

Charity number: SC037336
Company number: SC287343

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

DIRECTORS' REPORT and FINANCIAL STATEMENTS

For the year ended 31 July 2022



NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

CONTENTS	Page
Legal and administrative information	1
Directors' report	2 - 6
Auditors' report to the directors	7 - 9
Statement of financial activities	10
Balance sheet	11
Cash flow statement	12
Notes to the financial statements	13 - 29



NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

LEGAL and ADMINISTRATIVE INFORMATION

Charity number	SC037336
Company registration number	SC287343
Business address	Penmore Mill Dervaig Tobermory Isle of Mull PA75 6QS
Registered office	Penmore Mill Dervaig Tobermory Isle of Mull PA75 6QS
Directors	Colin James Morrison (Chair) Pippa Lanteri Laura Patricia Claire Evans Andrew Primrose Tracy Teresa Mayo (resigned 4 July 2022) John Moxon Addy (appointed 15 August 2021) Anne Cleave Joanne Susan Prior (resigned 8 August 2021)
Secretary	Helen Murray
Independent Auditors	Chiene + Tait LLP Chartered Accountants & Statutory Auditor 61 Dublin Street Edinburgh EH3 6NL
Bankers	Clydesdale Bank plc 20 Main Street Tobermory Isle of Mull PA75 6NY Triodos plc Deanery Road Bristol BS1 5AS

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

REPORT of the DIRECTORS (incorporating the Trustees' Report)

For the year ended 31 July 2022

The directors present their report and the financial statements for the year ended 31 July 2022. The directors, who are also trustees of North West Mull Community Woodland Company Limited 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 (FRS 102).

Structure, governance and management

Membership

The company was formed in 2005 and obtained charitable status in May 2006. Membership is free and open to anyone resident in North West Mull aged 16 or over. Associate membership is open to all other individuals and organisations, and Junior Membership is open to those aged 12 to 17. Junior Members and Associate Members are not permitted to vote at Company meetings or stand for election to the Board. There are 154 (2021: 152) members as at 31 July 2022 which is approximately 38% of the full electoral register for the eligible areas.

Election of Directors

The charity is managed by a board of directors elected by the members at the AGM. There can be between 5 and 16 directors including one director appointed by the Mull & Iona Community Council, and up to 3 co-opted directors. One third of the elected directors must resign at the AGM; a director can serve up to two consecutive terms of office and then must stand down for a minimum period of 12 months.

Mull & Iona Community Council did not take up the option to appoint a director during the year.

Board Training

The company provides an information pack which is given to all new directors on appointment. This includes information on the roles and responsibilities of a company director and charity trustee, copies of recent board minutes, company policies and other information regarding the operations of the company. Copies of the Articles of Association and the Business Plan are available on the charity website.

Board Procedures

Monthly board meetings are attended by the Board and the staff, with finance report and development manager's report being circulated beforehand. Minutes of the meeting are posted on the charity website once ratified by the board at the following meeting.

Conflicts of interest

A policy is in operation to deal with conflicts of interest. This includes maintaining a register of interests for all board members/directors and senior managers, which details any contractual or financial relationship or position of authority with outside companies, firms, associations or organisations. Whenever a board member/director or senior manager has an interest in any item discussed by the board, he/she takes no part in the discussions or decision making process.

Any declarations of interest are recorded in the minutes of the appropriate board meetings. The Register of Interest is subject to inspection by auditors. The Register will be shared with the Financial Controller of NWMWC for the purpose of detecting and reporting in the Annual Accounts any related party transactions.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

REPORT of the DIRECTORS (incorporating the Trustees' Report) (continued)

For the year ended 31 July 2022

Risk Management

The Board of Directors is ultimately responsible for North West Mull Community Woodland Company Limited internal, financial and administrative controls and systems and for reviewing their effectiveness. However, such systems are designed to manage rather than eliminate risk of failure to achieve the Company's objectives, and can provide only reasonable but not absolute assurance against material misstatement or loss.

These systems of control include, a regular consideration by the Directors of financial results, variance from budgets and non-financial performance indicators; delegation of authority and segregation of duties, identification and management of financial and non-financial risks.

Financial Review

In the year to 31 July 2022, income totalled £1,763,665 (2021: £693,659) and expenditure totalled £332,706 (2021: £351,203). Unrestricted reserves (excluding the designated reserves) decreased during the year by £91,002 to a balance of £845,116. As detailed in Note 23, the Trustees have designated £190,329 of funds at the year-end towards activities that they expect to take place during the forthcoming and future years. Restricted reserves increased during the year by £1,508,809 to a balance of £6,888,634. Note 22 details what these reserves are held for.

Reserves policy

The aim of the Company's reserve policy will be, to establish a level of reserves which the Company may need in times of unexpected fluctuations in income to ensure its ability to provide uninterrupted services for a period of 12 months.

General unrestricted funds are negative and a review of the allocation of the current and prior year allocations has been carried out. Negative funds are a result of historical general income being less than the general operating costs and expenditure on the projects of the company.

