REGISTERED COMPANY NUMBER: SC096243 (Scotland)
REGISTERED CHARITY NUMBER: SC003794

Report of the Trustees and
Financial Statements For The Year Ended 31 December 2025
for
The Iona Community

Nelson Gilmour Smith
Chartered Accountants
Statutory Auditors
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 1TB

The Iona Community

Contents of the Financial Statements
For The Year Ended 31 December 2025

The Iona Community

Report of the Trustees
For The Year Ended 31 December 2025

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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).

Throughout this report the trustees are collectively referred to interchangeably as the directors or as the trustees.

This report relates to The Iona Community and its subsidiary Iona Community Trading CIC (formerly Iona Community Trading Ltd). Throughout this report, references to the company are taken to include the subsidiary.

REFERENCE AND ADMINISTRATIVE DETAILS
Registered Company number
SC096243 (Scotland)

Registered Charity number
SC003794

Registered office
Suite 9
Fairfield
1048 Govan Road
Glasgow
G51 4XS

Trustees
Trustees serving at the date of this report and throughout the year under review:

Name	*Occupation*	
J C Morling (Convenor)	Retired	
N J Bowry	Minister Of Religion	
N Dodman	Retired	
B Evans	Assistant Director	
F Fidgin	Learning & Development Officer	
D A Hughes	Retired Medical Practitioner	
P Ives	Retired	
A M Jackson	Retired	
M Jacobsen	Retired	
G Jarvie	University Professor	
R J Reid	Retired	
M J Scott	Retired	Resigned 10 April 2026
B Thomas	Conservationist	
D Van Der Hijden	Retired	
J Woodruff	Student	

Company Secretary
R McLean

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Auditors
Nelson Gilmour Smith
Chartered Accountants
Statutory Auditors
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

Solicitors
Burness Paull LLP
2 Atlantic Square
31 York Street
Glasgow
G2 8AS

Key management personnel

Leader	Ruth Harvey
Managing Director	Torsten Haak
Head of Community Resources	Robin McLean

Bankers
The Cooperative Bank
29 Gordon St
Glasgow
G1 3PF

Clydesdale Bank
30 St Vincent Place
Glasgow
G1 2HL

Triodos Bank
Deanery Road
Avon
Bristol
BS1 5AS

Investment managers
Rathbone Investment Management Limited
George House
50 George Square
Glasgow
G2 1EH

OBJECTIVES AND ACTIVITIES

Everything the charity is for and does is based around its four-fold Rule of Life. Members and Associates, to different extents, each commit individually and collectively to (1) Daily prayer, worship with others and regular engagement with the Bible and other material which nourishes; (2) Working for justice and peace, wholeness and reconciliation in our localities, society and the whole of creation; (3) Supporting one another in prayer and by meeting, communicating and accounting for the use of gifts, money and time, use of the earth's resources and keeping of all aspects of the Rule; (4) Sharing in the corporate life and organisation of the Community.

From The Rule flows the Iona Community's charitable objectives:

- The establishment of new forms of Christian worship, witness, prophecy, mission and service particularly but not exclusively for urban situations;
- The training of adults, lay and clerical, for the mission of the church today and in particular the organising, staffing and administration of such work on Iona, the remainder of the UK and overseas in accordance with the religious principles and teachings of the Iona Community;
- Work amongst young people on Iona, Mull and the remainder of the UK and in particular the organising, staffing and administration of centres under the auspices and in accordance with the religious principles and teachings of the Iona Community.

And from our charitable objectives flow our main strands of activity:

- At our Iona Centres, and at Camas, through worship and sharing the common life, renew and challenge people in their faith; enable people to experience a welcoming and diverse community that changes their vision of society; inspire people to live greener, simpler and less individualistic lives.
- Support development of a range of materials and activities to engage with adults around the concerns of the Iona Community.
- Through the Wild Goose Resource Group model liturgical possibilities and develop lay models of engagement with scripture.
- Through our Publishing Department promote knowledge of and action for the concerns of the Iona Community, and encourage an ecumenical, open-minded approach to Christianity and spirituality in general, by informing and resourcing people through print and other media.
- Support our Members, Associate Members, Friends, Young Adults Group and other supporters of the Community to pursue these objects in their personal lives and communally where they live.

ACHIEVEMENTS AND PERFORMANCE

Community Life: The Right to Protest Against Injustice

In a world where safety in countries considered democratic is under threat; where truth is often a mirage and where violence is increasing our task of witness as followers of the Prince of Peace is huge. The Iona Community remains concerned about the infringement of the right to protest against injustice, and the increasing criminalisation of protestors. To highlight this, a group of our Members, craftivists working with Amnesty International, created an award-winning Fingerprint Labyrinth that toured the UK and Europe throughout 2025.

In our work for justice and peace, rooted in faith, we are inspired by the call to "pin our hopes to quiet processes and small circles, in which vital and transforming events take place." We know that we are neither alone in this work, nor separate from the pain of the world. 2025 saw the culmination of a member-led programme of reflection on what it means to belong to a Christian community today. In small local groups across the movement, and gathered as a whole in plenary, we asked questions such as: "How do you understand 'God' working in your life?" And "What does prayer mean to you?"

We know we are not alone in the work of seeking God's justice and peace. We were pleased in 2025 to work alongside our Methodist and URC friends in Scotland, the universities of Edinburgh and Glasgow, and the Joint Public Issues Team as we work together to develop resources for learning. Working closely with our global companions in intentional community, and through festivals in the UK, we are aware of a wide and deep yearning for justice and peace rooted in Christian worship.

In 2025 we updated our 2023 position paper on Israel–Palestine, responding to the existential threat to Palestinians, the moral crisis and ecological catastrophe and to appeals from our Palestinian Christian partners. Our position is given greater urgency by the issuing of the 2025 Kairos Palestine document: "A Moment of Truth: Faith in a Time of Genocide" (KPII). Despite decades of visits, reports, and statements from churches, Palestinian Christians issued KP II because earlier appeals did not lead to the urgent action they sought. Their message is clear: the church is called not only to humanitarian support, and praying for peace, but to costly solidarity that precisely challenges the structures causing suffering.

The 30th Conference of the Parties in Brazil (November 2025) saw the malign influence of climate denial put brakes on much momentum of previous COPs, losing touch, in the final statement, with the previous crucial resolve to phase out fossil fuels. Lobbyists from corporate interests swamped attendance.

ACHIEVEMENTS AND PERFORMANCE (continued)

Iona Abbey continues as 'a sanctuary and a light', where people from all walks of life share a 'common life', connect with one another, express solidarity with world's concerns, pray for healing, justice and peace, and sing, reflect and engage in life in community. We stand in solidarity with all those places and spaces around the globe where people meet for such shared hospitality, worship and action.

Community Life: Membership and Meeting

Members of the Iona Community are committed to a four-fold Rule: [1] Daily prayer, worship with others and regular engagement with the bible and other material which nourishes; [2] Working for justice and peace, wholeness and reconciliation in our localities, society and the whole of creation; [3] Supporting one another in prayer and by meeting, communicating and accounting for the use of gifts, money and time, use of the earth's resources and keeping of all aspects of the Rule; [4] Sharing in the corporate life and organisation of the Community.

The Community currently employs 30 staff based for the most part either in the Glasgow area or on the islands of Mull and Iona itself. The Community is indebted to its hardworking staff team for the faithfulness and energy which they bring to the task. Given the limited nature of its financial resources, it is essential that Members, Associate Members and Friends of the Community offer skills to the tasks of organising and running the work on a voluntary basis and many do just this. It is, as already stated, part of the Rule for Members to be engaged in the corporate life, but many who have not yet taken the step into membership give themselves joyfully to the work.

To become a Member of the Community involves a high degree of commitment and begins with becoming an Associate. Thereafter there is the possibility of joining the New Members programme when space is available.

Associates are invited to keep the Rule and where possible to join a Family Group. Many Associates also become involved in one of the Common Concern Networks (CCNs), through which key values and commitments of the Community are actively engaged (see below). Later in this report, some of the prominent themes of the CCNs over the past year are outlined and further information about CCNs, including contact details, can be found on the website.

Friends also express their solidarity with the values and concerns of the Iona Community but are happy to do this through a less defined connection. It often happens that as Friends get to know the life and work of the Community in more depth, they will move on to become Associates and thence open up the possibility of membership in due time. The Community welcomes the engagement of people who share values and commitments at all levels.

In 2025 we hallowed 12 New Members and welcomed a further 25 who joined the 2-year New Members programme. The Community is now made up of 286 Members and1856 Associates with Friends scattered across world. Over the decades since the inception of the Community in the late 1930s, Membership has widened to reflect our calling to be a fully inclusive, ecumenical and welcoming body. What was once a male, almost exclusively Scottish group, first widened to welcome folks from across the UK, then women as members, then people from wider across Europe, North America and now truly reaching in community towards 'the ends of the earth'. We anticipate ever-deepening relationships and the enrichment that comes from looking beyond ourselves together with those who share common commitments and values across ethnic and gender diversity.

