

Isle of Gigha Heritage Trust Group AGM 2025

Thursday 20th November 2025 in the Gigha Hotel

Present from IGHT: Fergus Christie – Director; Jane Clements - Director; Tim Lister – Director; Adam Murphy – Director; Ian Wilson – Director; Graham White – Director; Jane Macintyre – Senior Manager/Company Secretary

Minutes: JM

In attendance: 39 members (32.5% of membership) and 3 non-members

1. Welcome

IW welcomed everyone to the meeting.

2. Presentation of the Audited IGHT and Subsidiary Accounts to 31st March 2025

Paul Marshall of MHA Chartered Accountants presented the Accounts for the IGHT Group via a video presentation.

Link to video presentation: <https://youtu.be/GX54RYg1amE>

The key points arising from the audit were presented:

Gigha Trading Limited (GTL)

The trade and assets of the company were transferred to GTRL on 31 March 2024. No transactions to note since the date of transfer and nothing impacting on the group accounts. The company was dissolved at Companies House on 19 August 2025.

Gigha Renewable Energy Limited (GREL)

There has been a drop in profitability this year due to a reduction in income which is attributed to the downtime experienced by T2. Operational expenditure has increased as a result of necessary repair works being carried out on the turbines, including a new gearbox for T2 and generator repairs on T1. GREL has made a taxable loss of £84k and therefore will not make a donation to the Trust this year. This taxable loss has been surrendered to GTRL to offset its taxable profits. The age of turbines may continue to present challenges.

Gigha Trading & Renewables Limited (GTRL)

Formally known as Gigha Green Power Limited (GGPL), following the transfer of assets from GTL, the company was renamed GTRL as of 1st April 2024. As a result, the profit and loss account appears different to prior years. Trading income decreased significantly as prior year showed £380k in E33 insurance proceeds. This is a one-off item and excluding this, operating income is similar to the prior year. Energy income from the E33 is down slightly as there was 2-3 months of downtime. There is now £88k of income relating to the campsite and moorings. Operational costs have doubled from prior year, but this is due to the company now operating the campsite and moorings. The transfer of assets from GTL has also resulted in a higher depreciation charge, which totalled £153k for the year. There was also £51k in loss of fixed assets due to the disposal of the septic tank at the campsite. Following the group relief claim from GREL's taxable loss, GTRL still has a taxable profit of £88k which will be donated to IGHT prior to the end of December 2025.

Isle of Gigha Heritage Trust (IGHT)

There was a decrease in income from £2m to £1.7m which is primarily due to the completion of several projects, which meant a reduction in grant income. Grants have decreased from £1.7m to £1.3m. In addition, donations from the trading subsidiaries have fallen by £150k. Income from charitable activities (rental income from residential, commercial and agricultural properties) remains broadly similar to prior year. Trading income is now minimal as bar sales are now recorded through GTRL. £33k in insurance proceeds were received during the year for damages to agricultural sheds and the petrol pumps. Expenditure has increased due to project costs and depreciation charges now that several capital projects have been completed. The methodology of charity accounting means the associated costs with grant funded projects are capitalised on the balance sheet, meaning they appear as "fixed assets" instead of "costs". The "costs" appear in future years as depreciation is charged on the assets. The Trust's free reserves decreased from £774k to £423k. The reduction is mainly attributable to the increase value of fixed assets due to capital investments during the year. The cash position has declined from £700k to £46k. Significant investment in assets has reduced the available cash reserves.

Loans

Following substantial repayments in prior years, the groups loan position has simplified. The Trust owes £313k to Social Investment Scotland as part of the loan to deliver the housing project.

Intercompany balances have remained stable, with £296k owed from GTRL to IGHT.

Key Points

This is the third year MHA have audited and prepared the IGHT Group Accounts, and the process was much more straightforward. Thanks go to Shona and Jane for assisting with the audit process.

- GTL – now dissolved
- GREL – no major audit issues
- GTRL – no major audit issues
- IGHT – no major audit issues

Risks identified include revenue recognition, management override of controls and funding accounting. Following the audit procedure, no major recommendations were made in terms of mitigation of these risks.

£88k donation from GTRL to be paid to IGHT prior to end of December 2025.