During the current period of global economic uncertainty, the Company will continue to work towards this objective but recognises that this may not be achievable in the short term to medium term.

Objectives and activities

Principal objects

The charity's principal objective is to manage community land and associated assets for the benefit of the Community and the public in general and as an important part of the protection and sustainable development of Scotland's natural environment, where 'sustainable development' means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Strategic aims and objectives - the woodlands

In December 2006, the charity purchased Langamull and West Ardu woodlands for £340,000, totalling an area of 675 ha. This was the first Forestry Commission land – now Forestry Scotland - to be purchased under the National Forest Land Scheme.

The Charity has now agreed the new Forest Design Plan for the replanting of those areas that were harvested. Harvesting and replanting have now commenced.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

REPORT of the DIRECTORS (incorporating the Trustees' Report) (continued)

For the year ended 31 July 2022

Strategic aims and objectives - Island of Ulva

The overall objective of the community ownership of the Isle of Ulva and associated holdings on the adjacent mainland of Mull at Ulva Ferry, is to provide sustainable benefits for the community in the short to medium term and in the long term for future generations, including the repopulation of the area.

This is being achieved by providing security of tenure for existing residents, we have renovated the current housing stock, aim to provide new housing stock or facilitate new residents to build their own. We will also continue to update the infrastructure, revitalise and expand agricultural activity whilst enhancing biodiversity, conserving sensitive habitats and species, and protecting the built historic environment and archaeology.

Main areas of activity

The charity selected the consultancy Treestory to facilitate the production of a new Forestry Design Plan. Progress has been swift in the production of that plan and agreement of the plan reached with replanting begun in Autumn of 2022, along with other related activities such as refencing and deer management.

Renovation of the housing stock on Ulva is complete as is the pier renovation and expansion work providing better facilities for the inshore fishing boats based at Ulva Ferry and surrounding area. Agricultural activity continues with a new tenant farmer in place.

Ulva

The renovation of the existing housing stock has been completed.

Work on the next phase of housing provision continues with Argyll Community Housing Association committed to investigate the feasibility of providing housing association properties on Ulva. The Charity is also moving forward proposals for developments on the housing plots that were outlined in the Masterplan.

The renovation and expansion of Ulva Ferry Pier has been completed, enhancing and increasing the facilities available to the Ulva Ferry fishing fleet, and other users.

Work associated with the Agri Environment Climate Scheme continues with bracken control and other activities. A new stockman took over the role of managing the highland cattle and a bull was bought and introduced to the herd in order to produce calves in the following year. The stockman has taken on tenancy of the farm and his own cattle and sheep have also been brought to the island.

The Ulva ferry, owned by the company, is leased out and continues to be run independently as a family business

Ardalum Hostel is leased and run separately as a hostel with yurt accommodation and campsite.

Bernus Bothy is let out and running. Cragaig bothy is in the process of being brought up to standard with plans to reopen in 2023.

The Boathouse Restaurant is tenanted and running during the season.

The Storas Ulbha project including the renovation of Ulva House had to be discontinued due to cost increases, Covid 19 time-slippage and tight funding deadlines. Work to find a new purpose for Ulva House and to make use of work already done on interpretation has begun.

Forestry

The Forest Design Plan was agreed within this period and plans for implementation have been developed with a view to beginning full replant and West Ardhru harvesting in the coming months. Some replanting in areas of Langamull has already begun.

A new share in the jointly owned Woodmiser has been taken up by Mull and Iona Community Trust.

**NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)**

REPORT of the DIRECTORS (incorporating the Trustees' Report) (continued)

For the year ended 31 July 2022

Micro Hydro

The Micro Hydro continues to provide a substantial ongoing financial input to the charity. During the period a significant increase in the per unit payment was negotiated meaning higher income levels for that year.

Woodfuels (Trading Company)

The Woodfuels Trading Company continues to deliver firewood and woodchip to customers across the island. It was necessary to purchase a new Timber delivery truck, which, combined with rising borrowing costs and timber costs, has meant another challenging year. With plans to reduce timber costs through use of our own harvested timber once this becomes available and other efficiencies as well as increased charges the directors remain optimistic about the future of the business.

Dervaig Toilets

The Dervaig Toilets Sub Group continued to work towards bringing together enough funding to replace the Dervaig Toilets with completion expected shortly.

Key Risks and Uncertainties

Similar to last year, the key risks that will continue to affect the company over the coming years are: meeting the costs associated with fencing and replanting; the stability of the timber market; particularly with the impact of Brexit on volatility; volunteer fatigue and management / director succession. The landscape has changed dramatically over the years since the charity was founded with evolving community requirements, reduced funding availability, drop in renewable's support (both FIT and RHI) and whilst challenging, the company continues to evolve to meet these changes. The work of the charity on Ulva is much more diverse and to meet this challenge, all projects done on the island will be fully costed in advance with clear financial models built showing expenditure and how it will be met.

