Charity registration number SC053097 (Scotland)

KILMOLUAG LIOSMOR

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2026

KILMOLUAG LIOSMOR

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mandie Currie	
	Sebastian Tombs	
	Rosemary Barry	
	Stephen Green	
	Archie MacGillivray	
	Catherine Forgrieve	(Appointed 8 September 2025)
	M MacDougall	(Appointed 8 September 2025)
Charity registration	Scotland	SC053097

KILMOLUAG LIOSMOR

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KILMOLUAG LIOSMOR

REPORT

FOR THE YEAR ENDED 31 JANUARY 2026

The trustees present their annual report and financial statements for the year ended 31 January 2026.

It is with continuing enthusiasm that we present the second Annual Report for Kilmoluag Liosmor SCIO SC053097. Registered with the Office of the Scottish Charity Regulator (OSCR) on 31 January 2024, our SCIO was established to safeguard and revitalise a cornerstone of Lismore's heritage: the Cathedral Church of St Moluag (with parts dating to the 13th century).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

Our Purpose

As outlined in our constitution, we have maintained our primary focus, to:

• Protect, maintain, and sustainably use the Cathedral and Church House for the benefit of the Lismore community, honouring their historic and spiritual significance.

• Promote heritage, education, and community development through awareness-raising, arts, lifelong learning, and civic engagement.

• Advance environmental protection and pride in Lismore's unique landscape and history.

The local Kirk Session and ecumenical congregation (including Presbyterians, Episcopalians, Catholics, Methodists, and Orthodox) have provided full support for our mission, ensuring worship continues seamlessly while we await community ownership.

Governance & Responsibilities

• Board Meetings have been held monthly during the period to 31st January, following the inaugural Annual General Meeting on Thursday 10th April 2025 and a Special general Meeting to confirm support for acquisition on Thursday 22nd May.

• Trustee Duties: All trustees confirm adherence to OSCR standards—acting prudently, avoiding conflicts, and prioritising the charity.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

Key Achievements in Year 2

• Membership numbers of both Ordinary and Associate categories have grown;

• Having determined immediately prior to making the offer to acquire, the Members agreed to forgo interest in the Church House, given the limitations on its future potential. This then required a revised Business Plan, and funds were generously provided by HES to enable a revamp of the initial Plan by Heritage Consulting. This important document was signed off in December 2025 and provides a broad 'route map' for delivery of the project, including fundraising strategies.

• Numerous administrative matters have been regularised, and detailed preparations made for receiving donations electronically, both on site and via a new website.

• New this year are a leaflet itemising the special features of the building; and pertinent small items suitable for modest donations within the building itself. Celebrating progress annually over a weekend in late June, close to St Moluag's Day, is set to become a significant island event.

The board has continued to demonstrate resilience and collective responsibility, approving accounts by majority vote and ensuring compliance.

Financial review

Financial Review

The second year finances maintain a prudent, low-risk approach, gradually building up funds, as outlined herein. Accounts were prepared in line with OSCR requirements, audited/reviewed as appropriate for our scale, and submitted successfully. This surplus provides a solid base for upcoming activities.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for future periods

Plans for the Year Ahead (2026/27)

We remain poised for exciting growth:

1. Church Purchase Completion (Target: imminent).
2. Project Development with ongoing Community Consultation:

* Maintain consultations with a) Argyll and Bute Council as the Local Authority Planning Department and owner of the immediately adjacent cemeteries re access and an essential facilities building; and b) with Historic Environment Scotland regarding the Scheduled Monument Site and B Listed building aspects.

- Maintain island-wide - and wider - engagement on project implementation for a range of compatible future uses (including, heritage interpretation, events, sustainable tourism, pilgrimage, and arts-related activities).
- Develop the digital presence to enable major fund-raising activities to build momentum while working alongside the development team to make specific funding applications on the basis of tenders based on consultant's reports and plans.