Community Life: Quiet Processes and Small Circles

Global gatherings of Iona Community Members took place in 2025 in London and in York where, led by Paul Parker, Recording Clerk of the Religious Society of Friends (Quakers), we explored what it means to be both prophets and reconcilers. Meeting in silent worship, and engaging in conversation about the impact that small, passionate groups of people can have, we were filled with hope and courage. We were inspired by the words of Quaker Rufus Jones. In 1937, when the world was so plainly drifting toward a second and more terrible conflict than the First World War, Quakers held a World Conference in the United States. Rufus Jones was asked to preside over the meeting, of which he wrote:

> *"In regard to the World Conference, I sincerely hope for good results, but I have become a good deal disillusioned over 'big' conferences and large gatherings. I pin my hopes to quiet processes and small circles, in which vital and transforming events take place."*

Ruth Harvey, Leader, offered a Time for Reflection to the Scottish Parliament on this theme on Shrove Tuesday. Members of the Iona Community around the globe continue to engage in 'quiet processes and small circles', in Family Groups, Regions, Common Concern Networks, Advisory and Working Groups. We do this knowing that here is where 'vital and transforming events take place.' We know that we are neither alone in this work, nor separate from the pain of the world. Daily in our prayers we acknowledge the part we play in this brokenness, as we 'confess to turning away from God in the ways we wound our lives, the lives of others and the life of the world.' In the knowledge of God's forgiveness, Christ's renewal, and the enabling of the Spirit, we turn again and again to the work of upholding hope, love and trust.

The Community Life Committee supports the development of the Family Group structure and ensures that provision for the training of group leaders is made. The CLC will help to steer our thinking and learning as a Community as new opportunities and challenges emerge into the future.

ACHIEVEMENTS AND PERFORMANCE (continued)

Community Life: Reaching Out (Common Concern Networks)

Our nine Common Concern Networks (CCNs) offer online spaces for truth-telling conversations. In 2025 four of our CCNs published public Position Papers outlining why we take a stance on certain issues.

In July 2025 the Iona Community updated its 2023 position paper on Israel–Palestine, responding to the existential threat to Palestinians, the moral crisis and ecological catastrophe and to appeals from our Palestinian Christian partners. Our position is given greater urgency by the issuing of the 2025 Kairos Palestine document: "A Moment of Truth: Faith in a Time of Genocide" (KPII). Despite decades of visits, reports, and statements from churches, Palestinian Christians issued KP II because earlier appeals did not lead to the urgent action they sought. Their message is clear: the church is called not only to humanitarian support, and praying for peace, but to costly solidarity that precisely challenges the structures causing suffering.

It is incumbent upon us as Christians and as churches to respond to the cries of our Palestinian siblings in Christ and be led by them in our opposition to apartheid, settler colonialism, Zionism, and genocide. In so doing, Members of the Iona Community have continued daily witness alongside partners in Gaza, the West Bank, Lebanon and in our local communities worldwide. With all people of goodwill, we stand publicly for justice, drawing on the deep wells of liberation theology and our own Community's longstanding commitments. We have continued to educate and equip our members and the congregations they serve. We have continued to support Palestinian individuals and families. We share the concern expressed by church leaders—including Cardinal Pizzaballa of Jerusalem about the "Board of Peace"—that organisations claiming to promote peace and reconciliation in Palestine/Israel without challenging settler colonisation, in fact, reinforce structures of injustice.

In our Position Paper we say: "In 2025 we were witnesses to the deliberate starvation and slaughter of the people of Gaza. In response to an Open Letter from Palestinian Christians, we join with the UN Special Rapporteur on the occupied Palestinian territory as well as lawyers and academics, NGOs, and kindred spirits in all faiths and none – all of whom name the State of Israel as committing crimes of genocide, apartheid and ethnic cleansing. We again assert God's love is for all people."

Christians across Scotland pray for peace in Palestine and Israel on the 24th of each month, in an initiative supported by the Church of Scotland and co-ordinated by Christian Aid. We commit ourselves as a Community to continue to work and pray for peace and justice, and extend an invitation to the whole Church to join in.

Members of our Community joined together in August 2025 at the gates of Faslane Naval Base to mark, in a service of worship for peace, 80 years since the devastation of the weapons of mass destruction dropped on Hiroshima and Nagasaki. Coordinated by Justice and Peace Scotland, we co-led the worship with leaders of the Scottish Episcopal Church, the Church of Scotland, the Religious Society of Friends (Quakers), the United Reformed Church and the Roman Catholic Church in Scotland. We continue to protest the presence of all weapons of mass destruction.

November 2025 marked the 30th Conference of the Parties (COP30) in Brazil where the malign influence of climate denial put brakes on much momentum of previous COPs, losing touch, in the final statement, with the previous crucial resolve to phase out fossil fuels, and to honour and build "loss and damage" commitment. Lobbyists from corporate interests swamped attendance. We believe that it is still better that COPs happen than they don't, and COP remains both a high-level meeting-place for climate scientists, and a global occasion for prayer and protest, highlighted in Scotland by the Mass in Glasgow's Roman Catholic Cathedral. The very encouraging march organised by Friends of the Earth in Glasgow at the time of COP integrated the many justice issues impacted by the Crisis of Nature and Climate.

These global concerns woven into the fabric of our local lives stress the urgency of the peaceful right to protest, as expressed in the Fingerprint Labyrinth.

Commercial Activity

Iona Community Trading CIC

The Iona Community Trading CIC is a Community Interest Company (CIC) set up to carry out activities which benefit the Iona Community. The Company is independent of the Iona Community and submits its accounts separately to the Companies House. It is part of its purpose to return to the Iona Community any profits from activities remaining at the financial year end.

The Directors are Grant Jarvie, Jo Morling, Ron Reid, & Torsten Haak with Robin McLean acting as Company Secretary. The Board meetings are also attended by Nick Welsh (shop manager) and Sandra Kramer (publications manager).

The work of the Trading Company falls with two broad areas of account (i) The Iona Shop and (ii) Publications, which includes Wild Goose Publishing. The shop continues to host the Welcome Centre of the Iona Community on the island.

The two main areas of activity have an increasing level of interaction around events, promotions, online presence and reporting. The Board met six times throughout this reporting period and provided regular reports to the ICC Board of Trustees. During 2025 the Iona shop hosted a number of author led events, stocked locally produced items and continued to sell a variety of books. Ice creams and tea towels remained top sellers. Wild Goose Publications published 9 new books and a number of shorter downloads. However, sales were very low in 2025, and the directors are looking at new marketing strategies to increase sales.

ACHIEVEMENTS AND PERFORMANCE (continued)

The standing items of the Board include (i) Minutes and record of matters arising actioned and to be actioned; (ii) a report from the Shop Manager; (iii) a report from the Publications Manager; (iv) financial reporting against targets for the quarter; (v) the introduction of a risk register and (vi) a report from the newly established Editorial Advisory Group.

The Iona Community as a whole and the Trading Company remain indebted to staff for their unfailing efforts to make our trading operations welcoming, efficient and profitable.

Programmes and Centres

We were pleased in 2025 to work alongside our Methodist and URC friends in Scotland, offering retreats and workshops to support their growth and to nurture those in leadership. We are delighted also to maintain a strong connection with our two university partners, University of Edinburgh and University of Glasgow, as we work together to develop resources for learning.

Our relationships extend beyond our shores, with a new partnership signed between the Iona Community and the Wellspring Community, our sister community in the lands we now call Australia. And we continue to give thanks for the partnerships that flourish at the various festivals of faith and the arts at which we are present, including Solas, Greenbelt and Glastonbury.

In 2025 we renewed our partnership with the Joint Public Issues Team. This partnership will help to strengthen the Christian witness for peace and justice. In a joint press release, JPIT and the Iona Community said: "We are committed to walking together and to supporting each other, recognising that each partner brings particular strengths and resources to this task. While we will not always speak together, through this partnership we seek to create opportunities to collaborate, share expertise, build community and deepen relationships between those involved in this work, so that both partners can have greater reach, resolve, effectiveness and impact."

Simeon Mitchell, JPIT Team Leader commented: "As JPIT and the Iona Community have worked more closely together over the last year or two, we have found we have many shared hopes and also complementary strengths in this work. At a time when working for justice and peace can be so challenging, I'm delighted that we are entering into this new resourcing partnership, and pray that it will offer support and encouragement to members of the Iona Community and JPIT's partner denominations."

The 'Scotland Demands Better' protests, uniting people in Scotland to demand better in terms of poverty and economic justice, saw around 5,000 people attend a march in Edinburgh on 25th October 2025. We were pleased to join with Churches and other aligned bodies as we marched, making visible a togetherness in the face of so much division. We were left convinced of the need to 'demand better' all the time.