Plans for future periods

Future plans for NWMCWC are focused on the sustainable social and economic development of the Island of Ulva by increasing the housing stock, continuing support of farming, re-purposing of Ulva House, renovation of the Ulva side pier infrastructure and improving the opportunities for tourism and other development. In our Mull based woodlands, plans now focus on fencing and replanting with an increased emphasis on expanding native broad leaf species while ensuring commercial viability into the future.

Statement as to disclosure of information to auditors

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Trustees' responsibilities in relation to the financial statements

The directors (who are also trustees of North West Mull Community Woodland Company Limited 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:

**NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)**

REPORT of the DIRECTORS (incorporating the Trustees' Report) (continued)

For the year ended 31 July 2022

Trustees' responsibilities in relation to the financial statements (continued)

- 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.

Independent Auditors

Chiene + Tait LLP were appointed auditors to the charitable company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

27 April 2023

This report was approved by the Board on..... and signed on its behalf by



.....
Colin James Morrison
Director

**INDEPENDENT AUDITOR'S REPORT to the TRUSTEES/DIRECTORS and MEMBERS of
NORTH WEST MULLCOMMUNITY WOODLAND COMPANY LIMITED**

Opinion

We have audited the financial statements of North West Mull Community Woodland Company Limited (the 'company') for the year ended 31 July 2022 which comprise the statement of financial activities, balance sheet, cash flow statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the 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 applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT to the TRUSTEES/DIRECTORS and MEMBERS of
NORTH WEST MULLCOMMUNITY WOODLAND COMPANY LIMITED (continued)**

Matters on which we are required to report by exception

In the light of the 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006 and Health and Safety Regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

**INDEPENDENT AUDITOR'S REPORT to the TRUSTEES/DIRECTORS and MEMBERS of
NORTH WEST MULLCOMMUNITY WOODLAND COMPANY LIMITED (continued)**

We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the management and the directors;
- review of minutes of board meetings throughout the period;
- review of legal correspondence and invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

Use of our report

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

Barry Truswell

27 April 2023

.....
Barry Truswell (Senior Statutory Auditor)
For and on behalf of:
Chiene + Tait LLP
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

.....
Date

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

STATEMENT of FINANCIAL ACTIVITIES
(incorporating the income and expenditure account)

For the year ended 31 July 2022

	Notes	Unrestricted funds £	Restricted funds £	Designated funds £	2022 Total £	Unrestricted funds £	Restricted funds £	Designated funds £	2021 Total £
Income from:									
Donations, legacies & grants	2	1,844	1,595,788	102,376	1,700,008	11,726	337,625	184,941	534,292
Income from Charitable activities	5	33,287	-	-	33,287	11,021	-	11,275	22,296
Fundraising activities	3	-	-	141	141	-	-	834	834
Investment income		1,715	-	-	1,715	1,715	-	-	1,715
Other income	6	28,514	-	-	28,514	134,522	-	-	134,522
Total income		65,360	1,595,788	102,517	1,763,665	58,984	337,625	197,050	693,659
Expenditure on:									
Charitable activities	7, 8	156,362	86,979	89,365	332,706	162,752	23,452	164,999	351,203
Total expenditure		156,362	86,979	89,365	332,706	62,752	23,452	164,999	351,203
Net income/(expenditure)	9	(91,002)	1,508,809	13,152	1,430,959	(3,768)	314,173	32,051	342,456
Transfers between funds		-	-	-	-	-	-	-	-
Net movement in funds		(91,002)	1,508,809	13,152	1,430,959	(3,768)	314,173	32,051	342,456
Reconciliation of funds:									
Total funds brought forward		936,118	5,379,825	177,177	6,493,120	939,886	5,065,652	145,126	6,150,664
Total funds carried forward	21, 22, 23	845,116	6,888,634	190,329	7,924,079	936,118	5,379,825	177,177	6,493,120

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 13 to 29 form an integral part of these financial statements.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

BALANCE SHEET

As at 31 July 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	12		-		-
Tangible assets	13		8,358,848		6,509,134
Investments	14		27,574		27,574
			-----		-----
			8,386,422		6,536,708
Current assets					
Stocks	16	16,750		18,039	
Debtors	17	227,581		245,846	
Cash at bank and in hand		232,968		245,901	
			-----	-----	
			477,299		509,786
Creditors: amounts falling due within one year					
	18	(222,580)		(85,945)	
			-----	-----	
Net current assets			254,719		423,841
			-----		-----
Total assets less current liabilities					
			8,641,141		6,960,549
Creditors: amounts falling due after more than one year					
	19	(717,062)		(467,429)	
			-----	-----	
Net assets	20		7,924,079		6,493,120
			=====		=====
Funds					
Designated funds	23		190,329		177,177
Restricted income funds	22		6,888,634		5,379,825
Unrestricted income funds	21		845,116		936,118
			-----		-----
Total funds			7,924,079		6,493,120
			=====		=====

The financial statements were approved by the board on and signed on its behalf by



.....
Colin James Morrison
Director

27 April 2023

The notes on pages 13 to 29 form an integral part of these financial statements.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

