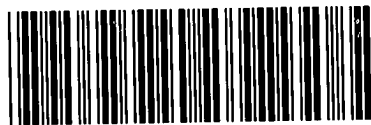


**Report of the Directors and
Financial Statements
For The Year Ended 31 December 2017
for
Iona Community Trading Ltd**

WEDNESDAY



SCT *S77ITX03* #231
06/06/2018
COMPANIES HOUSE

**Contents of the Financial Statements
For The Year Ended 31 December 2017**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Income Statement	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	10
Trading and Profit and Loss Account	12

Iona Community Trading Ltd
Company Information
For The Year Ended 31 December 2017

DIRECTORS:	Antony Phelan Alison Adam Mary Duncanson Michael Marten
SECRETARY:	Benedicte Scholefield
REGISTERED OFFICE:	The Iona Community 21 Carlton Court Glasgow G5 9JP
REGISTERED NUMBER:	SC156678 (Scotland)
AUDITORS:	Atkinson Donnelly LLP Chartered Accountants Statutory Auditors 1 Cambuslang Court Cambuslang Glasgow Strathclyde G32 8FH
SOLICITORS:	TC Young 7 West George Street Glasgow G2 1BA

Iona Community Trading Ltd (Registered number: SC156678)

**Report of the Directors
For The Year Ended 31 December 2017**

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of retailing books and crafts.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

Antony Phelan
Alison Adam
Mary Duncanson
Michael Marten

CHARITABLE DONATIONS

The company donated £39,975 (2016 - £19,319) to its parent company The Iona Community which is a charity registered in Scotland.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

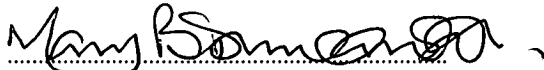
The auditors, Atkinson Donnelly LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Iona Community Trading Ltd (Registered number: SC156678)

**Report of the Directors
For The Year Ended 31 December 2017**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Mary Duncanson - Director

Date: 19.05.18

**Report of the Independent Auditors to the Members of
Iona Community Trading Ltd**

Opinion

We have audited the financial statements of Iona Community Trading Ltd (the 'company') for the year ended 31 December 2017 on pages six to eleven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note eleven to the financial statements, 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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 Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Iona Community Trading Ltd**

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the 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.

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 Auditors.

Atkinson Donnelly LLP

Fiona Struthers (Senior Statutory Auditor)
Atkinson Donnelly LLP Atkinson Donnelly LLP
Chartered Accountants
Statutory Auditors
1 Cambuslang Court
Cambuslang
Glasgow
Strathclyde
G32 8FH

Date: 23/5/2018

Iona Community Trading Ltd (Registered number: SC156678)

**Income Statement
For The Year Ended 31 December 2017**

	Notes	31.12.17 £	31.12.16 £
TURNOVER		264,538	246,119
Cost of sales		<u>147,966</u>	<u>145,799</u>
GROSS PROFIT		116,572	100,320
Administrative expenses		<u>112,070</u>	<u>98,843</u>
OPERATING PROFIT	4	4,502	1,477
Interest payable and similar expenses		<u>1,991</u>	<u>1,238</u>
PROFIT BEFORE TAXATION		2,511	239
Tax on profit		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>2,511</u>	<u>239</u>

The notes form part of these financial statements

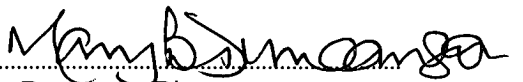
Iona Community Trading Ltd (Registered number: SC156678)

**Balance Sheet
31 December 2017**

	Notes	31.12.17 £	£	31.12.16 £	£
FIXED ASSETS					
Tangible assets	6		2,332		-
CURRENT ASSETS					
Stocks		67,207		76,012	
Debtors	7	-		116	
Cash at bank and in hand		44,595		6,947	
		<u>111,802</u>		<u>83,075</u>	
CREDITORS					
Amounts falling due within one year	8	49,206		20,658	
NET CURRENT ASSETS			<u>62,596</u>		<u>62,417</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>64,928</u>		<u>62,417</u>
CREDITORS					
Amounts falling due after more than one year	9		50,000		50,000
NET ASSETS			<u><u>14,928</u></u>		<u><u>12,417</u></u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			14,828		12,317
SHAREHOLDERS' FUNDS			<u><u>14,928</u></u>		<u><u>12,417</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 16 March 2018..... and were signed on its behalf by:


.....
Mary Duncanson - Director

Iona Community Trading Ltd (Registered number: SC156678)