We affirm once again the role of church and faith communities as spaces for difficult conversations, for diverse views to be held and expressed, and for the nuance of belief, passion and conviction to be held with respect, kindness and accountability. The search for truth in a world riddled with 'fake news' calls us to hone places and host spaces for expansive respectful conversation.

The Abbey Centre

Iona Abbey continues as 'a sanctuary and a light', where people from all walks of life and of all ages share a 'common life', connect with one another, express solidarity with world's concerns, pray for healing, justice and peace, and sing, reflect and engage in life in community. We stand in solidarity with all those places and spaces around the globe where people meet for such shared hospitality, worship and action. During 2025 the Abbey welcomed 807 guests from all over the world with a variety of programmed weeks and more informal time and space weeks led by Abbey staff.

Along with this range of creative programme options, we continue to host an annual Youth Festival at Iona Abbey, prioritising involvement of young people living with the impact of injustice. We know that young people's lives are transformed when they are empowered to live and worship together in community. We are also honoured to continue to create these empowering spaces for young people at festivals such as Solas, Greenbelt and Glastonbury.

Weekly we welcome friends and strangers to join us in community at Iona Abbey. All are welcome to join us around the Refectory tables, in the Chapter House for great conversation and wee sings; in the Abbey church for twice-daily worship; in our cosy Common Room for chat around the fire; and on and around the beautiful island of Iona for inspiration and tranquillity.

For generations, living-flame candles have brought beauty and atmosphere to Iona Abbey. Replacement liquid paraffin candles, however, introduced some decades ago, had begun to be problematic. Abbey staff and volunteers were keen to ensure that visitors to our daily services would enjoy the atmospheric lighting safely and without risk to the building or the environment. Thanks to a legacy, and in collaboration with Iona Cathedral Trust, Historic Environment Scotland, and lighting designer Nich Smith, we have been able to modernise the candles in the Abbey and in the Michael Chapel.

ACHIEVEMENTS AND PERFORMANCE (continued)

Camas Outdoor Centre

In 2025, a report was commissioned from the Camas Working Group, jointly chaired by Community Members Margaret Hart and Robert Swinfen, who between them have many years of experience in charity finance and residential centres (YHA). This has provided important material for considering the options for the future and the Council remains indebted to Margaret and Robert for the careful work which they undertook. In addition to offering views on the activities, staffing models and overall viability, the report identified the need - in the event of reopening Camas - to conduct a full review of health and safety and safeguarding. It also pointed to the fact that a number of ideas about the future remained to be explored, beyond the brief of the Camas Working Group. A Camas Task Team worked over the autumn to hone financial models, and then at a meeting in November 2025, the Council commissioned work on further areas. All of this information was brought before Council at a special meeting.

In the light of the material collected, alongside the Working Group report, the Council reached a decision - by a small majority - to aim to reopen Camas in 2027. There is no doubt, among Trustees or Staff, that the impact of the work we do at Camas is transformative. So this is a positive decision in terms of the future possibility of reopening. This decision has, however, a number of caveats which will need to be satisfied before the centre can be opened. These caveats seek to guard the Community against financial instability through the development of an unsustainable deficit.

The Macleod Centre (The 'Mac')

For more than a decade the Community has sought ways in which to revitalise the work of the MacLeod Centre. Having considered carefully the information that has been gathered about the potential for a whole range of different options over this period, the Trustees reached the conclusion that there was no sustainable way forward for the Iona Community to continue ownership of the MacLeod Centre.

In April 2025 the Trustees decided to dispose of the Mac as an asset of the Iona Community. Much still needs to be done to work out the best way to do this. There was clear agreement amongst Trustees in that we need to move forward in a way that aims both for the greatest benefit to the Iona Community as a charity, in keeping with Trustees' legal obligations under Scottish charity law and, in so far as we are able, for the benefit of the island community of Iona.

During the summer and autumn of 2025, the Trustees began discussions with the Island of Iona Council to seek some way forward so that the Macleod Centre could be transformed into homes for Island families and workers. These discussions are ongoing with the Island Council seeking funding from the Scottish government.

Staffing

The Iona Community remains deeply indebted to all its staff for the consistency and quality of their ongoing work. The challenges of running the centres on the islands of Mull and Iona, together with a busy, often dispersed staff group in Glasgow are not inconsiderable and the Trustees place on record their thanks to staff for all their work on behalf of the Community throughout the year.

We depend on around 150 volunteer Members and Associate Members to give life to the structures and the processes that enable this transformation in community to happen. Our thanks go to each of these committed, wise and gifted individuals who steer our Council; serve on committees, Advisory and Working Groups; guide our life of prayer; inspire our Regions and our Family Groups; lead our Common Concern Networks and more.

In turn, our Members, Associate Members and Trustees acknowledge the wisdom, professionalism and dedicated passion of our small staff team both at our island centres and on the mainland, who prepare resources, repair our buildings, support our volunteers, publish and sell our books, welcome guests, tend our finances, nurture our membership, maintain our compliance, extend our partnerships, craft our communications, and lead our movement. It is with the gifts and the grit of each of these individuals that our life in community can flourish.

New Developments and Future Plans

Council, staff and volunteers spent many meetings in 2025 discussing the future of the Camas Outdoor centre on Mull. This work will continue into 2026 following the council decision to reopen Camas in 2027, depending on a number of financial and safeguarding caveats. The formation of a fundraising initiative 'Camas Companions' will attempt to raise £75,000 in capital and a further £125,000 in annual pledges to offset the running costs. There will be some essential repairs carried out to the buildings at Camas regardless of the outcome of the final decision in August 2026. To this end council will be expanding the maintenance team on the islands to cover essential repairs required on all of the properties we are responsible for.

The future of the Macleod Centre sits with the Island of Iona Council, and we will work with them into 2026 to realise the vision of affordable homes for Iona residents and workers. It is hoped that after the Scottish elections in May 2026 some movement will be seen in regards of grants awarded.

ACHIEVEMENTS AND PERFORMANCE (continued)

After five years of a renewed Governance and Leadership structure our Trustees conducted a thorough review, in conjunction with staff and Members. While the new structure, which gives greater clarity to lines of accountability and responsibility, is working well, changes are being made to enhance communication between Trustees and membership. In 2026 we will introduce a new Senior Management Team (SMT) to strengthen cohesion across our staffing team and whole movement. The SMT comprises the Leader, Managing Director, Head of Community Life, Head of Community Resources and the Abbey Warden. The SMT will have the delegated authority to make all operational, staffing, financial and trading decisions necessary for the effective management of the Iona Community, within Council-approved strategy, budgets and policies. During this process job descriptions of all the senior staff will be reviewed and approved by council. This is in anticipation of the appointment of a new Abbey Warden in 2026 and the future appointment of a new Leader in 2027.

Martin Scott, the Convenor of Council, gave notice of retirement at the end of 2025. This resulted in a casual vacancy which was filled, following due process, by Jo Morling. At the AGM in 2026 a further 5 trustees will retire. The process of filling these vacancies will begin during the early part of 2026, with 4 new trustees to be appointed at the AGM in June 2026.

As the international nature of the Iona Community continues to grow, council are encouraged that the Leader is traveling to Canada in September 2026. She will accompany the Fingerprint Labyrinth as it journeys from the east to the west of Canada, meeting members and associates and supporting the Iona Communities North American Family Groups.

Initial thoughts are being turned to 2028 and the 90th anniversary of the Iona Community. Council have begun some visionary thinking as to what celebrations this may lead to.

FINANCIAL REVIEW

Income and expenditure for the year is shown in the Consolidated Statement of Financial Activities. This shows that income decreased from £2.068m to £1.839m. Income from legacies in the prior year was unusually large (£250k), but was negligible in 2025 and this had the largest impact on the total income.

Expenditure decreased from £2.397 to £2.292m,. Staff costs decreased, in part due to a significantly reduced staffing complement on Camas. Expenditure on resource work increased while island centres expenditure decreased overall.

The long-term pension deficit liability stands at £5,600, a decrease on the 2024 figure due to payments made during the year. Deficit contributions will continue at the level set by the Trustee of the pension scheme, as set out in note 21.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its Memorandum and Articles of Association dated 4th December 1985 and amended August 2020 and June 2023, and constitutes a limited company, limited by guarantee, as defined by Companies Act 2006. It is registered as a charity with the Office of the Scottish Charity Regulator. Membership is open to any individual who supports the objects of the Community and who subscribes to The Rule of The Iona Community; currently there are 276 members, each of whom agrees to contribute £1 in the event of the charity winding up.

The subsidiary Iona Community Trading CIC is a community interest company, limited by shares.

Appointment of trustees (company directors)

As set out in the Articles of Association as amended in August 2020 and June 2023, there are fifteen directors of the Community, the majority of whom shall be a Member. The directors shall not receive any remuneration for their services as directors, but they shall be entitled to reimbursement of any expenditure reasonably incurred by them in carrying out their duties.

