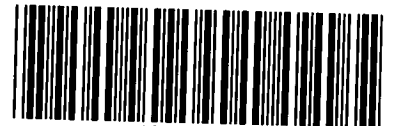


Charity Registration No. SC029043

Company Registration No. SC170335 (Scotland)

**MILLENNIUM LINK TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

FRIDAY



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22/12/2017
COMPANIES HOUSE

MILLENNIUM LINK TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Claire Lithgow Nicola Christie Link Trust Corporate Limited Link Corporate Services Limited
Secretary	Nicola Christie
Charity number	SC029043
Company number	SC170335
Registered office	Canal House 1 Applecross Street GLASGOW G4 9SP
Auditor	Johnston Carmichael LLP 227 West George Street GLASGOW G2 2ND
Bankers	Clydesdale Bank plc 30 St Vincent Place GLASGOW G1 2HL
Solicitors	Pinsent Masons LLP 141 Bothwell Street GLASGOW G2 7EQ

MILLENNIUM LINK TRUST

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MILLENNIUM LINK TRUST

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016)".

Objectives and activities

The initial charitable objective of the company was to fill a funding gap in the Millennium Link Lowlands canals restoration project. The ongoing aim of the company is to provide assistance in the restoration and development of navigable waters in Scotland. The company will seek to realise its objectives by helping to finance projects which meet with the company's aims.

Achievements and performance

In the prior year, the Directors approved the unwinding of finance lease arrangements entered into between the Company, British Waterways Board (trading as Scottish Canals) and National Australia Finance (Infrastructure Leasing No. 1) Limited. The Company no longer owns a formal leasehold interest over the canal infrastructure and does not grant Scottish Canals Board a formal sub-lease to operate and maintain the canals.

Notwithstanding this, the Directors of Scottish Canals confirm that they will continue to grant an informal right of access to the canal infrastructure to Millennium Link Trust and will continue to informally honour the obligations historically set out in the sub-lease to operate and maintain the canal.

In the current year, a donation of £50,000 was received, which the charity will use in the next financial year to continue to support projects in accordance with the charity's objectives.

Financial review

Income from charitable activities of £116,155 (2016: £112,457) was offset by costs of £1,687,919 (2016: £1,700,607).

The net expenditure for the year amounted to £1,521,764 (2016: £1,588,150). General unrestricted reserves were £66,773 and designated reserves totalled £54,949,067.

It is the policy of the company to build up general unrestricted reserves in anticipation of future major restoration and development projects on the canals and navigable waters in Scotland.

The directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

Following the unwinding of the formal finance lease arrangements any known/anticipated liabilities under formal lease arrangements, if any, have been discharged. The Company has surplus funds for investment over and above the working capital required to meet its costs and to continue as a going concern.

During the year to 31 March 2018, the directors will carry out a formal review of the canal works and structure costs.

MILLENNIUM LINK TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Structure, governance and management

Millennium Link Trust is a company limited by guarantee.

The governing documents of the company are the Memorandum and Articles of Association.

The directors who served during the period from 01 April 2016 to the date the financial statements were approved were as follows:

Claire Lithgow
Nicola Christie
Link Trust Corporate Limited
Link Corporate Services Limited

Carl Baldry, Colin Benford, Sean Martin and David Osborne are directors of the above corporate trustees.

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The power of appointing new or additional Trustees is vested in the Trustees and all the Trustees are advised of their responsibilities as part of the standard induction process.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditor

The auditor, Johnston Carmichael LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

MILLENNIUM LINK TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

The directors' report was approved by the Board of Directors.

Nicola Christie

Nicola Christie

Director

Dated: *19th December 2017*

MILLENNIUM LINK TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MILLENNIUM LINK TRUST (A COMPANY LIMITED BY GUARANTEE)

We have audited the financial statements of Millennium Link Trust for the year ended 31 March 2017 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its 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's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities, set out on page 2, the directors 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 Ethical Standards for Auditors.

Scope of the audit of the accounts

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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2017 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 regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Directors' Report has been prepared in accordance with the applicable legal requirements.

MILLENNIUM LINK TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MILLENNIUM LINK TRUST (A COMPANY LIMITED BY GUARANTEE)

Matters on which we are required to report by exception

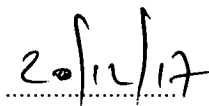
In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- proper and adequate accounting records have not been kept, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemptions from the requirements to prepare a strategic report.



Gavin Young (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP



Chartered Accountants
Statutory Auditor

227 West George Street
GLASGOW
G2 2ND

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

MILLENNIUM LINK TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds general £	Unrestricted funds designated £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Donations and legacies	3	50,000	-	50,000	-
Charitable activities	4	116,155	-	116,155	112,457
Total income		166,155	-	166,155	112,457
<u>Expenditure on:</u>					
Charitable activities	5	119,419	1,568,500	1,687,919	1,700,607
Net income/(expenditure) for the year/ Net movement in funds		46,736	(1,568,500)	(1,521,764)	(1,588,150)
Reconciliation of Funds					
Fund balances at 1 April 2016		20,037	56,517,567	56,537,604	58,125,754
Fund balances at 31 March 2017		66,773	54,949,067	55,015,840	56,537,604

