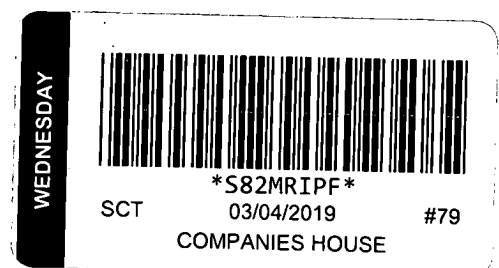


Charity number: SC030322
Company number: SC209046

Ionad Chaluim Chille Ile
Directors' report and financial statements
for the year ended 31 July 2018



Ionad Chaluim Chille Ile

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Ionad Chaluim Chille Ile

Legal and administrative information

Charity number SC030322

Company registration number SC209046

Patron Brian Wilson

Business address Garnatra
Bowmore
Isle of Islay
PA43 7LN

Registered office An Teanga
Sleite
Isle of Skye
IV44 8RQ

Directors Robin Anderson Currie
Dr Dorothy Orma Dennis
Catherine Johnston
Dr Donald Munro
Professor Neil Peter Simco
Dr Gillian Munro Appointed 25 October 2018

Professor Alasdair Boyd Robertson Resigned 25 October 2018
Hugh Smith Deceased 4th July 2018

Secretary Karen Kennedy Appointed 13 April 2018
Iain A Gordon C.A. Resigned 13 April 2018

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

Bankers Bank of Scotland
Broadford
Isle of Skye
IV49 9AB

Ionad Chaluim Chille Ile

Report of the directors (incorporating the trustees' report) for the year ended 31 July 2018

The directors present their report and the financial statements for the year ended 31 July 2018. The directors, who are also trustees of Ionad Chaluim Chille Ile for the purposes of charity law and who served during the year and up to the date of this report are set out on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS 102), (effective January 2015).

Structure, governance and management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 12 July 2000 and is recognised as a Scottish charity. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Trustees

The Board of ICCI consists of local Gaelic-speaking Directors and non-local Directors with relevant expertise in key strategic areas such as higher and community education and rural development. As such, new Directors are appointed depending on the skills and expertise required by the company but, being a busy community learning centre, it is preferable if the majority of Directors are Gaelic speakers based on Islay. Suitable candidates are identified and approached in partnership with other local groups involved in Gaelic development.

Trustee induction and training

An external Consultant provides periodic training to the Board of Directors as required on their roles and responsibilities. A Director induction process for new Board members has been developed by the Manager.

Risk Management

The Trustees have examined the major business and operational risks which the Trust faces and have established systems to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Organisational Structure

Ionad Chaluim Chille Ile (hereinafter referred to as the " Gaelic Centre ") is run by a voluntary Board of Directors which meets quarterly. Islay based members also meet in between meetings of the full Board, as and when necessary, to deal with operational matters. The Chair also has regular review meetings with the Centre Manager and, less frequently, with other staff members.

The Board of Directors is chaired by Catherine Johnston. The Vice Chair was Hugh Smith until his death on 4th July 2018. The maximum composition of the Board is 10 members including representatives from Sabhal Mòr Ostaig and UHI. In addition to Board members, HIE have observer status.

The Gaelic Centre employs two full time and four part-time staff, with four additional members project staff on short term contract arrangements.

Remuneration of Key Management Personnel

The Key Management Personnel are considered to be the Board of Trustees and the Gaelic Centre Manager. Trustees are not remunerated. The Board annually reviews the remuneration package of the Gaelic Centre Manager. Where possible, job roles and remuneration are externally benchmarked against similar organisations.

Ionad Chaluim Chille Ile

Report of the directors (incorporating the trustees' report) for the year ended 31 July 2018

Objects & Purposes of the Charity

In terms of Clause 3 of the Gaelic Centre's Memo and Articles its principal objectives are :-

To promote, establish, operate and / or support other schemes of a charitable nature for the benefit of the residents of Islay and neighbouring areas.

To advance education and in particular with regard to the Gaelic language and Gaelic heritage, cultu

To promote, establish, operate and / or support other schemes of a charitable nature for the benefit of the residents of Islay and neighbouring areas.

This is achieved through the operation of a Gaelic Community and Education facility on the Isle of Islay. This provides facilities for the local community along with part-time and summer courses in Gaelic language, song and traditional music together with regular exhibitions, conferences and a genealogy research facility. The centre is also developing a distance learning programme for Gaelic tuition.