Unless otherwise approved by an annual general meeting, directors shall be elected for a period of four years after which they are eligible for re-election at an annual general meeting for a further period of four years. After this period they shall retire and shall not be eligible for re-election for a further period of one year.

The appointment of directors shall be carried out by an Appointments Panel established under the terms of the Articles of Association. The Council shall consist of the directors appointed by the Appointments Panel and ratified at an annual general meeting or an extraordinary general meeting. Any casual vacancies that may occur within the Council shall be filled by the Appointments Panel, other than any casual vacancies in bodies set up under Article 31 which shall be filled by the Council.

Trustee induction and training

New trustees undergo a period of orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, and recent financial performance of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisation

As noted above, the governance of the charity is exercised by the Council of the Iona Community, which comprises the charity's trustees. Council meets every six to eight weeks. The Council is supported in its work by two committees - the Community Life Committee and the Community Resources Committee. These committees also meet every six to eight weeks. The Leadership team of the Community comprises the Executive Director, who is responsible for operational matters including finance, employment and operational activity, working alongside the Leader who is responsible for developing the common life of the Community. Between them, the Executive Director and Leader have delegated responsibility for the day-to-day operation of the charity. Both receive management support from the Convener of Council and are in regular contact with the Convener on matters relating to the policies of the charity.

Key Management Personnel

The key management personnel are those listed on page 2. The total remuneration costs for these personnel are shown in note 9. Members of key management personnel are placed on the charity's employment salary scale at a point level commensurate with their role. Thereafter, their salary level is agreed on an annual basis along with the approval of the organisation's salary scales for all employees.

Related parties

The charity's wholly owned subsidiary Iona Community Trading CIC (formerly Iona Community Trading Ltd) was established to generate income for the organisation, and at present does this through the sale of crafts, gifts and books from premises on Iona, as well as the operation of the publishing arm Wild Goose Publications. Iona Community Trading CIC donates its profits to the charity.

Risk management

The principal risks and uncertainties facing the charity are the generation of sufficient income for general operational purposes, the control of expenditure across a range of activities and costs associated with maintaining properties in a condition where they can be used for charitable activity and to generate income.

The trustees have a risk management strategy which is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. This includes:

- The establishment of systems and procedures to mitigate those risks identified in the plan; with a risk assessment that the Council reviews each spring.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
- Annual budgets approved by Council and overseen by operational committees.
- Regular consideration by Council of financial result variances from budget and non-financial indicators.
- Delegation of authority and segregation of duties.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

Investment powers and policy

Under the Memorandum and Articles, the charity has a general power to invest. The trustees have an ethical investment policy, and hold over £320,000 under this ethical mandate. In the environment of continued very low interest rates the aim of this investment is a balance of income and capital growth over the medium term. The investments generated income of £12,036 during the year, including interest, and increased in market value by £28,909.

Reserves Policy

The policy of the trustees is to hold 3 months' expenditure on the general fund as reserves. Total funds held at the end of the financial year amounted to £4,810,974. Restricted funds were £2,637,257 and unrestricted funds held in the form of fixed assets amounted to £1,298,608. The balance of £875,109 represents the free reserves of the charity. Based on expenditure in 2025, this represents between 5 and 6 months' expenditure on the general fund. The trustees are mindful that designated funds (including the legacy fund) hold £873,989 while the charity's general fund has a balance of £1,120. The trustees are satisfied with the level of reserves held.

Volunteers

In common with many charities, the charity benefits from the contribution of many volunteers in a range of roles across a wide range of charitable activities. The trustees continue to be appreciative of the immense contribution made to the life of the Community through the dedication and commitment of these volunteers. Given the diverse range of contexts and roles in which volunteers serve, it is not readily possible to place a financial value on their input and accordingly no adjustments are made to the financial statements in respect of volunteer time.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Iona Community for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees 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.

Approved by order of the board of trustees on 21 May 2026 and signed on its behalf by:

Joanna Morling

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Joanna Morling – Convener of Council

Report of the Independent Auditors to the Trustees and Members of The Iona Community

Opinion

We have audited the financial statements of Iona Community (the 'charitable company') and its subsidiary company (the group) for the year ended 31 December 2025 which comprise a Consolidated Statement of Financial Activities, Company Statement of Financial Activities, Consolidated Statement of Financial Position , Company Statement of Financial Position, Statement of Cash Flows and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice) 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 group's and of the charitable company's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and the charitable 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' (who are also the directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the parent charitable company's and its subsidiary's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of Matter

We draw attention to note 16 and note 21 to the financial statements. The charity has been advised by the Pensions Regulator that a pension fund previously treated as a defined contributions scheme has been reclassified as a defined benefits scheme.

In accordance with FRS 102, the deficit on a defined benefits scheme should be shown on the Statement of Financial Position as a liability or at the present value of the agreed future contributions to the deficit. We note that there is a significant uncertainty regarding this matter as the deficit can be recovered over a period of time based on investment performance. While the ultimate outcome of the matter cannot presently be determined, a provision has been made for £5,600 as at 31 December 2025. The provision is calculated on additional contributions for the period to 2025. Our opinion is not modified in this respect.

Report of the Independent Auditors to the Trustees and Members of The Iona Community (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

Opinion 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 Report of the Trustees, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees, included within the trustees' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its subsidiary and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company and subsidiary have not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's and its subsidiary's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustee' annual report, and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company 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 trustees 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 trustees are responsible for assessing the group's and charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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:

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

The key factors impacting the detection of irregularities are the inherent difficulty in detecting irregularities, the effectiveness of the company's controls and the nature, timing and extent of the audit procedures performed.

Based on our understanding of the company, we identified the principal risks of non-compliance with laws and regulations and the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005 and significant regulations relating to the sector in which the company operates.

We evaluated management's incentives and opportunities for the fraudulent manipulation of the financial statements, including the risk of override of controls. Based on our assessment we adopted a substantive approach to our audit testing. Audit procedures performed included:

- Testing a sample of transactions to source documentation. We select sample sizes having regard to the inherent risk (specific and general), the quality of the internal controls and the risk that our Testing might not detect possible misstatements.

- Making enquiries of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims. Identifying legislation of particular relevance to the entity and obtaining audit evidence regarding compliance with that legislation.

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above. Also, 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 or concealment.

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 Report of the Independent Auditors.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its subsidiary and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Wilson (Senior Statutory Auditor)
for and on behalf of Nelson Gilmour Smith
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Mercantile Chambers
53 Bothwell Street
Glasgow
G2 6TB

Date: 8/7/26

Consolidated Statement of Financial Activities (including Income & Expenditure Account)
For The Year Ended 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME FROM					
Donations and legacies	2	492,837	64,073	556,910	864,314
Trading activities - Shop	3	318,831	-	318,831	306,915
Trading activities - Publications	3	156,562	-	156,562	184,292
Charitable activities	4	787,869	-	787,869	780,286
Investment income	5	22,419	3,442	25,861	23,181
Intra-group donations and sales	23	(7,287)	-	(7,287)	(91,360)
Total		1,771,231	67,515	1,838,746	2,067,628
EXPENDITURE ON					
Raising funds	3	136	-	136	136
Trading activities - Shop		284,779	-	284,779	324,723
Trading activities - Publications		232,561	-	232,561	259,585
Charitable activities	6	1,479,852	301,972	1,781,824	1,903,773
Intra-group purchases and costs	23	(7,287)	-	(7,287)	(91,360)
Total		1,990,041	301,972	2,292,013	2,396,857
Net gains on investments		14,551	14,358	28,909	16,398
NET (EXPENDITURE) / INCOME		(204,259)	(220,099)	(424,358)	(312,831)
Transfers between funds	17	34,167	(34,167)	-	-
Net movement in funds		(170,092)	(254,266)	(424,358)	(312,831)
RECONCILIATION OF FUNDS					
Total funds brought forward		2,343,809	2,891,523	5,235,332	5,548,163
TOTAL FUNDS CARRIED FORWARD		2,173,717	2,637,257	4,810,974	5,235,332

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Company Statement of Financial Activities (including Income & Expenditure Account)
For The Year Ended 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME FROM					
Donations and legacies	2	487,527	64,073	551,600	851,994
Charitable activities	4	787,869	-	787,869	780,286
Investment income	5	22,419	3,442	25,861	23,181
Total		1,297,815	67,515	1,365,330	1,655,461
EXPENDITURE ON					
Raising funds	3	136	-	136	136
Charitable activities	6	1,479,852	301,972	1,781,824	1,903,772
Total		1,479,988	301,972	1,781,960	1,903,908
Net gains on investments		14,551	14,358	28,909	16,398
NET (EXPENDITURE) / INCOME		(167,622)	(220,099)	(387,721)	(232,049)
Transfers between funds	17	34,167	(34,167)	-	-
Net movement in funds		(133,455)	(254,266)	(387,721)	(232,049)
RECONCILIATION OF FUNDS					
Total funds brought forward		2,329,697	2,891,523	5,221,220	5,453,269
TOTAL FUNDS CARRIED FORWARD		2,196,242	2,637,257	4,833,499	5,221,220