3. Financial Recap

FC presented a recap of the financial position. Overall, the financial position is stable; however, we need to be alert to the future and there are some downward trends which we are seeing in the audited accounts and in the board's management accounts. The Trust has had three very good financial years but the year to March 2025 means that we are having to look at the overall financial position. The focus is on our general trading position. The variations are explainable, primarily owing to the grants secured in prior years such as the housing development. Turbine income continues however we are alert to the fact that is going to diminish in March 2027 when the ROCs expire. We need to be addressing that issue now. Income has reduced across the company which mainly relates to E33 insurance claim in prior year and Dancing Ladies downtime this year. Expenditure is stable however in cashflow terms our position is worse. This is attributable to septic tank issues; wind turbine repairs and increase in staff costs.

No income from the Hotel for 2 years, though fair amount of expenditure with some grant funding. Lost out on rental income from Ard Bruach. Our surplus is down from 1.1m in 2024 to 600k in 2025. Cash is down from £700k to £46k. These figures demonstrate the issues mentioned. Albeit a lot of it centres around grant cash held for projects. Not as bright a position as previously, but no concerns from the auditors regarding the group's financial stability and trading record. However, we need to be alert to the trend and reducing cash position. Cash is tight.

Members asked how the financial position would be addressed. Board's response is to look at a reduction in costs where possible. The situation with the septic-tank at the campsite is progressing but still sensitive and cannot be shared at this time.

Members asked if the delay of Ard Bruach being built was being addressed. The board said this is currently being addressed and is on-going. Members and the board agreed there were significant delays however the houses are well built.

Member asked for the IGHT contribution to the hotel and housing project. IGHT secured a loan for the housing project with the rest of the project being funded by grants. The hotel costs were not available.

Additional note – A total of £487k has been spent on the Hotel to date. This includes the bar renovation, septic tank installation, generator purchase, kitchen renovation, electrical upgrades and new windows. Of this, £230k has been paid by the Trust. This largely relates to the full septic tank cost of £150k. A grant of £250k was secured towards the bar, and a grant of £10k towards the generator. The Trust are working towards securing additional grants to fund any further works.

The board are actively pursuing the turbines replacement, and a further insurance and compensation claim for E33 downtime experience in February and March 2025. There are 8 more years of the Feed in Tarriff on the E33, but a lot of investment is needed in housing and farms.

Member noted that Fyne Homes have invested in solar panels and heating. The board discussed this recently and intend to investigate how this was funded so the Trust can consider this also. The Trust is in a different position of being a private landlord. Fyne Homes is a registered social landlord, which typically means more access to grant funding.

Members felt the income and expenditure figures could be separated or broken down further and presented on a more regular basis to ensure members understand the financial position. Members also questioned whether GTRL wages are paid by the Trust. GTRL wages (campsite and hotel) are paid directly by GTRL. GTRL has its own payroll processing. The board agreed to consider how to present more detailed profit and loss figures for the members and how regularly this could be provided.

Member asked if visitors could be offered free access to the gardens if they stay and spent at the hotel. The board welcome all suggestions with regards to income generation.

Member asked how tourism assets could be better marketed collectively. The board are aware of this and have been giving marketing consideration.

4. Update on IGHT and Subsidiary Companies' activities

A Board Paper was circulated in advance of the AGM which included an update on IGHT activities.

The board have taken some very difficult decisions over the last few months and have had to address other expenditure. Andy Clements left in October as a result of redundancy. The board thanked Andy for his hard work and contribution to the Trust over the last 7 years. Kacper, Rebecca and Thomas Shaw left to seek new opportunities. In relation to the Gardens, the board are undertaking a re-structuring. The process is still ongoing and confidential.

Member said that less staffing in the gardens would result in less maintenance which could put the gardens back to how they were. The board understand this risk however the Trust simply cannot afford to sustain the same level of expenditure in relation to the gardens, particularly when it's not generating enough income. The board confirmed there are no plans to sell the gardens. The board are looking at a restructuring of the staff and how that develops remains to be seen. It has been proposed to shift the focus from restoration to maintenance. The board recognise the importance of the gardens in relation to the wider island; however, the Trust does not have enough cash reserves.