3. Development Roadmap:
   - Project development – taking forward more detailed design decisions for the project.
   - Funding Drive: Secure grants for repairs and programming, with general fund-raising.
   - Activities Launch: Heritage tours, educational events, St Moluag's Day celebrations.
   - Governance Enhancements: Appoint additional trustees, formalise policies for asset management.
- Risks & Mitigations: risks outlined in the Business Plan will be managed with diligence, with each step of commitment against funding success; and appropriately mitigated where identified.

Looking Forward

Year 2 has consolidated the strong foundations. With acquisition now imminent, and with continuing community passion and strategic momentum, Kilmoluag Liosmor will transform Lismore's historic heart into a beacon of heritage, learning, and pride for generations.

Structure, governance and management

The charity is a SCIO (Scottish Charitable Incorporated Organisation) and as such is governed by its constitution.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mandie Currie	
Sebastian Tombs	
Douglas Breingan	(Resigned 30 November 2025)
Rosemary Barry	
Clare Haworth	(Resigned 10 April 2025)
Stephen Green	
Archie MacGillivray	
Brona Macdougall	(Appointed 10 April 2025 and resigned 6 August 2025)
Catherine Forgrieve	(Appointed 8 September 2025)
M MacDougall	(Appointed 8 September 2025)

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Organisational structure

The report was approved by the Board of Trustees.

.....
Stephen Green
Trustee
10/15/2026
Date: .....

KILMOLUAG LIOSMOR

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF KILMOLUAG LIOSMOR

I report on the financial statements of the charity for the year ended 31 January 2026, which are set out on pages 5 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1)(a)-(c) of the Charities Accounts (Scotland) Regulations 2006 does not apply.

It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
   - to keep accounting records in accordance with Section 44(1)(a) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006, and
   - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Charities Accounts (Scotland) Regulations 2006

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.


Jamie Smith (Oct 15, 2026 09:55:08 GMT+1)

Date: 10/15/2026

KILMOLUAG LIOSMOR

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 JANUARY 2026

	Notes	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Income from:			
Donations and legacies	**3**	19,814	680
Total income		19,814	680
Expenditure on:			
Charitable activities	**4**	12,506	330
Total expenditure		12,506	330
Net income and movement in funds		7,308	350
Reconciliation of funds:			
Fund balances at 1 February 2025		350	-
Fund balances at 31 January 2026		7,658	350

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

KILMOLUAG LIOSMOR

BALANCE SHEET

AS AT 31 JANUARY 2026

	Notes	2026 £	£	2025 £	£
Current assets					
Cash at bank and in hand		7,988		680	
Creditors: amounts falling due within one year	**9**	(330)		(330)	
Net current assets			7,658		350
The funds of the charity					
Unrestricted funds	**10**		7,658		350
			7,658		350

The financial statements were approved by the trustees on 10/15/2026

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Stephen Green
Trustee

1 Accounting policies

Charity information

Kilmoluag Liosmor is a SCIO (Scottish Charitable Incorporated Organisation) and as such is governed by its constitution.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Donations and gifts	8,000	680
Grants	11,814	-
	19,814	680

4 Expenditure on charitable activities

	Kilmoluag Liosmor 2026 £	Kilmoluag Liosmor 2025 £
Direct costs		
Office & IT costs	240	-
Groundworks	1,442	-
Professional fees	10,494	-
Accountancy	330	330
	12,506	330
Analysis by fund		
Unrestricted funds	12,506	330

5 Net movement in funds

	2026 £	2025 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	-	-

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel
The remuneration of key management personnel was as follows:

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

9 Creditors: amounts falling due within one year

	2026 £	2025 £
Other creditors	330	330

10 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 February 2025 £	Incoming resources £	Resources expended £	At 31 January 2026 £
General funds	350	19,814	(12,506)	7,658

Previous year:	At 1 February 2024 £	Incoming resources £	Resources expended £	At 31 January 2025 £
General funds	-	680	(330)	350

11 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).