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Iona Community

Consolidated Statement of Financial Position (including Balance Sheet)
At 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	11	1,301,328	2,085,907	3,387,235	3,621,368
Investments	12	199,727	120,304	320,031	294,122
		1,501,055	2,206,211	3,707,266	3,915,490
CURRENT ASSETS					
Stocks	13	174,510	-	174,510	172,843
Debtors	14	93,601	17,062	110,663	208,894
Cash at bank		690,914	413,984	1,104,898	1,162,661
		959,025	431,046	1,390,071	1,544,398
CREDITORS					
Amounts falling due within one year	15	(280,763)	-	(280,763)	(216,886)
NET CURRENT ASSETS		678,262	431,046	1,109,308	1,327,512
TOTAL ASSETS LESS CURRENT LIABILITIES		2,179,317	2,637,257	4,816,574	5,243,002
PROVISIONS FOR LIABILITIES	16	(5,600)	-	(5,600)	(7,670)
NET ASSETS		2,173,717	2,637,257	4,810,974	5,235,332
FUNDS	17, 18				
Unrestricted funds				2,173,717	2,343,809
Restricted funds				2,637,257	2,891,523
				4,810,974	5,235,332

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 21 May 2026 and were signed on its behalf by:

Joanna Morling

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Joanna Morling - Convener of Council

The Iona Community

Company Statement of Financial Position (including Balance Sheet)
At 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	11	1,298,608	2,085,908	3,384,516	3,618,476
Investments	12	199,827	120,304	320,131	294,222
		1,498,435	2,206,212	3,704,647	3,912,698
CURRENT ASSETS					
Debtors	14	519,964	17,062	537,026	563,515
Cash at bank		449,996	413,983	863,979	920,391
		969,960	431,045	1,401,005	1,483,906
CREDITORS					
Amounts falling due within one year	15	(266,553)	-	(266,553)	(167,714)
NET CURRENT ASSETS		703,407	431,045	1,134,452	1,316,192
TOTAL ASSETS LESS CURRENT LIABILITIES		2,201,842	2,637,257	4,839,099	5,228,890
PROVISIONS FOR LIABILITIES	16	(5,600)	-	(5,600)	(7,670)
NET ASSETS		2,196,242	2,637,257	4,833,499	5,221,220
FUNDS	17, 18				
Unrestricted funds				2,196,242	2,329,697
Restricted funds				2,637,257	2,891,523
				4,833,499	5,221,220

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Board of Trustees on 21 May 2026 and were signed on its behalf by:

....

Joanna Morling - Convener of Council

Consolidated Statement of Cash Flows
For The Year Ended 31 December 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Cash generated from operations	1	(33,623)	(121,979)
Net cash provided by operating activities		(33,623)	(121,979)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(51,056)	(14,838)
Purchase of investment assets		(85,139)	(22,459)
Proceeds from disposal of investment assets		86,194	23,025
Investment income received		25,861	23,181
Net cash (used in) investing activities		(24,140)	8,909
Change in cash and cash equivalents in the reporting period		(57,763)	(113,070)
Cash and cash equivalents at the beginning of the reporting period	2	1,162,661	1,275,731
Cash and cash equivalents at the end of the reporting period	2	1,104,898	1,162,661

1. RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(424,358)	(312,831)
Adjustments for:		
Depreciation charges	285,189	283,603
(Gain) / loss on investments	(28,909)	(16,398)
Movement in cash retained by investment manager	1,945	2,434
Investment income received	(25,861)	(23,181)
(Decrease) in provisions	(2,070)	1,558
(Increase) in stocks	(1,667)	(12,638)
Decrease / (increase) in debtors	98,231	(37,067)
Increase / (decrease) in creditors	63,877	(7,459)
Net cash provided by operating activities	(33,623)	(121,979)

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Notice deposits (less than 3 months)	1,104,898	1,162,661

Notes to the Financial Statements
For The Year Ended 31 December 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, and tangible fixed assets which are included at deemed cost on transition to FRS 102, less accumulated depreciation and adjustments for impairment.

The Trustees consider that there are no material uncertainties about the ability of the charity to continue as a going concern for the foreseeable future. Accordingly, the accounts have been prepared on a going concern basis.

Group Accounts
The financial statements consolidate the results of the charity and its wholly owned subsidiary Iona Community Trading C.I.C. on a line-by-line basis.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Voluntary income includes donations, gifts and grants that provide core funding or are of a general nature, and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Legacy income is recognised in the same manner, but by policy is taken to a Designated Reserve and from which a set amount is transferred each year into the general fund.

Voluntary income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods, or the donor has imposed conditions that must be met before the charity has unconditional entitlement.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). It is stated after trade discounts and is net of VAT where applicable.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract and is recognised as earned as the related goods and services are provided.

Income is deferred when deposits are taken for accommodation in advance of the financial period under consideration.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of that obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

Charitable activities
Charitable activities include expenditure associated with the delivery of the charitable activities of the Iona Community and include both the direct and indirect costs associated with the delivery of these activities.

Support costs are allocated to charitable activities on a direct basis where relevant. Where this is not appropriate, these costs are allocated to charitable activities based on an estimate of staff time in these areas.

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Depreciation is charged based on expected useful life and estimated residual values. Freehold property is depreciated on a straight line basis over fifty years. Property improvements of a major nature are depreciated over fifteen years, or the length of the lease if shorter. All other tangible fixed assets are depreciated on a straight line basis over five years.

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of financial activities.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the statement of financial activities.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition of opening of the deposit of similar account.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

The group operates a defined contribution pension scheme under NEST. Contributions payable to the pension scheme are charged to the statement of financial activities in the period to which they relate.

Previously, employees of the charity were entitled to join a scheme administered by TPT Retirement Solutions. The accounting policy for employees within that scheme is outlined under note 21.

2. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	Total Funds 2025	Total Funds 2024
	£	£	£	£
Donations	485,497	64,073	549,570	601,665
Legacies	30	-	30	250,329
Grants	2,000	-	2,000	-
Total donations and legacies - Company	487,527	64,073	551,600	851,994
Donations - trading subsidiary	2,810	-	2,810	4,270
Grants - trading subsidiary	2,500	-	2,500	8,050
Total donations and legacies - Group	492,837	64,073	556,910	864,314
Grants received, included in the above, as follows:				
Other grants	4,500	-	4,500	8,050

3. RAISING FUNDS

Raising donations and legacies	£	£	£	£
Fundraising costs	136	-	136	136

Trading fundraising

The financial activities shown in the consolidation statement includes those of the charity's wholly owned trading subsidiary, Iona Community Trading C.I.C., which donates its profits to the charity.

A summary of the financial activities undertaken by the subsidiary is set out below.

	2025	2024
	£	£
Turnover	475,393	491,208
Other operating income	5,310	12,320
Cost of sales and administrative costs	(517,340)	(503,439)
Net (loss) / profit	(36,637)	89
Amount donated to the charity	-	(80,870)
(Loss for the year)	(36,637)	(80,781)
The assets and liabilities of the subsidiary were:		
Fixed assets	2,720	2,892
Current assets	426,102	428,615
Current liabilities	(14,210)	(49,172)
	414,612	382,335
Less: Parent company loan	(437,037)	(368,123)
Carried forward	(22,425)	14,212

4. INCOME FROM CHARITABLE ACTIVITIES

Activity	£	£	£	£
Resource work & projects	10,997	-	10,997	10,307
Publication sales & royalties	92,495	-	92,495	84,321
Guest & programme charges	684,377	-	684,377	685,658
	787,869	-	787,869	780,286
Guest & programme charges:				
Iona Abbey	683,847	-	683,847	638,460
Camas	-	-	-	45,553
Other programme charges	530	-	530	1,645
	684,377	-	684,377	685,658

5. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Total Funds 2025	Total Funds 2024
	£	£	£	£
Dividend income	3,387	3,342	**6,729**	6,288
Property rental income	12,528	-	**12,528**	12,345
Interest	6,504	100	**6,604**	4,548
	22,419	3,442	**25,861**	23,181

6. CHARITABLE ACTIVITIES COST

	£	£	£	£
Resource work and projects	203,168	27,920	**231,088**	164,758
Island centres	901,637	274,021	**1,175,658**	1,332,028
Movement support	375,047	31	**375,078**	382,788
Publications	-	-	**-**	24,199
	1,479,852	301,972	**1,781,824**	1,903,773

Analysis of support costs included in above

	£	£	£	£
Resource work and projects	90,025	-	**90,025**	85,576
Island centres	268,552	-	**268,552**	248,119
Movement support	366,301	-	**366,301**	369,650
Publications	-	-	**-**	-
	724,878	-	**724,878**	703,345

Support costs include the governance costs in relation to audit fees as outlined in note 7 below. These are allocated between areas in the proportions described in the accounting policies.