CASH FLOW STATEMENT

For the year ended 31 July 2022

	Notes	2022	2021
		£	£
Net income for the year		1,430,959	342,456
Interest payable		20,478	9,176
Interest receivable		(1,715)	(1,715)
Taxation charge/(credit)		-	-
Depreciation and impairment		41,017	39,668
Decrease in stocks		1,289	9,909
Decrease/(increase) in debtors		18,265	(183,967)
Increase/(decrease) in creditors		135,508	(5,966)
(Decrease)/increase in deferred grants		(1,599)	17,266
		-----	-----
Net cash provided by operating activities		1,644,202	226,827
		-----	-----
Cash flows from financing activities:			
Repayments/Borrowing	27	252,359	321,778
Cash flows from investing activities			
Returns on investments and servicing of finance	27	(18,763)	(7,461)
Cash flows from investments		-	2,228
Capital expenditure	27	(1,890,731)	(387,015)
		-----	-----
(Decrease)/increase in cash in the year		(12,933)	156,357
		-----	-----
Change in cash and cash equivalents in the year			
Decrease/(increase) in cash in the year		(12,933)	156,357
Cash and cash equivalents brought forward		245,901	89,544
		-----	-----
Cash and cash equivalents at the end of the year		232,968	245,901
		=====	=====

**NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)**

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 July 2022

Legal Status of the charity

The charity is constituted as a company limited by guarantee and is governed in accordance with its Memorandum & Articles of Association.

1. Accounting policies

The principal accounting policies adopted are summarised below.

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) (effective 1 January 2019).

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

Going concern; key risks and uncertainties

The company has generated net income for the year of £1,430,959.

The directors have prepared financial projections until 31 July 2024 and have considered the prospects for the 12-month period from the date of approval of the financial statements.

The forecast for the 12-month period to 31 July 2024 shows that the company will generate net income. The directors therefore consider it appropriate to prepare the financial statements on the going concern basis.

Income

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:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. 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 grant.

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

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 July 2022

1. Accounting policies

Income

Gifts donated for resale are included as income within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

Expenditure

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 seeking voluntary contributions 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

The charity is registered for VAT.

Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

Tangible fixed assets and depreciation

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	- Not depreciated
Infrastructure	- Not depreciated
Micro Hydro	- 5% straight line
Plant and machinery	- 20% straight line
Fixtures, fittings and equipment	- 20% straight line
Tractors and trailers	- 20% straight line
Other Assets	- 25% straight line
Woodshed	- 10% straight
Ulva housing development	- Not depreciated
Ulva other assets	- 20% and 10% straight line

The land and buildings cost in the accounts represents the purchase price, including legal costs of the Woodlands, Langamull and West Ardhu. Depreciation is not normally charged on land unless it is subject to depletion. However, the asset includes standing timber which is subject to extraction in the future and the directors have discussed the matter further. In view of a recent valuation of the land at £1,000,000 despite the extraction which has taken place they continue to be of the opinion that depreciation is not appropriate.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

1. Accounting policies (continued)

Tangible fixed assets and depreciation (continued)

It is company policy to maintain the Island of Ulva in a condition which is at least equivalent to the condition in which it was purchased. The directors review the carrying value of the Island on an annual basis. As at 31 July 2022, the directors are of the opinion that no write down of the Island's value is required.

Heritage assets

The charity holds heritage assets, which are tangible fixed assets of historical, artistic or scientific importance that are held to advance preservation and conservation objectives of the charity. Newly purchased heritage assets are capitalised and included at cost including any incidental expenses of acquisition.

Where heritage assets were acquired in past accounting periods and not capitalised, it can be difficult or costly to attribute a cost or value to them. In such cases, these assets are excluded from the balance sheet if reliable cost information is not available and conventional valuation approaches lack sufficient reliability or significant costs are involved in the reconstruction or analysis of past accounting records or in valuation, which are onerous compared with the additional benefit derived by users of the accounts in assessing the directors' stewardship of the assets.

The very long expected lives of heritage assets, due to their nature, value and need to be protected and preserved means that depreciation is not material and is, therefore, not provided.

Biological assets

The charity holds biological assets in the form of standing timber. These are carried at cost less accumulated depreciation.

Investments

Investments held consist of shares in group undertakings and are held at cost.

Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Stock

Stock is valued at the lower of cost and net realisable value.

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. 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.

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.

Debtors

Debtors are measured at transaction price less any impairment for bad or doubtful debts.

Creditors

Creditors are measured at the transaction price.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

2. Donations, legacies and grants

	Unrestricted funds £	Restricted funds £	Designated funds £	2022 Total £	2021 Total £
Donations	-	4,270	-	4,270	115,608
Farm payments (AECS/SIACS)	-	-	29,517	29,517	26,284
Highlands & Islands Enterprise	-	13,900	-	13,900	30,610
Rural Housing Feasibility Fund	-	900,361	-	900,361	142,313
Scottish Government	-	-	-	-	62,007
Flag EMFF Funding	-	431,001	-	431,001	32,825
Island Green Recovery Fund	-	-	-	-	38,083
Rural Communities Grant Fund	-	47,205	-	47,205	50,979
Strategic Housing Fund	-	72,000	-	72,000	-
Island Community Fund	-	-	72,859	72,859	-
Rural Communities Testing Change Fund	-	75,460	-	75,460	-
National Heritage Lottery Fund	-	10,484	-	10,484	-
Argyll Community Housing Association	-	10,400	-	10,400	-
Other grant income	1,844	30,707	-	32,551	35,583
	----- 1,844	----- 1,595,788	----- 102,376	----- 1,700,008	----- 534,292
	=====	=====	=====	=====	=====