Main Achievements

The principal activities of Ionad Chaluim Chille Ile (ICCI) in pursuance of its charitable objects in the year 2017-18 were as follows:-

a) Education

During this period the Gaelic Centre staff delivered a very full programme of classes and activities at various levels comprising:-

Pàrant is Pàiste, (Parent and Toddler), Gaelic Bookbug, Gaelic Youth Clubs for Primary and High School pupils, Primary School Gaelic tuition for learner and fluent pupils, four different levels of Gaelic classes for adults, Gaelic conversation workshops, three different levels of " Gaelic in the Workplace " tuition and primary teacher training through the UHI's Gaelic Pathway PGDE programme. This entailed approx. 140 people receiving regular, progressive tuition over the course of the year in Gaelic.

b) Culture and Language

There was a steady programme of musical events and musical tuition in the Gaelic Centre over the year as well as a number of well received exhibitions. The Gaelic Centre also made progress with its Islay genealogy programme. A Gaelic language policy and Development plan have been developed and are in operation.

c) Commercial Activities

Room Rental

The Gaelic Centre continues to be acknowledged and widely used as the island's main community hub and meeting place by local community groups, public bodies, local businesses and training agencies.

Cafaidh Blasta and Am Bùth Beag / Gaelic Centre Café and Shop

The café is franchised to a local business person. It continues to be very busy and also provides catering for organisations using the Gaelic Centre.

d) University of the Highlands and Islands / UHI

The Gaelic Centre is now an External Partner of the UHI.

Ionad Chaluim Chille Ile

Report of the directors (incorporating the trustees' report) for the year ended 31 July 2018

Strategy and Business Planning

Existing services and new proposals for the stabilisation and development of Gaelic language and culture on Islay are constantly under consideration by the staff and Board of the Gaelic Centre.

Financial Review

Core funding from Bòrd na Gàidhlig remained static for the financial year 2017-2018 and in line with its budget the Gaelic Centre was able to make a small surplus for the year before charging depreciation.

The statement of financial activities shows that a considerably larger surplus was achieved in the year. However the directors are keen to point out that £96,644 of this surplus was indeed spent on the Early Years Room Project and therefore the surplus largely represents the value of the assets purchased not the free funds available for charitable use. The Early Years Room project will be depreciated from 2018/19 onwards as the assets are available for use.

The buildings depreciation charge has been shown separately in the Statement of Financial Activities under Designated Funds.

Principal Funding Sources

The main core funder of the Gaelic Centre remains Bòrd na Gàidhlig. In addition the Gaelic Centre continues to obtain yearly contracts from Argyll and Bute Council to deliver Gaelic classes and other tuition. It also delivers Gaelic classes for the UHI. In this financial year the Gaelic Centre was also able to obtain funding from the Scottish Government and was also able to generate income through delivery of Gaelic classes and its commercial activities.

Reserves Policy

It is the intention of the Gaelic Centre to build up reserves sufficient to cover six months' charitable expenditure. At current levels of expenditure this would equate to approx. £90,000. The Gaelic Centre currently has free reserves of approx. £57,066 of that target, of which £34,205 is liquid working capital, representing only 38% of that target.

Plans for Future Periods

The Manager continues to develop and implement the agreed management plan which it is intended to include:-

- a. Increased provision and uptake of courses, including introduction of approved FE courses
- b. Increased community involvement and activities
- c. Increased services to the Council and other clients
- d. Developing the Gaelic Centre as a Heritage Hub
- e. Developing the facilities at the Gaelic Centre
- f. Identification of new business opportunities
- g. Development of links with Ireland

Ionad Chaluim Chille Ile

Report of the directors (incorporating the trustees' report) for the year ended 31 July 2018

Trustees' responsibilities in relation to the financial statements

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

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

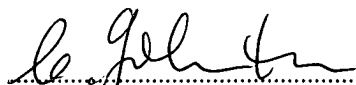
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Fiona McGlynn. C.A. of R A Clement Associates was appointed as independent examiner and the directors recommend that Fiona McGlynn. C.A. remains in office until further notice.

Small company provisions

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

This report was approved by the Board on 28th MARCH 2019 and signed on its behalf by



Catherine Johnston
Chair

Ionad Chaluim Chille Ile

**Independent examiner's report to the directors on the unaudited financial statements of
Ionad Chaluim Chille Ile.**

I report on the accounts for the year ended 31 July 2018 set out on pages 2 to 18.