7. NET EXPENDITURE/INCOME

Net (expenditure)/income is stated after charging/(crediting):

	2025 Group £	2025 Company £	2024 Group £	2024 Company £
Depreciation	**285,189**	**284,268**	283,603	282,833
Operating lease payments	**60,375**	**53,375**	58,486	51,486
Auditor's remuneration	**10,000**	**7,900**	10,000	7,900

8. TRUSTEES' REMUNERATION AND BENEFITS

During the year, salary of £32,521 (2024: £31,883) was paid to Andy Evans, the brother of a trustee, in his role as Property Co-ordinator. Pension contributions of £2,277 (2024: £2,232) were paid on his behalf.

There were no other trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses
A total of £2,468 was reimbursed to 6 trustees (2024 - £1,837 to 6 trustees) in respect of travel and other expenses during the year.

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2025

9. STAFF COSTS

	2025	2024
	£	£
Salaries and wages	880,261	949,738
Social security costs	95,719	71,961
Pension costs	78,324	99,005
	1,054,304	1,120,704

The average monthly number of group employees during the year was as follows:

	2025	2024
Staff	33	41

The emoluments, not including employer pension contributions, of two members of staff (2024 – two) are within the range of £60,000 to £69,999.

Key management personnel remuneration totalling £218,341 (2024 - £204,120) was paid during the year comprising salary, employer's National Insurance contributions and employer's pension contributions.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	2024 Unrestricted Funds	2024 Restricted Funds	2024 Total Funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	852,742	11,572	864,314
Trading activities - Shop	306,915	-	306,915
Trading activities - Publications	184,292	-	184,292
Charitable activities	780,286	-	780,286
Investment income	17,664	5,517	23,181
Intra-group sales	(91,360)	-	(91,360)
Total	2,050,539	17,089	2,067,628
EXPENDITURE ON			
Raising funds	136	-	136
Trading activities - Shop	324,723	-	324,723
Trading activities - Publications	259,585	-	259,585
Charitable activities	1,602,612	301,161	1,903,773
Intra-group purchases	(91,360)	-	(91,360)
Total	2,095,696	301,161	2,396,857
Net gains on investments	4,582	11,816	16,398
NET (EXPENDITURE) / INCOME	(40,575)	(272,256)	(312,831)
Transfers between funds	85,443	(85,443)	-
Net movement in funds	44,868	(357,699)	(312,831)
RECONCILIATION OF FUNDS			
Total funds brought forward	2,298,941	3,249,222	5,548,163
TOTAL FUNDS CARRIED FORWARD	2,343,809	2,891,523	5,235,332

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2025

11. TANGIBLE FIXED ASSETS

GROUP	Leasehold Property £	Freehold Property £	Furniture & Equipment £	Totals £
COST				
At 1 January 2025	4,201,959	2,015,113	351,996	6,569,068
Additions	-	-	51,056	51,056
Disposals	-	-	(2,715)	(2,715)
At 31 December 2025	4,201,959	2,015,113	400,337	6,617,409
DEPRECIATION				
At 1 January 2025	2,278,493	377,268	291,939	2,947,700
Charge for year	221,477	31,050	32,662	285,189
On disposals	-	-	(2,715)	(2,715)
At 31 December 2025	2,499,970	408,318	321,886	3,230,174
NET BOOK VALUE				
At 31 December 2025	1,701,989	1,606,795	78,451	3,387,235
At 31 December 2024	1,923,466	1,637,845	60,057	3,621,368

COMPANY	Leasehold Property £	Freehold Property £	Furniture & Equipment £	Totals £
COST				
At 1 January 2025	4,201,959	2,015,113	340,208	6,557,280
Additions	-	-	50,308	50,308
At 31 December 2025	4,201,959	2,015,113	390,516	6,607,588
DEPRECIATION				
At 1 January 2025	2,278,493	377,268	283,043	2,938,804
Charge for year	221,477	31,049	31,742	284,268
At 31 December 2025	2,499,970	408,317	314,785	3,223,072
NET BOOK VALUE				
At 31 December 2025	1,701,989	1,606,796	75,731	3,384,516
At 31 December 2024	1,923,466	1,637,845	57,165	3,618,476

12. FIXED ASSET INVESTMENTS

GROUP	Shares in group undertakings 2025 £	Listed Investments 2025 £	Total 2025 £	Total 2024 £
Market value at 1 January	-	291,024	291,024	275,192
Acquisitions at cost	-	85,139	85,139	22,459
Less: disposals at opening market value	-	(76,369)	(76,369)	(23,364)
Net gains / (losses) on revaluation	-	19,085	19,085	16,737
	-	318,879	318,879	291,024
Cash held awaiting reinvestment			1,152	3,098
Market value at 31 December			320,031	294,122

COMPANY	Shares in group undertakings* £	Listed Investments £	Total 2025 £	Total 2024 £
Market value at 1 January	100	291,024	291,124	275,292
Acquisitions at cost	-	85,139	85,139	22,459
Less: disposals at opening market value	-	(76,369)	(76,369)	(23,364)
Net gains / (losses) on revaluation	-	19,085	19,085	16,737
	100	318,879	318,979	291,124
Cash held awaiting reinvestment			1,152	3,098
Market value at 31 December			320,131	294,222

* Shares in group undertakings represent a 100% holding in the equity share capital of Iona Community Trading C.I.C., a company registered in Scotland with number SC156678, having its registered address at Suite 9, Fairfield, 1048 Govan Road, Glasgow, G51 4XS.

13. STOCKS

GROUP	2025 £	2024 £
Stocks	174,510	172,843

COMPANY	2025 £	2024 £
Stocks	-	-

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2025

14. DEBTORS

GROUP	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	10,918	42,896
VAT recoverable	-	-
Prepayments and accrued income	67,725	102,387
Other debtors	32,020	63,611
	110,663	208,894

COMPANY	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	607	29,959
Amounts owed by group undertakings	387,037	318,123
Prepayments and accrued income	67,375	101,849
Other debtors	32,007	63,584
	487,026	513,515
Amounts falling due after more than one year:		
Amounts owed by group undertakings	50,000	50,000
Aggregate amounts	537,026	563,515

The Iona Community has provided its subsidiary Iona Community Trading C.I.C. (ICT CIC) with a long term loan of £50,000. This loan is granted to provide working capital for ICT CIC. It was granted on the strict understanding that all profits earned by ICT CIC are donated to the Iona Community. Interest is charged at the rate of 2.50% annually. The loan and any other sums outstanding to the Iona Community are guaranteed on the assets of ICT CIC. The status of the loan is reviewed annually after the annual accounts have been produced and the viability of ICT CIC assessed. The remainder of the debtor, £337,037 (2024 - £268,123), is of a short term nature and will be paid in 2026.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	**2025**	2024
	£	£
Trade creditors	**24,234**	23,815
Social security and other taxes	**18,837**	-
Pension creditor	**7,265**	-
VAT	**7,522**	664
Deferred income	**135,419**	94,758
Accrued expenses	**41,064**	31,295
Other creditors	**46,422**	66,354
	280,763	216,886

COMPANY		
	£	£
Trade creditors	**20,945**	17,503
Social security and other taxes	**18,837**	-
Pension creditor	**7,265**	-
VAT	**7,522**	664
Deferred income	**135,342**	94,758
Accrued expenses	**37,650**	28,674
Other creditors	**38,992**	26,115
	266,553	167,714

Analysis of Deferred Income	**2025 Group £**	**2025 Company £**	2024 Group £	2024 Company £
Brought forward	**94,758**	**94,758**	79,289	79,289
Amount released to income	**(94,758)**	**(94,758)**	(79,289)	(79,289)
Amount deferred in the year	**135,419**	**135,342**	94,758	94,758
Carried forward	**135,419**	**135,342**	94,758	94,758

16. PROVISIONS FOR LIABILITIES

GROUP & COMPANY	**2025**	2024
	£	£
Provisions	**5,600**	7,670

17. MOVEMENT IN FUNDS

	Note	At 01.01.25 £	Movement in funds £	Transfers between funds £	At 31.12.25 £
Unrestricted funds					
Designated funds - fixed assets					
Fixed asset reserve	(a)	1,341,971	(43,363)	-	1,298,608
		1,341,971	(43,363)	-	1,298,608
Designated funds - other					
Comms & marketing fund	(b)	5,000	(8,746)	25,000	21,254
Legacy fund	(c)	879,309	9,347	(109,021)	779,635
Maintenance fund	(d)	71,885	(28,799)	30,014	73,100
General fund		45,644	(132,698)	88,174	1,120
Total unrestricted funds		2,343,809	(204,259)	34,167	2,173,717
Restricted funds					
Restricted funds - fixed assets					
Iona Abbey asset reserve	(e)	1,923,546	(186,296)	4,986	1,742,236
Dunsmeorach asset reserve	(f)	352,959	(9,288)	-	343,671
		2,276,505	(195,584)	4,986	2,085,907
Restricted funds - other					
Alastair Crerar fund	(g)	119,927	12,081	(15,000)	117,008
Camas travel fund	(h)	11,547	-	-	11,547
Dame Flora MacLeod fund	(i)	7,117	-	-	7,117
Ecumenical training fund	(j)	4,033	-	-	4,033
Fundraising fund	(k)	-	15,000	-	15,000
Islands access fund	(l)	52,799	8,125	(34,971)	25,953
Islands youth fund	(m)	161	-	-	161
Macleod Centre redevelopment	(n)	20,986	(31,773)	10,787	-
Members' travel pool	(o)	-	(31)	31	-
Wild Goose Resource Group fund	(p)	334,955	(27,920)	-	307,035
Youth work fund	(q)	63,493	3	-	63,496
Total restricted funds		2,891,523	(220,099)	(34,167)	2,637,257
TOTAL FUNDS		5,235,332	(424,358)	-	4,810,974

Unrestricted funds includes brought forward reserves of £14,212 and net expenditure of £36,637 relating to the subsidiary.