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MILLENNIUM LINK TRUST

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	9	54,949,067		56,517,567	
Current assets					
Debtors	11	233,417		97,075	
Cash at bank and in hand		69,534		22,442	
		302,951		119,517	
Creditors: amounts falling due within one year	12	(236,178)		(99,480)	
Net current assets		66,773		20,037	
Total assets less current liabilities		55,015,840		56,537,604	
The funds of the charity:					
Unrestricted funds - designated		54,949,067		56,517,567	
Unrestricted funds - general		66,773		20,037	
		55,015,840		56,537,604	

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

The accounts were approved by the Directors on 19th December 2017

Nicola Christie

Nicola Christie
Director

Company Registration No. SC170335

MILLENNIUM LINK TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Millennium Link Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Canal House, 1 Applecross Street, GLASGOW, G4 9SP.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016)", the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The disclosure requirements of FRS 102 1A have been applied where applicable.

The company is a Public Benefit Entity as defined by FRS 102.

The Trust has availed itself of S.396 of the Companies Act 2006 as permitted in paragraph 4 (1) of schedule 1 of SI 2008 No 409 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

There accounts for the year ended 31 March 2017 are the first accounts of Millenium Link Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds, which have been designated for specific purposes by the Directors.

1.4 Income

Income from charitable activities represents amounts receivable in relation to rental. Income is recognised as services are provided, it is probable the income will be received and the amount of the income can be measured reliably. All incoming resources are stated net of VAT.

Donations are generally accounted for on a cash basis.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the income.

MILLENNIUM LINK TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Charitable expenditure comprises those costs incurred by the charity in the delivering of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the statutory requirements of the company and include the audit fees and costs linked to the strategic management of the charity. These costs are included within charitable activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Canal works and structures	2% straight line
----------------------------	------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

MILLENNIUM LINK TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions 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.

Critical judgements

Useful lives of non-current assets

Tangible fixed assets are depreciated using depreciation rates that reflect the useful economic life of the asset being depreciated and any residual value.

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	50,000	-

Donations are unrestricted.

MILLENNIUM LINK TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Charitable activities

	2017 £	2016 £
Operating lease charges - canals	116,155	112,457

Income from charitable activities is unrestricted in both the current and prior year.

5 Charitable activities

	2017 £	2016 £
Depreciation and impairment	1,568,500	1,568,500
Management lease	116,155	112,457
	1,684,655	1,680,957
Share of governance costs (see note 6)	3,264	19,650
	1,687,919	1,700,607
Analysis by fund		
Unrestricted funds - general	119,419	
Unrestricted funds - designated	1,568,500	
	1,687,919	
For the year ended 31 March 2016		
Unrestricted funds - general		132,107
Unrestricted funds - designated		1,568,500
		1,700,607

MILLENNIUM LINK TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Audit fees	-	2,050	2,050	2,500	Direct
Legal and professional	-	-	-	13,782	Direct
Bank charges	-	64	64	63	Direct
Trustees fees	-	1,050	1,050	1,050	Direct
Professional fees	-	-	-	2,255	Direct
Tax compliance costs	-	100	100	-	Direct
	-	3,264	3,264	19,650	
Analysed between Charitable activities	-	3,264	3,264	19,650	

7 Directors

Link Trust Corporate Limited received trustees' fees of £1,050 (2016: £1,050) during the year. No other director receives any remuneration or reimbursement of expenditure from the company.

8 Employees

There were no employees during the current or preceeding year.

9 Tangible fixed assets

	Canal works and structures £
Cost	
At 1 April 2016	78,425,000
At 31 March 2017	78,425,000
Depreciation and impairment	
At 1 April 2016	21,907,433
Depreciation charged in the year	1,568,500
At 31 March 2017	23,475,933
Carrying amount	
At 31 March 2017	54,949,067
At 31 March 2016	56,517,567

MILLENNIUM LINK TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

10 Financial instruments	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	204,792	24,798
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	236,178	99,480
	<u> </u>	<u> </u>
11 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	135,258	-
Other debtors	-	2,356
Prepayments and accrued income	98,159	94,719
	<u> </u>	<u> </u>
	<u>233,417</u>	<u>97,075</u>
	<u> </u>	<u> </u>
12 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	135,258	-
Accruals and deferred income	100,920	99,480
	<u> </u>	<u> </u>
	<u>236,178</u>	<u>99,480</u>
	<u> </u>	<u> </u>

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
	£	Incoming resources	Resources expended	£
		£	£	
Designated funds	56,517,567	-	(1,568,500)	54,949,067
	<u>56,517,567</u>	<u>-</u>	<u>(1,568,500)</u>	<u>54,949,067</u>

Designated funds are monies set aside by the directors for the purpose of acquiring the company's fixed assets. Depreciation on these assets is charged against designated funds.

MILLENNIUM LINK TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

14 Analysis of net assets between funds

	Unrestricted funds - general £	Unrestricted funds - designated £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible assets	-	54,949,067	54,949,067
Current assets/(liabilities)	66,773	-	66,773
	<u>66,773</u>	<u>54,949,067</u>	<u>55,015,840</u>

15 Liabilities of members

The company was incorporated as being Limited by Guarantee and not having a share capital. In the event of the winding up of the company, a member is liable to contribute a sum not exceeding £1. At 31 March 2017, there were 4 members (2016: 4 members).

16 Related party transactions

There were no related party transactions in the year (2016: none)