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

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

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act, and to state whether particular matters have come to my attention.

Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Regulations
 - to prepare accounts which agree with the accounting records and comply with Regulation 8 of the 2006 Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....

**Fiona McGlynn. C.A.
Chartered Accountant
Independent examiner**

26/3/19
.....

Date

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

Ionad Chaluim Chille Ile
Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 July 2018

	Notes	Unrestricted funds £	Restricted funds £	Designated funds £	2018 Total £	Unrestricted funds £	Designated funds £	2017 Total £
Income from:								
Donations, Grants & Legacies	2	310	122,704	-	123,014	208	-	208
Charitable activities	4	138,821	-	-	138,821	153,067	-	153,067
Other activities	3	29,883	-	-	29,883	27,113	-	27,113
Total income		<u>169,014</u>	<u>122,704</u>	<u>-</u>	<u>291,718</u>	<u>180,388</u>	<u>-</u>	<u>180,388</u>
Expenditure on:								
Charitable activities	5	162,462	-	30,498	192,960	179,525	31,121	210,646
Total expenditure		<u>162,462</u>	<u>-</u>	<u>30,498</u>	<u>192,960</u>	<u>179,525</u>	<u>31,121</u>	<u>210,646</u>
Net income/(expenditure)		6,552	122,704	(30,498)	98,758	863	(31,121)	(30,258)
Transfers between funds		9,774	-	(9,774)	-	(10,000)	10,000	-
Net movement in funds		<u>16,326</u>	<u>122,704</u>	<u>(40,272)</u>	<u>98,758</u>	<u>(9,137)</u>	<u>(21,121)</u>	<u>(30,258)</u>
Reconciliation of funds:								
Total funds brought forward		40,740	-	1,549,194	1,589,934	49,877	1,570,315	1,620,192
Total funds carried forward		<u>57,066</u>	<u>122,704</u>	<u>1,508,922</u>	<u>1,688,692</u>	<u>40,740</u>	<u>1,549,194</u>	<u>1,589,934</u>

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 10 to 18 form an integral part of these financial statements.

Ionad Chaluim Chille Ile

Balance sheet as at 31 July 2018

SC209046

	Notes	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	10		1,613,920		1,548,195
Current assets					
Debtors	11	12,544		24,362	
Cash at bank and in hand		95,330		50,696	
		107,874		75,058	
Creditors: amounts falling due within one year	12	(33,102)		(33,319)	
Net current assets			74,772		41,739
Net assets			1,688,692		1,589,934
Funds	13				
Designated funds			1,508,922		1,549,194
Restricted income funds			122,704		-
Unrestricted income funds			57,066		40,740
Total funds			1,688,692		1,589,934

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

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

The notes on pages 10 to 18 form an integral part of these financial statements.

Balance sheet (continued)

SC209046

**Directors statements required by the Companies Act 2006
for the year ended 31 July 2018**

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

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

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 July 2018.

(c) that we acknowledge our responsibilities for:

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

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

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

The financial statements were approved by the board on 28th March 2019
behalf by

and signed on its



Catherine Johnston
Director, Chair

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

Legal Status of the charity

The charity is a registered Scottish Charity and is a company limited by guarantee. The liability of each member in the event of a winding up is limited to £1.

1. Accounting policies

The principal accounting policies adopted are summarised below.

1.1. Basis of preparation and assessment of going concern.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) as well as the Companies Act 2006, and the Statement of Recommended Practice (SORP)- Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued on 16 July 2014 and effective January 2015).

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

The directors, who are the trustees of the charity under charity law, consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

1.2. Fund accounting

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of specific funds are disclosed in note 15

**Notes to financial statements
for the year ended 31 July 2018**

1.3. Incoming resources

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

Donated services and facilities are included at the value to the charity where this can be measured and reasonably quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources at their value when donated if this can be quantified without undue cost; otherwise they are included when they are sold.

Income from government and other grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities when the charity has entitlement to the funds, any performance conditions are met, it is probable that the income will be received and the amount can be measured reliably.

Rental income and investment income is recognised on a receivable basis. Interest on funds on deposit is included when receivable and the amount can be measured reliably by the charity i.e upon notification of the amount due.

1.4. Resources expended

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

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

Fundraising costs are those incurred in generating income from various activities and do not include the costs of disseminating information in support of the charitable activities.