3. Fundraising activities

	Designated Funds £	2022 Total £	2021 Total £
Fundraising events	141	141	834
	----- 141	----- 141	----- 834
	=====	=====	=====

4. Trading subsidiaries

The charity controls the companies listed below by virtue of holding a controlling interest in the equityshare capital:

Name of subsidiary	Country of incorporation	% of equity share capital held
NWMCW Trading Company Limited	Scotland	100
Island Woodfuels Limited	Scotland	100
Ardhu Power Limited	Scotland	100

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

4. Trading subsidiaries (continued)

NWMCW Trading Company Limited

The Trading company was incorporated on 25th September 2006 and commenced trading on 14 July 2009.

Summary of trading results	2022	2021
	£	£
Turnover	63,329	51,824
Total expenditure	(73,662)	(58,743)
	-----	-----
Net (loss) for the year	(10,233)	(6,919)
Retained (loss) brought forward	(21,445)	(14,526)
	-----	-----
Retained (loss)	(31,678)	(21,445)
	=====	=====

The assets and liabilities of NWMCW Company Limited were:	2022	2021
	£	£
Assets	24,657	33,115
Liabilities	(56,333)	(54,558)
	-----	-----
Deficit of funds	(31,676)	(21,443)
	=====	=====

Island Woodfuels Limited

The company has been dormant from the date of incorporation.

Ardhu Power Limited

This company was set up in February 2014 in anticipation of the development of a micro hydro scheme. The company operated the hydro scheme from 1 August 2019.

Summary of trading results	2022	2021
	£	£
Turnover	110,765	72,558
Total expenditure	(72,447)	(46,775)
	-----	-----
Net profit for the year	38,318	25,783
Tax on profit	(1,905)	-
Retained profit brought forward	29,923	4,140
	-----	-----
Retained profit	70,146	29,923
	=====	=====

The assets and liabilities of Ardhu Power Limited were:	2022	2021
	£	£
Assets	242,369	219,336
Liabilities	(172,123)	(189,313)
	-----	-----
Funds	70,246	30,023
	=====	=====

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

5. Income from Charitable activities	Unrestricted Funds £	Designated funds £	2022 Total £	2021 Total £
Pier & slipway rentals	1,500	-	1,500	1,500
Equipment Hire	13,732	-	13,732	9,262
Forest crofts	1,808	-	1,808	1,759
Ulva Rental income	16,247	-	16,247	9,775
	-----	-----	-----	-----
	33,287	-	33,287	22,296
	=====	=====	=====	=====

6. Other income	Unrestricted Funds £	Designated funds £	2022 Total £	2021 Total £
Other income	10,597	-	10,597	112,445
Management Fees	17,917	-	17,917	22,077
	-----	-----	-----	-----
	28,514	-	28,514	134,522
	=====	=====	=====	=====

Other income in the previous year included £104,000 relating to the sale of a plot of land.

7. Cost of charitable activities by fund type	Unrestricted funds £	Restricted funds £	Designated funds £	2022 Total £	2021 Total £
General Development	128,623	14,115	-	142,738	141,895
Ulva	3,275	33,800	85,709	122,784	155,781
Island green recovery	-	8,643	-	8,643	7,608
Langamull Native Woodland Project	-	30,421	-	30,421	15,844
	-----	-----	-----	-----	-----
	131,898	86,979	85,709	304,586	321,128
	=====	=====	=====	=====	=====

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

8. Audit fees and finance charges	Unrestricted funds	Restricted funds	Designated funds	2022 Total	2021 Total
	£	£	£	£	£
Professional – auditor remuneration	3,655	-	3,656	7,311	14,177
Interest – bank loans and overdraft	20,166	-	-	20,166	8,888
Finance charges – finance lease and HP	401	-	-	401	392
Bank charges	242	-	-	242	6,618
	-----	-----	-----	-----	-----
	24,464	-	3,656	28,120	30,075
	=====	=====	=====	=====	=====

9. Net movement in funds for the year

	2022	2021
	£	£
Net movement in funds is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	41,017	39,670
Auditors' remuneration	7,311	14,177
	=====	=====

10. Employees

	2022	2021
	£	£
Employment costs		
Wages and salaries	104,909	91,489
Employers NI	3,287	3,197
Pension costs	1,680	1,536
Recruitment and training	410	798
	-----	-----
	110,286	97,020
	=====	=====

No employee received emoluments of more than £60,000 (2021: £Nil).

The average monthly number of employees on a head count basis (excluding the directors) during the year was as follows:

	2022	2021
	No.	No.
Number of employees	5	4
	=====	=====

Key Management Personnel

The key management personnel of the charity is made up of the Board of Directors. The directors do not receive any remuneration in their role as directors other than reimbursement of expenses incurred.

