<u>255,687</u>

There have been no purchases or sales of heritage assets in the last 5 years.

The Treshnish Islands are owned and managed for their environmental qualities. Public access is permitted.

13 DEBTORS

	2016 £	2015 £
Debtors	270	615
Prepayments and accrued income	<u>2,734</u>	<u>4,579</u>
	<u>3,004</u>	<u>5,194</u>

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016

Notes – continued

14 CASH AT BANK AND IN HAND

	2016	2015
	£	£
Bank balances	<u>57,795</u>	<u>30,907</u>

15 CREDITORS - amounts falling due within one year

	2016	2015
	£	£
Trade creditors	2,142	1,230
Accruals and deferred income	35,780	30,531
Loan (note 17)	<u>10,000</u>	<u>-</u>
	<u>47,922</u>	<u>31,761</u>
	Hynish	Total
	£	£
Deferred income		
At 1 April 2015	26,198	26,198
Amounts released in the year	(26,198)	(26,198)
Amount deferred in year	<u>31,666</u>	<u>31,666</u>
At 31 March 2016	<u>31,666</u>	<u>31,666</u>

Hynish represents deposits paid by visitors in advance of their stay.

16 CREDITORS – amounts falling due after one year

	2016	2015
	£	£
Loan (note 17)	<u>40,000</u>	<u>50,000</u>

17 TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES

At 31 March 2016 M P Stanfield, a Trustee, had loaned the Trust £50,000, £10,000 was repaid after the year end (2015: £50,000) (see note 12). The loan is interest free and repayable over 10 years.

The trustees donated £25 (2015: nil) to the charity during the year.

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016

Notes - continued

18 NOTES ON SPECIFIC FUNDS

a Upper Square

We have restored the four lighthouse properties at Upper Square, which are all let to islanders. All these buildings are listed Category A.

b Alan Stevenson House

This fund was originally for refurbishment and access works carried out at Alan Stevenson House. Some third party funding, who wish to remain anonymous, was offered on the basis of a percentage of the costs of the works and the balance towards running costs at Alan Stevenson House. This fund has been expended in the year.

c Lower Square - This includes the following projects:

Alan Stevenson House

This development at Hynish comprises Morton Boyd House, The Cottage, Hynish Harbour Scouring System, Boom Gates and Alan Stevenson House. Alan Stevenson House is used as an activity centre. All these buildings are listed Category A.

The movements in the year and balance at 31 March 2016 represent grants received to provide subsidised and free holidays to disadvantaged children after the year-end.

The Barracks

This Category A building in Hynish is being restored and upgraded to give 6 apartments.

Hynish Harbour and Other Developments

This includes the harbour and the conversion of the Old Stores, cowsheds, pigsty and Old Stable at Hynish to workshops, storerooms and accommodation, all listed Category A.

THE HEBRIDEAN TRUST LIMITED

Financial Statements for the Year Ended 31 March 2016

Notes - continued

19 ANALYSIS OF MOVEMENT ON AND COMPOSITION OF THE FUNDS

	Alan					
	General	Upper	Stevenson	Lower	Treshnish	Total
	£	Square	House	Square	Islands	Restricted
	£	£	£	£	£	£
Income	110,069	-	24,350	-	-	24,350
Expenditure	<u>(95,674)</u>	-	<u>(24,331)</u>	-	-	<u>(24,331)</u>
						134,419
						<u>(120,677)</u>
Movement for the year	13,723	-	19	-	-	19
						13,742
Balance on funds:						
At 31 March 2015	<u>(43,178)</u>	<u>876,943</u>	<u>19,981</u>	<u>1,670,276</u>	<u>308,451</u>	<u>2,875,651</u>
						<u>2,832,473</u>
At 31 March 2016	<u>(29,455)</u>	<u>876,943</u>	<u>20,000</u>	<u>1,670,276</u>	<u>308,451</u>	<u>2,875,670</u>
						<u>2,846,215</u>
Analysis of funds balances between the net assets:						
Fixed assets	17,668	876,943	-	1,670,276	308,451	2,855,670
Net current assets/(liabilities)	(7,123)	-	20,000	-	-	20,000
Long term liabilities	<u>(40,000)</u>	-	-	-	-	-
	<u>(29,455)</u>	<u>876,943</u>	<u>20,000</u>	<u>1,670,276</u>	<u>308,451</u>	<u>2,875,670</u>
						<u>2,846,215</u>

All the funds except the general reserve are restricted.