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

The charity is not registered for VAT and accordingly expenditure includes all vat which is irrecoverable.

1.5. Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historical cost. Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Reducing balance over fifty years
Early Years' Room	-	Not depreciated until completed
Video conference equipment		25% reducing balance
Fixtures, fittings and equipment	-	10% reducing balance
Library books	-	5% reducing balance

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

1.6. Defined contribution pension schemes

Employees of the charity are entitled to join a defined contribution "money purchase" scheme. The charity contribution is restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included in the appropriate cost centres and charged to the relevant fund.

1.7. Financial Instruments

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

2. Donations, Grants & Legacies

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Donations	310	-	310	208
Bord Na Gaidhlig	-	20,504	20,504	-
Scottish Government	-	97,000	97,000	-
Big Lottery - Awards for All	-	5,200	5,200	-
	<u>310</u>	<u>122,704</u>	<u>123,014</u>	<u>208</u>

3. Other activities

	Unrestricted funds £	2018 Total £	2017 Total £
Room Hire	13,612	13,612	13,553
Cafe Blasta	2,500	2,500	2,400
Ruineagan Beaga	-	-	2,700
Islay Pipe Band	1,138	1,138	1,020
Shop/Exhibitions	7,945	7,945	1,733
Other activities	4,688	4,688	1,609
Project income	-	-	4,098
	<u>29,883</u>	<u>29,883</u>	<u>27,113</u>

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

4. Income from Charitable activities

	Unrestricted funds £	2018 Total £	2017 Total £
Bord Na Gaidhlig	110,000	110,000	110,000
Bord Na Gaidhlig B.Frois/ TFC	2,900	2,900	10,140
Argyll & Bute Council - Sgoil	-	-	17,955
GLAIF - Clasaichean	8,000	8,000	6,236
Islay Students	6,780	6,780	2,621
Other educational activities	-	-	2,556
Foundation Scotland	11,141	11,141	3,559
	<u>138,821</u>	<u>138,821</u>	<u>153,067</u>

5. Costs of charitable activities - by activity

	Activities undertaken directly £	2018 Total £	2017 Total £
Islay Gaelic Centre	190,960	190,960	208,436
	<u>190,960</u>	<u>190,960</u>	<u>208,436</u>

Analysis of costs	2018	2017
Shop purchases	4,367	921
Wages and salaries	95,755	103,820
Employers NI	4,490	4,492
Staff pension costs	1,316	189
Staff training	150	10
Water rates	488	428
Heat, Light, Power	16,700	23,178
Repairs & Maintenance	4,138	11,756
Insurance	5,570	5,778
Educational Insurance	528	1,700
Equipment leasing	1,749	2,041
Motor & travel expenses	2,980	1,590
Professional fees	12,557	13,603
Phone & broadband	1,824	2,210
Post and Stationery	317	684
Depreciation	32,801	33,686
Advertising	470	294
Other costs	4,760	2,056
	<u>190,960</u>	<u>208,436</u>

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

6. Net incoming/(outgoing) resources for the year

	2018	2017
	£	£
Net incoming/(outgoing) resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	32,801	33,687
Examiner's/Auditors' remuneration	2,000	2,210

7. Employees

Employment costs	2018	2017
	£	£
Wages and salaries	95,755	103,820
Social security costs	4,490	4,492
Pension costs	1,316	189
Other costs	150	10
	<u>101,711</u>	<u>108,511</u>

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

Number of employees

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

	2018	2017
	Number	Number
Full time	2	3
Part time	4	3
	<u>6</u>	<u>6</u>

Key Management Personnel

The total employment costs of key management personnel of the charity, being the trustees and centre manager, consists of gross salaries, employers national insurance and pension contributions, and was a total of £42,833 (2017; £42,189).

Trustees' expenses and remuneration

The charity trustees, who are the directors of the company, were not paid and did not receive any remuneration or benefits in kind in their capacity as trustee during the year. No trustee received payment for professional or other services supplied to the charity. A total of £420 (2017; £495) was reimbursed to one trustee in respect of travel costs for Board meetings and travel on charity business, and general costs for Board meetings totalled £211 (2017; £178).