Trustees' 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.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

11. 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.

Trading income from the non-charitable sources do not exceed the exemption level in 2022 resulting in no taxation charges.

12. Intangible fixed assets

	Goodwill
	£
Cost	
At 1 August 2021 and 31 July 2022	20,000
	=====
Provision for diminution in value	
At 1 August 2021 and 31 July 2022	20,000
	=====
Net book value	
At 31 July 2022	-
	=====
At 31 July 2021	-
	=====

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

13. Tangible fixed Assets	Woodlands and infrastructure	Island of Ulva	Plant and machinery	Fixtures, fittings and equipment	Tractors and trailers	Woodshed	Other assets	Ulva housing	Ulva other assets	Total
	£	£	£	£	£	£	£	£	£	£
Cost										
At 1 August 2021	1,230,102	4,650,000	55,309	20,980	93,238	245,691	14,966	236,713	170,974	6,717,973
Additions	-	-	-	-	-	-	-	1,406,081	484,650	1,890,731
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 July 2022	1,230,102	4,650,000	55,309	20,980	93,238	245,691	14,966	1,642,794	655,624	8,608,704
Depreciation										
At 1 August 2021	-	-	38,623	20,980	59,017	77,356	12,863	-	-	208,839
Charge for the year	-	-	4,172	-	9,502	24,570	1,227	-	1,546	41,017
On disposals	-	-	-	-	-	-	-	-	-	-
At 31 July 2022	-	-	42,795	20,980	68,519	101,926	14,090	-	1,546	249,856
Net book values										
At 31 July 2022	1,230,102	4,650,000	12,514	-	24,719	143,765	876	1,642,794	654,078	8,358,848
At 31 July 2021	1,230,102	4,650,000	16,686	-	34,221	168,335	2,103	292,089	115,598	6,509,134

The valuation reflects the current state of the woodlands with the value of replanting ground being less than ¼ of the value of established woodland and does not reflect its future value.

Standing timber is included in Woodlands and infrastructure and is held at cost less depreciation.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

14. Fixed asset investments	Subsidiary undertakings shares £	Subsidiary undertakings loans £	Total £
Valuation			
At 1 August 2021	202	27,372	27,574
Additions	-	-	-
Repayments	-	-	-
	-----	-----	-----
At 31 July 2022	202	27,372	27,574
	=====	=====	=====
Historical cost as at 31 July 2022	202	-	202
	=====	=====	=====

All fixed asset investments are held within the United Kingdom.

100 Ordinary shares in Island Woodfuels Limited, being 100% of the share capital of the company, were subscribed for in 2014, but were unpaid at the year end. This company remains dormant.

Two other companies shown below were set up on behalf of the charity in 2014 and shares were held in nominee accounts. The shares in Ardhu Power were formally transferred to the charity on 4th October 2016.

The loan to subsidiary represents a working capital loan to NWMCW Trading Company Limited. The loan carries an interest rate of 6% and is repayable over a period of 10 years.

15. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Subsidiary undertaking	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
NWMCW Trading Company Limited	Scotland	Forestry activities	Ordinary shares	100%
Island Woodfuels Limited	Scotland	Dormant	Ordinary shares	100%
Ardhu Power Limited	Scotland	Hydro power operations	Ordinary	100%

The aggregate amount of capital and reserves and the results of the undertaking for the last relevant financial year were as follows:

	Capital and reserves £	Profit/(loss) for the year £
NWMCW Trading Company Limited	(31,676)	(10,233)
Island Woodfuels Limited	100	-
Ardhu Power Limited	70,246	38,318

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

16. Stocks	2022	2021
	£	£
Raw materials and consumables	16,750	18,039
	=====	=====
Stock by category:		
Livestock	16,750	16,750
Processed timber	-	1,289
	-----	-----
	16,750	18,039
	=====	=====
17. Debtors	2022	2021
	£	£
Trade debtors	15,977	995
Amounts due from subsidiary and associated undertakings	76,582	99,798
Other debtors	135,022	145,053
	-----	-----
	227,581	245,846
	=====	=====
18. Creditors: amounts falling due within one year	2022	2021
	£	£
Other loans	13,379	13,379
Trade creditors	15,965	16,433
Bank loans	27,846	26,719
Other creditors	64,943	16,034
Accrued expenses	100,447	13,380
	-----	-----
	222,580	85,945
	=====	=====
19. Creditors: amounts falling due after more than one year	2022	2021
	£	£
Bank loan	586,221	319,504
Other loans	12,287	22,884
Woodshed loan	102,887	107,775
Deferred grant income	15,667	17,266
	-----	-----
	717,062	467,429
	=====	=====

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

19. Creditors: amounts falling due after more than one year (continued)

Standard Securities

Triodos Bank has standard security over the assets in respect of all sums due and to become due in relation to the mortgage which commenced in August 2018.