Net movements in funds, included in the above, are as follows:

	Income £	Expenditure £	Gains and losses £	Movement in funds £
Unrestricted funds				
Designated funds - fixed assets				
Fixed asset reserve	-	(43,363)	-	(43,363)
	-	(43,363)	-	(43,363)
Designated funds - other				
Communications & marketing fund	-	(8,746)	-	(8,746)
Legacy fund	7,908	(136)	1,575	9,347
Maintenance fund	-	(28,799)	-	(28,799)
General fund	1,763,323	(1,908,997)	12,976	(132,698)
Total unrestricted funds	1,771,231	(1,990,041)	14,551	(204,259)

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2025

17. MOVEMENT IN FUNDS (continued)

	Income	Expenditure	Gains and losses	Movement in funds
	£	£	£	£
Restricted funds				
Restricted funds - fixed assets				
Iona Abbey asset reserve	45,322	(231,618)	-	(186,296)
Camas asset reserve	-	-	-	-
Dunsmeorach asset reserve	-	(9,288)	-	(9,288)
Welcome Centre asset reserve	-	-	-	-
	45,322	(240,906)	-	(195,584)
Restricted funds - other				
Alastair Crerar fund	2,511	(906)	10,476	12,081
Camas travel fund	-	-	-	-
Dame Flora MacLeod fund	-	-	-	-
Ecumenical training fund	-	-	-	-
Fundraising fund	15,000	-	-	15,000
Islands access fund	4,679	(436)	3,882	8,125
Islands youth fund	-	-	-	-
Macleod Centre redevelopment	-	(31,773)	-	(31,773)
Members' travel pool	-	(31)	-	(31)
Music books fund	-	-	-	-
Wild Goose Resource Group fund	-	(27,920)	-	(27,920)
Youth work fund	3	-	-	3
Total restricted funds	67,515	(301,972)	14,358	(220,099)
TOTAL FUNDS	1,838,746	(2,292,013)	28,909	(424,358)

Unrestricted funds includes net expenditure of £36,637 relating to the subsidiary.

Notes on funds

(a) Fixed Asset Reserve
This fund represents the net book value of all assets which are not held within any of the other designated or restricted asset reserve funds. Depreciation on these assets is charged to this fund, and the additions or disposals are adjusted to this fund by way of transfers.

(b) Comms & Marketing Fund
This fund was set aside budget by the trustees during 2024 for spend on internal and external communications and marketing initiatives. The fund is topped up by budgeted transfers from the general fund.

(c) Legacy Fund
All unrestricted legacies received by the Iona Community are taken into this reserve, which is released annually by a transfer into the general fund on a basis authorised by the Council of the Iona Community to be applied to charitable activities.

(d) Maintenance Fund
This fund was created by setting aside budget underspends on maintenance expenditure in previous years. The fund is applied to maintenance expenditure at the island centres and is topped up each year out of current maintenance budgets.

(e) Iona Abbey Asset Reserve
This represents costs of capital improvements on Iona other than those included in other asset reserve funds. These costs are being depreciated over 15 years with the depreciation being charged to this fund. The net cost of asset additions is transferred into this fund.

(f) Dunsmeorach Asset Reserve
This fund represents the contribution from the Growing Hope appeal towards the costs of rebuilding staff accommodation at Dunsmeorach on Iona which was completed in 2011. Depreciation on this property is being charged to this fund.

17. MOVEMENT IN FUNDS (continued)

(g) Alastair Crerar Fund
On the winding up of the Crerar Trust, the trustees gave the balance of funds of the Trust to the Iona Community, under restricted purposes as laid out below. Council will decide as appropriate specifically how to apply these funds: to enable greater numbers of single poor people to access our Centres on Iona and Mull or similar residential facilities as appropriate, by meeting travel and accommodation costs; to support social care and outreach initiatives in Glasgow; and to encourage partnerships with other agencies working with the single poor in Glasgow and elsewhere. Each year, a transfer is made to the general fund equivalent to the value of discounted places and other support offered to qualifying beneficiaries during the year.

(h) Camas Travel Fund
This represents gifts to assist groups as required with the costs of travelling to Camas.

(i) Dame Flora MacLeod Fund
This fund arose from historical donations from the Dunvegan Trust in the USA. The purpose is to provide travel grants to overseas volunteers to the Island centres.

(j) Ecumenical Training Fund
The fund represents the closing assets of the Scottish Churches Open College which will be applied for an appropriate lay training project when one arises.

(k) Fundraising Fund
This fund was established by a donation for the purpose of establishing a fundraising post within the staff team. The fund will be spent in the subsequent financial year.

(l) Islands Access Fund
This fund receives donations and interest on the cash invested on behalf of the fund. Its purpose is to provide reduced price places at the Islands Centres. Each year, a transfer is made to the general fund equivalent to the value of discounted places offered during the year.

(m) Islands Youth Fund
This fund arose from a legacy which was given for the purposes of supporting youth work at the charity's Islands Centres. A transfer was made in 2024 to meet costs of the Youth Festival held on Iona in that year.

(n) Macleod Centre Redevelopment
Donations were received in prior years in anticipation of an appeal for funds to redevelop the Macleod Centre on Iona. Feasibility studies have concluded that this project will not progress. The fund was fully spent during 2025, with the shortfall in funding being met by a transfer from the general fund.

(o) Members' Travel Pool
This fund is available to make contributions to Members to meet costs of attending Meetings. This fund has now been fully spent. Transfers into this fund from general funds have been made in 2024 and 2025 to meet the cost of claims made against this fund in excess of the remaining funds available.

(p) Wild Goose Resource Group Fund
This represents income generated personally by members of the Wild Goose Resource Group which they donate to The Iona Community, mainly used to subsidise the costs of running the Wild Goose Resource Group project of the Community, but also for other projects as directed by the donors.

(q) Youth Work Fund
This fund arose from a donation to support youth work.

Notes to the Financial Statements (continued)
For The Year Ended 31 December 2025

18. MOVEMENT IN FUNDS - COMPARATIVE INFORMATION FOR PRIOR YEAR

Unrestricted funds	Note	At 01.01.24 £	Movement in in funds £	Transfers between funds £	At 31.12.24 £
Designated funds - fixed assets					
Fixed asset reserve		1,374,949	(44,914)	11,936	1,341,971
		1,374,949	(44,914)	11,936	1,341,971
Designated funds - other					
Communications & marketing fund		-	-	5,000	5,000
Iona Community Learn fund	(a)	18,153	-	(18,153)	-
Legacy fund		716,444	251,439	(88,574)	879,309
Maintenance fund		66,073	(16,165)	21,977	71,885
Unlocked fund	(b)	5,420	(850)	(4,570)	-
General fund		117,902	(230,085)	157,827	45,644
Total unrestricted funds		2,298,941	(40,575)	85,443	2,343,809
Restricted funds					
Restricted funds - fixed assets					
Iona Abbey asset reserve		2,151,950	(228,404)	-	1,923,546
Dunsmeorach asset reserve		362,248	(9,289)	-	352,959
Welcome Centre asset reserve	(c)	226	(226)	-	-
		2,514,424	(237,919)	-	2,276,505
Restricted funds - other					
Alastair Crerar fund		145,338	9,824	(35,235)	119,927
Camàs travel fund		6,547	5,000	-	11,547
Dame Flora MacLeod fund		10,931	(3,814)	-	7,117
Ecumenical training fund		4,033	-	-	4,033
Islands access fund		90,211	7,103	(44,515)	52,799
Islands youth fund		9,305	-	(9,144)	161
Macleod Centre redevelopment		58,189	(37,203)	-	20,986
Members' travel pool		9,687	(13,138)	3,451	-
Music books fund	(d)	666	(666)	-	-
Wild Goose Resource Group fund		339,775	(4,820)	-	334,955
Youth work fund		60,116	3,377	-	63,493
Total restricted funds		3,249,222	(272,256)	(85,443)	2,891,523
TOTAL FUNDS		5,548,163	(312,831)	-	5,235,332

Unrestricted funds includes brought forward reserves of £94,793 and net expenditure of £80,781 relating to the subsidiary.

