



THE ISLE OF GIGHA HERITAGE TRUST

Dear Member,

The Report and Accounts for IGHT and subsidiary companies for 2018/9 will be discussed at the AGM planned for Thursday 21st November but we, the Board, are happy to discuss any queries in advance. The accounts are lengthy and are available for inspection at the Trust Office. This year the Board do not intend to circulate paper copies. The Board will, of course answer questions at the AGM but it would be preferred if any such matters could be raised in advance. Members of the Board will also be available during the afternoon of 21st November 2019 or at other times prior to then for the purpose of discussing the accounts or other issues.

Headlines

During the period the Board focussed on reducing the debt held by the Trust which has been significantly impacting on the Trust's ability to maintain and invest in its assets and community over the last few years. Some difficult decisions were taken to reduce core costs and lower debt levels through the sale of assets.

At year end IGHT debt had reduced from £1,377,186 at 17/8 year end to £1,187,137 at 18/9 year end. Debt reduction has focussed on paying down the most expensive debt to service (Triodos and AMC). By year end we had reduced total capital and interest debt repayments from £115,000 pa in 2017/2018 to £105,000 pa in 2018/2019. This has been further reduced to £77,000 in the current financial year and forecast to reduce to £65,000 next financial year. This is releasing over £50,000 in additional income for the Trust to invest in its assets and community year on year.

At the end of this financial year we anticipate total debt to be in the order of £780,000. We intend to target c £250,000 of this debt which remains with AMC and Triodos, through further capital receipts. The balance of the debt (c £500,000) with Nationwide will remain as the Board consider this debt to be serviceable within our current forecast income projections.

Core cost have reduced by a total of £133k since last year because spend has been kept to a minimum over the course of the year. This was because the Trust had to get to a secure cash position which it has since been able to achieve since 31st March. Costs were also reduced through not replacing staff leaving, making a saving on wages of £20k. Garden spend reduced by £12k from last year as again, costs were kept to an absolute minimum. The only costs were for the road repair and staff costs.

Estate Management spend reduced by around £100k again because there was very little expenditure on property maintenance. However, the Trust is in a much better financial and cash position which means properties are now being maintained and refurbished where necessary. During the year the Board also worked to ensure better financial controls were put in place with regular cash flow reports and management accounts now available to the Board, and a budget for key items agreed with Directors.

This report is directed at the financial position of the Trust. This is, of course, not the only focus of the Board's attention but it does underpin the future and sustainability of the community.

Craft Workshop 1, Isle of Gigha, PA41 7AA Tel: 01583 505 390

The Isle of Gigha Heritage Trust Ltd is a company registered in Scotland (registered number: SC224141) and a Registered Scottish Charity (charity number: SCO 32302)



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Isle of Gigha Heritage Trust					
Statement of financial activities for year ended 31st March 2019					
	2019		2018		
	IGHT		IGHT		
Total Income in Year	551,007		750,159	**	
Total Expenditure in Year	456,547		589,389		
Net Movement in Funds	94,460		160,770		
<p>** Due to changes in Accounting Standards, donations from trading subsidiaries now must be accounted for on a paid basis. The £82k donations for the 2019 year will appear in the 2020 accounts</p>					
Trading Activity for Trust subsidiaries					
For Year Ended 31st March 2019					
	2019		2019		2019
	GREL		GGPL		GTL
Turnover/Other Income	186,559		307,896		143,413
Total income	186,559		307,896		143,413
Expenditure	136,971		227,203		132,081
Profit/(Loss) for Year Ended 31 March 19	49,588		80,693		11,332