Triodos Bank PLC hold securities over the following assets:

Ground at West Arduh Isle of Mull ARG13037 Ground at Laganmul Isle of Mull ARG16643

Big Lottery hold a standard security over the Isle of Ulva ARG25660

Argyll and Bute Council hold security over the former public Toilet Dervaig Isle of Mull ARG24611.

Argyll and Bute Council hold security over Ulva House and the Isle of Ulva ARG25660.

The Scottish Ministers hold security over various assets on Ulva and the Isle of Ulva ARG25660.

The Ecology Building Society hold security over various assets on Ulva and the Isle of Ulva ARG25660.

20. Analysis of net assets between funds

Fund balances at 31 July 2022 as represented by:	Unrestricted Funds	Restricted Funds	Designated Funds	Total Funds
	£	£	£	£
Tangible fixed assets	1,548,756	6,810,092	-	8,358,848
Investment assets	27,574	-	-	27,574
Current assets	208,428	78,542	190,329	477,299
Current liabilities	(222,580)	-	-	(222,580)
Long-term liabilities	(717,062)	-	-	(717,062)
	-----	-----	-----	-----
	845,116	6,888,634	190,329	7,924,079
	=====	=====	=====	=====

Analysis of net assets between funds (prior year)

Fund balances at 31 July 2021 as represented by:	Unrestricted Funds	Restricted Funds	Designated Funds	Total Funds
	£	£	£	£
Tangible fixed assets	1,092,989	5,291,063	125,082	6,509,134
Investment assets	27,574	-	-	27,574
Current assets	368,929	88,762	52,095	509,786
Current liabilities	(85,945)	-	-	(85,945)
Long-term liabilities	(467,429)	-	-	(467,429)
	-----	-----	-----	-----
	936,118	5,379,825	177,177	6,493,120
	=====	=====	=====	=====

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

	At 1 August 2021 £	Income £	Expenditure £	Transfers £	At 31 July 2022 £
21. Unrestricted funds					
General Funds	(54,882)	65,360	(156,362)	-	(145,884)
Forestry Fund	167,434	-	-	-	167,434
Forestry Fund - Asset	822,617	-	-	-	822,617
Eagle Tours Fund	949	-	-	-	949
	-----	-----	-----	-----	-----
	936,118	65,360	(156,362)	-	845,116
	=====	=====	=====	=====	=====

The harvesting of the forests at Langamull and West Ardhru will eventually lead to reforestation and replanting in accordance with the Forest Plan. To meet the charity's obligations under this plan, funds realised from the harvesting will be set aside to achieve these objectives once the amounts incurred for the infrastructure costs have been cleared. The balances relating to the Forestry work have been transferred to a designated fund split between the capital/asset fund and a working capital fund.

	At 1 August 2020 £	Income £	Expenditure £	Transfers £	At 31 July 2021 £
Unrestricted funds (prior year)					
General Funds	(51,114)	158,984	(162,752)	-	(54,882)
Forestry Fund	167,434	-	-	-	167,434
Forestry Fund - Asset	822,617	-	-	-	822,617
Eagle Tours Fund	949	-	-	-	949
	-----	-----	-----	-----	-----
	939,886	159,984	(162,752)	-	936,118
	=====	=====	=====	=====	=====

	At 1 August 2021 £	Income £	Expenditure £	Transfers £	At 31 July 2022 £
22. Restricted funds					
Capital Asset Funds					
Purchase of Woodlands	407,485	-	-	-	407,485
Island of Ulva	4,650,000	-	-	-	4,650,000
Paths and signs	1,816	-	-	-	1,816
Island Green Recovery Fund	30,475	-	(8,643)	-	21,832
Ulva House	50,979	47,205	(8,416)	-	89,768
Ulva Housing	142,313	1,061,877	-	-	1,204,190
Ulva Pier	-	431,001	-	-	431,001
Greenhouse	-	5,000	(1,000)	-	4,000
Revenue Funds					
Dervaig toilet fund	1,721	5,000	-	-	6,721
Langamull replant	95,036	-	(30,421)	-	64,615
National Heritage Lottery Fund	-	10,484	(10,484)	-	-
Highland & Island Enterprise	-	13,900	(13,900)	-	-
Other restricted donations	-	21,321	(14,115)	-	7,206
	-----	-----	-----	-----	-----
	5,379,825	1,595,788	(86,979)	-	6,888,634
	=====	=====	=====	=====	=====

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

22. Restricted funds (continued)

Purposes of restricted funds

Purchase of Woodlands

Funds used for the purchase of Langamull and Ardhu Woodland.

Island of Ulva

Funds used for the purchase of the Isle of Ulva.

Island Green Recovery Fund

These funds have been used to purchase e-vehicles on the Island of Ulva.

Ulva House

These funds are being used to renovate Ulva House.

Ulva Housing

These funds are being used to renovate the housing stock on the Island of Ulva.

Ulva Pier

These funds are being used to renovate and upgrade the Ulva Pier.

Greenhouse Fund

Funding received for the purchase of a new greenhouse.

Dervaig Toilet Fund

Funds have been set aside for future development of the toilet block.