**Cash Flow Statement
For The Year Ended 31 December 2017**

	Notes	31.12.17 £	31.12.16 £
Cash flows from operating activities			
Cash generated from operations	1	42,554	1,056
Interest paid		(1,991)	(1,238)
Net cash from operating activities		<u>40,563</u>	<u>(182)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(2,915)</u>	<u>-</u>
Net cash from investing activities		<u>(2,915)</u>	<u>-</u>
 Increase/(decrease) in cash and cash equivalents		<u>37,648</u>	<u>(182)</u>
Cash and cash equivalents at beginning of year	2	6,947	7,129
 Cash and cash equivalents at end of year	2	<u><u>44,595</u></u>	<u><u>6,947</u></u>

The notes form part of these financial statements

Iona Community Trading Ltd (Registered number: SC156678)

**Notes to the Cash Flow Statement
For The Year Ended 31 December 2017**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.12.17	31.12.16
	£	£
Profit before taxation	2,511	239
Depreciation charges	583	131
Finance costs	1,991	1,238
	<hr/>	<hr/>
	5,085	1,608
Decrease in stocks	8,805	4,702
Decrease/(increase) in trade and other debtors	116	(91)
Increase/(decrease) in trade and other creditors	28,548	(5,163)
	<hr/>	<hr/>
Cash generated from operations	42,554	1,056
	<hr/>	<hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	44,595	6,947
	<hr/>	<hr/>

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	6,947	7,129
	<hr/>	<hr/>

The notes form part of these financial statements

**Notes to the Financial Statements
For The Year Ended 31 December 2017**

1. STATUTORY INFORMATION

Iona Community Trading Ltd is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average monthly number of employees during the year was 2 (2016 - 2).

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.17	31.12.16
	£	£
Depreciation - owned assets	583	1,781
	<u>583</u>	<u>1,781</u>

5. AUDITORS' REMUNERATION

Auditors remuneration this year has been charged to the parent company

Notes to the Financial Statements - continued
For The Year Ended 31 December 2017

6. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2017	5,020
Additions	2,915
	<u>7,935</u>
At 31 December 2017	<u>7,935</u>
DEPRECIATION	
At 1 January 2017	5,020
Charge for year	583
	<u>5,603</u>
At 31 December 2017	<u>5,603</u>
NET BOOK VALUE	
At 31 December 2017	<u>2,332</u>
At 31 December 2016	<u>-</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17 £	31.12.16 £
VAT	-	116
	<u>-</u>	<u>116</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17 £	31.12.16 £
Due to parent undertaking	49,073	12,646
Trade creditors	-	4,513
Accrued expenses	133	3,499
	<u>49,206</u>	<u>20,658</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.17 £	31.12.16 £
Due to parent undertaking	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

10. RELATED PARTY DISCLOSURES

During the year Iona Community Trading Limited made a donation of £39,975 (2016 - £19,319) to The Iona Community, the ultimate parent company.

Iona Community Trading Limited purchased items of stock to the value of £7,953 (2016 - £27,752) in the year from The Iona Community, the ultimate parent company.

11. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

Iona Community Trading Ltd (Registered number: SC156678)

**Trading and Profit and Loss Account
For The Year Ended 31 December 2017**

	31.12.17		31.12.16	
	£	£	£	£
Sales		264,538		246,119
Cost of sales				
Purchases		<u>147,966</u>		<u>145,799</u>
GROSS PROFIT		116,572		100,320
Expenditure				
Rent	3,500		15,050	
Rates and water	901		872	
Insurance	2,672		3,000	
Light and heat	1,683		1,810	
Wages	15,739		15,541	
Social security	221		90	
Pensions	-		745	
Voluntary staff costs	2,452		2,358	
Post and stationery	1,057		1,496	
Promotion and advertising	950		-	
Travelling	7		170	
Management charges	32,188		31,710	
Repairs and renewals	1,847		1,337	
Staff training and relocation expenses	3,419		-	
Sundry expenses	42		84	
Accountancy	1,790		-	
Legal fees	-		13	
Auditors' remuneration	-		2,600	
Donations	<u>39,975</u>		<u>19,319</u>	
		<u>108,443</u>		<u>96,195</u>
		8,129		4,125
Finance costs				
Bank charges	3,044		2,517	
Loan interest	<u>1,991</u>		<u>1,238</u>	
		<u>5,035</u>		<u>3,755</u>
		3,094		370
Depreciation				
Fixtures and fittings		<u>583</u>		<u>131</u>
NET PROFIT		<u><u>2,511</u></u>		<u><u>239</u></u>