18. MOVEMENT IN FUNDS - COMPARATIVE INFORMATION FOR PRIOR YEAR (continued)

Net movement in funds, included in the above are as follows:

	Income	Expenditure	Gains and losses	Movement in funds
Unrestricted funds	£	£	£	£
Designated funds - fixed assets				
Fixed asset reserve	-	(44,914)	-	(44,914)
	-	(44,914)	-	(44,914)
Designated funds - other				
Communications & marketing fund	-	-	-	-
Iona Community Learn fund	-	-	-	-
Legacy fund	250,683	(136)	892	251,439
Maintenance fund	-	(16,165)	-	(16,165)
Unlocked fund	-	(850)	-	(850)
General fund	1,799,856	(2,033,631)	3,690	(230,085)
Total unrestricted funds	2,050,539	(2,095,696)	4,582	(40,575)
Restricted funds				
Restricted funds - fixed assets				
Iona Abbey asset reserve	-	(228,404)	-	(228,404)
Dunsmeorach asset reserve	-	(9,289)	-	(9,289)
Welcome Centre asset reserve	-	(226)	-	(226)
	-	(237,919)	-	(237,919)
Restricted funds - other				
Alastair Crerar fund	3,135	(1,203)	7,892	9,824
Camas travel fund	5,000	-	-	5,000
Dame Flora MacLeod fund	290	(4,104)	-	(3,814)
Ecumenical training fund	-	-	-	-
Islands access fund	3,778	(599)	3,924	7,103
Islands youth fund	-	-	-	-
Macleod Centre redevelopment	934	(38,137)	-	(37,203)
Members' travel pool	-	(13,138)	-	(13,138)
Music books fund	-	(666)	-	(666)
Wild Goose Resource Group fund	-	(4,820)	-	(4,820)
Youth work fund	3,952	(575)	-	3,377
Total restricted funds	17,089	(301,161)	11,816	(272,256)
TOTAL FUNDS	2,067,628	(2,396,857)	16,398	(312,831)

Unrestricted funds includes net expenditure of £80,781 relating to the subsidiary.

Notes on funds - prior year

(a) Iona Community Learn Fund

This fund was created from funds set aside by the trustees from the surplus of funds raised from the Capital Appeal fund. This fund was used for the development of online and in-person learning and engagement resources and activities, publicised as 'Iona Community Learn'. A transfer was made to the general fund to meet salary costs of the staff member responsible for delivering this area of work in 2024.

(b) Unlocked Fund

This fund was created from funds set aside by the trustees from the surplus of funds raised from the Capital Appeal fund. This fund was used to support and subsidise travel to and accommodation at our island centres for those particularly affected by lockdown whether through home, work or personal circumstances. A transfer was made from the general fund in 2024 to cover the cost of subsidy and support offered to beneficiaries during the year. This fund is now fully spent.

18. MOVEMENT IN FUNDS - COMPARATIVE INFORMATION FOR PRIOR YEAR (continued)

(c) Welcome Centre Asset Reserve
This fund represents the contribution from the Growing Hope Fund towards the costs of the creation of a Welcome Centre on Iona which was completed in 2009. The fund was used to offset the annual depreciation cost of the project over 15 years, and was fully spent by 2024.

(d) Music Books Fund
This fund is from a donation to cover the costs of creating and piloting the new Abbey Music Book. This fund was fully spent during 2024 and is now closed.

19. SUMMARY OF ASSETS AND LIABILITIES OF EACH FUND

	Fixed Assets £	Investments £	Current Assets less Liabilities £	Total £
Unrestricted funds				
Designated funds - fixed assets				
Fixed asset reserve	1,298,608	-	-	1,298,608
	1,298,608	-	-	1,298,608
Designated funds - other				
Communications & marketing fund	-	-	21,254	21,254
Iona Community Learn fund	-	-	-	-
Legacy fund	-	17,439	762,196	779,635
Maintenance fund	-	-	73,100	73,100
Unlocked fund	-	-	-	-
General fund	2,720	182,288	(183,888)	1,120
Total unrestricted funds	1,301,328	199,727	672,662	2,173,717
Restricted funds				
Restricted funds - fixed assets				
Iona abbey asset reserve	1,742,236	-	-	1,742,236
Dunsmeorach asset reserve	343,671	-	-	343,671
Welcome centre asset reserve	-	-	-	-
	2,085,907	-	-	2,085,907
Restricted funds - other				
Alastair Crerar fund	-	100,991	16,017	117,008
Camas travel fund	-	-	11,547	11,547
Dame Flora MacLeod fund	-	-	7,117	7,117
Ecumenical training fund	-	-	4,033	4,033
Fundraising fund	-	-	15,000	15,000
Islands access fund	-	19,313	6,640	25,953
Islands youth fund	-	-	161	161
Macleod Centre redevelopment	-	-	-	-
Members' travel pool	-	-	-	-
Music books fund	-	-	-	-
Wild Goose Resource Group fund	-	-	307,035	307,035
Youth work fund	-	-	63,496	63,496
Total restricted funds	2,085,907	120,304	431,046	2,637,257
Total as at 31 December 2025	3,387,235	320,031	1,103,708	4,810,974

20. SUMMARY OF ASSETS AND LIABILITIES OF EACH FUND - COMPARATIVE INFORMATION FOR PRIOR YEAR

	Fixed Assets £	Investments £	Current Assets less Liabilities £	Total £
Unrestricted funds				
Fixed asset reserve	1,341,971	-	-	1,341,971
	1,341,971	-	-	1,341,971
Designated funds - other				
Communications & marketing fund	-	-	5,000	5,000
Iona Community Learn fund	-	-	-	-
Legacy fund	-	16,027	863,282	879,309
Maintenance fund	-	-	71,885	71,885
Unlocked fund	-	-	-	-
General fund	2,892	132,013	(89,261)	45,644
Total unrestricted funds	1,344,863	148,040	850,906	2,343,809
Restricted funds				
Restricted funds - fixed assets				
Iona abbey asset reserve	1,923,546	-	-	1,923,546
Dunsmeorach asset reserve	352,959	-	-	352,959
Welcome centre asset reserve	-	-	-	-
	2,276,505	-	-	2,276,505
Restricted funds - other				
Alastair Crerar fund	-	106,579	13,348	119,927
Camas travel fund	-	-	11,547	11,547
Dame Flora MacLeod fund	-	-	7,117	7,117
Ecumenical training fund	-	-	4,033	4,033
Islands access fund	-	39,503	13,296	52,799
Islands youth fund	-	-	161	161
Macleod Centre redevelopment	-	-	20,986	20,986
Members' travel pool	-	-	-	-
Music books fund	-	-	-	-
Wild Goose Resource Group fund	-	-	334,955	334,955
Youth work fund	-	-	63,493	63,493
Total restricted funds	2,276,505	146,082	468,936	2,891,523
Total as at 31 December 2024	3,621,368	294,122	1,319,842	5,235,332

21. PENSION COMMITMENTS

The company participates in the TPT Retirement Solutions Growth Plan ('the scheme'), a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

21. PENSION COMMITMENTS (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2025 to 31 March 2028:	£2,100,000 per annum	(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	2025	2024
	£	£
Present value of provision	**5,600**	7,670

Reconciliation of opening and closing provisions

	Period ending 2025	Period ending 2024
Provision at start of period	**7,670**	6,112
Unwinding of the discount factor (interest expense)	**313**	173
Deficit contribution paid	**(2,431)**	(5,789)
Remeasurements - impact of any change in assumptions	**48**	47
Remeasurements - amendments to the contribution schedule	**-**	7,127
	5,600	7,670

Assumptions

	2025	2024
	% per annum	% per annum
Rate of discount	**4.05**	4.90

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

22. OPERATING LEASE COMMITMENTS

At the balance sheet date, the group had future minimum payments under non-cancellable operating leases for rental of premises as follows:

- for rental of office premises, £9,114 payable in one year (2024: £17,922) and £nil payable in 2 to 5 years (2024: £9,114).

- for properties on Iona, market rent is payable on leases running until 2 April 2075, with the level of rent to be reviewed every 5 years. Current market rent payable is a total of £41,000 per annum.

- for properties on Mull, £1,700 per annum on a lease running until November 2039.

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2025 other than the transactions with the subsidiary, as outlined below:

	2025	2024
	£	£
Profit paid from subsidiary to charity	**-**	80,870
Sales of goods from subsidiary to charity	**6,037**	9,240
Interest payments from subsidiary to charity	**1,250**	1,250
Total intra-group sales and donations	**7,287**	91,360

The amounts outstanding between the charity and the subsidiary at the year end are disclosed in note 14.