Langamull replant

These funds relate to donations received for and expenditure on the Langamull replanting project.

National Heritage Lottery Fund

Funding received for the Storas Ulbha project.

Highland & Island Enterprise

Funding received for 50% of the Ulva Development Manager salary costs.

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

23. Restricted funds (continued)

	At 1 August 2020	Income	Expenditure	Transfers	At 31 July 2021
Restricted funds (prior year)					
Capital Asset Funds					
Purchase of Woodlands	407,485	-	-	-	407,485
Island of Ulva	4,650,000	-	-	-	4,650,000
Paths and signs	1,816	-	-	-	1,816
Island Green Recovery Fund	-	38,083	(7,608)	-	30,475
Ulva House	-	50,979	-	-	50,979
Ulva Housing	-	142,313	-	-	142,313
Revenue Funds					
Ulva slipway	2,713	-	(2,713)	-	-
Fireworks Night	238	-	(238)	-	-
Dervaig toilet fund	3,400	-	(1,679)	-	1,721
Langamull replant	-	106,250	(11,214)	-	95,036
	-----	-----	-----	-----	-----
	5,065,652	337,625	(23,452)	-	5,379,825
	=====	=====	=====	=====	=====

	At 1 August 2021	Income	Expenditure	Transfers	At 31 July 2022
	£	£	£	£	£
23. Designated Funds					
Purchase of Ulva – Development Fund	137,904	-	-	-	137,904
Ulva Revenue Fund	39,273	102,517	(89,365)	-	52,425
	-----	-----	-----	-----	-----
	177,177	102,517	(89,365)	-	190,329
	=====	=====	=====	=====	=====

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

23. Designated Funds (continued)

Purpose of designated funds

The balance of funds from the purchase of ULVA has been allocated to a designated fund for the future development of the island.

A separate fund shows the income generated by the island i.e. rents, and ongoing revenue costs.

Designated Funds (prior year)	At 1 August 2020	Income	Expenditure	Transfers	At 31 July 2021
	£	£	£	£	£
Purchase of Ulva – Development Fund	137,904	-	-	-	137,904
Ulva Revenue Fund	7,222	197,050	(164,999)	-	39,273
	-----	-----	-----	-----	-----
	145,126	197,050	(164,999)	-	177,177
	=====	=====	=====	=====	=====

24. Transactions with trustees

No director received any direct remuneration or other benefits in kind during the year.

One former director has made a loan to the charity.

25. Controlling interest

The charity is controlled by its board of directors.

26. Related party transactions

NWMCW Trading Company Limited is a wholly owned subsidiary of North West Mull Community Woodland Company (NWCWC) Limited.

NWMCWC is owed £24,111 (2021: £18,327) by way of intercompany balance and £27,372 by way of a working capital loan as at 31 July 2022 by NWMCW Trading Company Limited.

NWMCWC charged NWMCW Trading Company Limited Management fees of £17,917 (2021: £22,077) and leasing hire fees of £12,750 (2021: £10,752) during the year.

In 2016, the charity made an additional investment in the form of a loan of £29,600 for working capital to the NWMCW Trading Company Limited. The loan carries an interest rate of 6% and is repayable over a period of 10 years from 1 April 2017. A repayment of the loan of £nil (2021: £2,228) was made during the year. Interest was charged during the year of £1,715.

Ardhu Power Limited is a wholly owned subsidiary of North West Mull Community Woodland Company (NWMCWC) Limited.

NWMCWC Limited is owed £52,471 (2021: £81,471 creditor) by Ardhu Power Limited by way of intercompany debtor.

A former director made a loan to NWMCWC Limited which remains outstanding as at 31 July 2022 of £17,500 (2021: £25,000) and interest was charged in the year of £nil (2021: £nil).

NORTH WEST MULL COMMUNITY WOODLAND COMPANY LIMITED
(A company limited by guarantee)

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2022

27. Gross cash flows	2022	2021
	£	£
Returns on investments and servicing of finance		
Interest received	(1,715)	(1,715)
Interest paid	20,077	8,785
Interest element of finance lease rental payments	401	392
	-----	-----
	18,763	7,462
	=====	=====
Capital expenditure		
Payments to acquire tangible assets	(1,890,731)	(387,015)
	-----	-----
	(1,890,731)	(387,015)
	=====	=====
Financing		
Loan movement	(31,659)	(30,854)
New other loans	284,018	352,632
	-----	-----
	252,359	321,778
	=====	=====

28. Analysis of changes in net funds	Opening	Cash	Other	Closing
	Balance	flows	movement	balance
	£	£	£	£
Cash at bank and in hand	245,901	(12,933)	-	232,968
	-----	-----	-----	-----
Debt due within one year	(85,945)	44,720	-	(41,225)
Debt due after one year	(450,163)	(251,232)	-	(701,395)
	-----	-----	-----	-----
	(536,108)	(206,512)	-	(742,620)
	-----	-----	-----	-----
Net funds	(290,207)	(219,445)	-	(509,652)
	=====	=====	=====	=====

29. Company limited by guarantee

North West Mull Community Woodland Company Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.