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

8. Pension costs

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2018	2017
	£	£
Pension charge	1,316	189

9. Taxation

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

10. Tangible fixed assets	Land and buildings freehold £	Early Years' Room £	Fixtures, fittings and equipment £	Library books £	Total £
Cost					
At 1 August 2017	2,059,617	-	84,334	2,107	2,146,058
Additions	-	96,644	1,882	-	98,526
At 31 July 2018	2,059,617	96,644	86,216	2,107	2,244,584
Depreciation					
At 1 August 2017	534,704	-	62,033	1,126	597,863
Charge for the year	30,498	-	2,254	49	32,801
At 31 July 2018	565,202	-	64,287	1,175	630,664
Net book values					
At 31 July 2018	1,494,415	96,644	21,929	932	1,613,920
At 31 July 2017	1,524,913	-	22,301	981	1,548,195

11. Debtors

	2018	2017
	£	£
Trade debtors	12,173	11,494
Other debtors	371	12,868
	12,544	24,362

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

12. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,459	2,855
Other taxes and social security	1,461	1,536
Other creditors	9,886	-
Accruals and deferred income	20,296	28,928
	<u>33,102</u>	<u>33,319</u>

13. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Designated funds £	Total funds £
Fund balances at 31 July 2018 as represented by:				
Tangible fixed assets	22,861	96,644	1,494,415	1,613,920
Current assets	64,307	29,060	14,507	107,874
Current liabilities	(30,102)	(3,000)	-	(33,102)
	<u>57,066</u>	<u>122,704</u>	<u>1,508,922</u>	<u>1,688,692</u>

Analysis of net assets between funds (prior year)

	Unrestricted funds £	Restricted funds £	Designated funds £	Total funds £
Fund balances at 31 July 2017 as represented by:				
Tangible fixed assets	23,282	-	1,524,913	1,548,195
Current assets	50,777	-	24,281	75,058
Current liabilities	(33,319)	-	-	(33,319)
	<u>40,740</u>	<u>-</u>	<u>1,549,194</u>	<u>1,589,934</u>

14. Unrestricted funds

	At 1 August 2017 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 July 2018 £
General Funds	<u>40,740</u>	<u>169,014</u>	<u>(162,462)</u>	<u>9,774</u>	<u>57,066</u>

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

15. Restricted funds

	At 1 August 2017 £	Incoming resources £	At 31 July 2018 £
Capital Funds			
Early Years' Room project	-	97,000	97,000
Revenue Funds			
Big Lottery - Awards for All	-	5,200	5,200
Bord Na Gaidhlig - Training	-	15,200	15,200
Bord Na Gaidhlig - Market Research	-	5,304	5,304
	<u>-</u>	<u>122,704</u>	<u>122,704</u>

Purposes of restricted funds

Early Years' Room project

£97,000 was received from the Scottish Government for an Early Years' room project. Total costs of the project were £96,644. The equipment will be depreciated in the following year as the project is completed.

Big Lottery - Awards for All

£5,200 was received from the Big Lottery through the Awards for All scheme. This has been carried forward to be spent next year.

Bord Na Gaidhlig - Training

£15,200 was received from Bord Na Gaidhlig for Training costs and is carried forward to be spent next year.

Bord Na Gaidhlig - Market Research

£5,304 was received from Bord Na Gaidhlig for Market Research and is carried forward to be spent next year.

Ionad Chaluim Chille Ile

Notes to financial statements for the year ended 31 July 2018

16. Designated funds

	At 1 August 2017 £	Outgoing resources £	Transfers £	At 31 July 2018 £
Property	1,524,913	(30,498)	-	1,494,415
Gaelic Language Development	14,281	-	-	14,281
Maintenance reserve	10,000	-	(9,774)	226
	<u>1,549,194</u>	<u>(30,498)</u>	<u>(9,774)</u>	<u>1,508,922</u>

Purposes of designated funds

Property

The designated property fund represents the property held at Gartnatra, Bowmore, Isle of Islay which was conveyed at £nil consideration to the charity by Argyll & Bute Council in March 2001. The value in the balance sheet represents monies expended in converting the property into the current educational establishment.

Under the terms of the agreement with Argyll & Bute Council, in the event that the property is no longer used as an educational establishment, the charity will first offer to dispose the property back to Argyll & Bute Council for no consideration.

In addition, should the premises no longer be used as a educational establishment, the Millennium Commission may claw back £304,000 of grant funding that they provided to the charity for the conversion of the property.

Gaelic Language Development

The language development fund represents money raised by the charity from a dinner dance held in November 2011, which has been set aside for this purpose.