Members had a discussion about how IGHT operate. Members feel communications have gotten worse and members have not been made aware of key developments such as the campsite pods planning permission. Members feel there is not enough members meetings and working groups are not progressing. There are concerns regarding Trust communications and governance. Aspirations of the community need to be taken into consideration in addition to the financial position of the Trust. The board agreed to arrange a members meeting for January and focus the meeting on a specific topic. It was noted that previous members meetings have not been well attended and this is why they had become less frequent.

Additional note – Members meeting has been scheduled for Thursday 29th January – details to follow.

Members asked when the hotel kitchen and bedrooms will be open. The kitchen refurbishment is not far from completion; therefore, it is hoped meals could be provided soon. Decorating of the bedrooms has started.

Member asked when the generator would be installed. This is expected to be fairly soon as the hard standing for siting the generator is just to be completed prior to the final connection.

Member noted Keill Road has secured funding to be upgraded. The Community Council identified the funder, and the Trust has secured funds. The Trust are due to deliver the works prior to March 2026. Members queried why

Argyll and Bute Council would not support the cost of upgrading the road. This has been raised for several years however the road is owned by the Trust.

5. Outcome of Election

Jane Clements – elected 2024

Tim Lister – elected 2023

Adam Murphy – elected 2024

Ian Wilson – elected 2025

Co-opted positions are to be considered. It was discussed whether co-opted positions are only for bringing in specialistic skills and what this entailed. The board are of the understanding that island positions can be filled through nominations at the AGM. IW stood again as was aware there are no other volunteers to come onto the board. Co-opted positions are to support gaps in skill sets on the board.

It was discussed that younger board members would be a great addition.

It was discussed that based on the constitution, employees cannot be directors, regardless of whether they are part-time etc. If there was a desire to change this, the constitution needs to be reviewed, and any changes require a 75% majority vote.

The board thanked Graham White for his contributions to both IGHT and GTRL over the last 3 years.

6. Appointment of Auditors

The board proposed that MHA Chartered Accountants remain as the IGHT Group Auditors.

It was noted that the audit turnover threshold for charities is being increased however IGHT will remain above this threshold and therefore will require auditing.

Members had concerns about how the accounts were presented through a pre-recorded video which was difficult to hear. A live video call for future would be beneficial so members can ask questions, though in person would be preferable.

Finding charity auditors is extremely difficult. MHA have done a good job of the audit and preparing the accounts, but it is noted that a different format for presenting the accounts must be provided.

The board receives quarterly management accounts prepared by the accountants; annual budgets are prepared in-house which the management accounts are then based on and reported against; the board meet with the auditors prior to the AGM to review the annual accounts and understand the IGHT group position.

Viv Oliver proposed and John Martin seconded the IGHT group accounts.

7. Approval of the 2024 AGM minutes

John Martin proposed and Maggie Wilkieson seconded the 2024 AGM minutes.

8. Vote of Thanks and Close of Meeting

A final thanks from the board was made.

Meeting closed 8.20pm

IGHT Board Meeting

Thursday 20th November 8.30pm in the Gigha Hotel

Present: Fergus Christie (FC) – Director; Jane Clements (JC) - Director; Tim Lister (TL) – Director; Adam Murphy (AM) – Director; Ian Wilson (IW) – Director; Jane Macintyre – Senior Manager/Company Secretary

Minutes: JM

1. Office Bearer Positions

Co-opted Directors: IW proposed FC which was seconded by AM.

Chair: FC proposed AM, IW seconded.

Vice Chair: FC proposed IW, AM seconded.

Company Secretary: JM to remain as secretary.

The board are to publicise the two co-option vacancies.

2. Board Members

Fergus Christie – co-opted 2025

Jane Clements – elected 2024

Tim Lister – elected 2023

Adam Murphy – elected 2024 (Chair)

Ian Wilson – elected 2025 (Vice Chair)

The board thanked IW for his contribution to the board as Chairperson for the last 7 years.

3. Communications

The board will consider a monthly Trust memo in addition to newsletter which will remain focus on general community events and activities. The board will seek advice regarding the format and what exactly members want to know about. The board will consider director surgeries also and aim to have more regularly members meetings again which focus on 1 topic per meeting. The board will also consider how financial information is presented and communicated.

Next Members Meeting: Thursday 29th January – focus on communication between the board and the members.

Meeting Closed: 9.05pm

Next Board Meeting: Monday 15th December at 1pm