

Registered Charity Number: SC042435

Registered Company Number: SC348209

**Machrihanish Airbase Community Company**  
**(a company limited by guarantee)**

**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2026**

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## Machrihanish Airbase Community Company

For the year ended 31 March 2026

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### Information

Charity Name: Machrihanish Airbase Community Company

Operating Name: Machrihanish Airbase Community Company

Registered Office: Building 79 D.E Machrihanish  
Machrihanish  
Campbeltown  
Argyll  
Scotland  
PA28 6NU

Charity Registration Number: SC042435

Company Registration Number: SC348209

Company Directors: D Cook  
J Stolberger (resigned 27 November 2025)  
P Prosser  
D Ralston  
G Stevenson  
C McNair  
A Tait (appointed 23 October 2025)  
N Finn (appointed 02 December 2025)

Registered Auditors: William Duncan + Co (Audit) Ltd  
Ellersley House  
30 Miller Road  
Ayr  
South Ayrshire  
KA7 2AY

Bankers: Bank of Scotland  
PO Box 17235  
Edinburgh  
EH11 1YH

## **Report of the Directors**

The directors present their report together with the consolidated financial statements for the year ended 31 March 2026.

The company was incorporated and registered in Scotland on 5 September 2008 and granted charitable status on 7 July 2011. On 19 December 2011, a wholly owned subsidiary of the company, MACC Developments Limited was incorporated and commenced trading on 11 May 2012.

### **Statement of directors' responsibilities in respect of the financial statements**

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and group and of the income or expenditure of the company and group for that period. 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 the company and group. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities and Trustee Investment (Scotland) Act 2005. 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.

### **Structure, governance and management**

Machrihanish Airbase Community Company is a company limited by guarantee, registered in Scotland, company number SC348209. The company has also registered with the Office of the Scottish Charity Regulator, number SC042435. Annual returns are made to the Office of the Scottish Charity Regulator ("OCSR"), and the company is recognised as a charity by HM Revenue and Customs for the purposes of Section 505 of the Income & Corporation Taxes Act 1988.

The directors of the company also act as trustees for charity law purposes. The company endeavours to ensure that all trustees receive the induction, training and ongoing support they need to carry out their duties effectively.

### **Constitution**

The company is limited by guarantee and does not have any share capital. Its governing instruments are its Memorandum and Articles of Association.

## **Vision**

The overarching aim of the Machrihanish Airbase Community Company ("MACC") is to deliver lasting economic and social benefit to the local community by taking advantage of the resources and potential which MACC Business Park offers.

MACC Business Park is the hub of enterprise in Argyll & Bute, and a leading light in community-led development in the UK. Over 500 people work from the businesses located on the 1,025 acre site.

Business sectors are diverse; aviation, education, research & development, engineering, manufacturing, logistics, public services, hospitality and tradesmen are all benefiting from being located on the site. The site benefits from a 250-kwh solar farm, where the electricity produced is used by our onsite businesses. Aviation movements from the site are increasing MACC continues to develop relationships with the UK Space Industry and supports an annual STEM rocketry event for university students across the UK.

After over 30 years of depopulation the South Kintyre, population is rising again and is looking forward to a more prosperous and sustainable future.

## **Priorities**

1. Economic sustainability
2. Retain the charitable status of the organisation
3. Attract inward investment to the area
4. Complement local businesses
5. Retain the site for future generations

## **Objectives**

1. Increase the number of tenants on the site
2. Attract further inward investment to South Kintyre
3. Build a renewable energy facility on the site
4. Facilitate the development of a spaceport on the site
5. Meet the corporate and social objectives of the company

## **Appointment of directors**

The company may, by Ordinary Resolution in General meeting appoint, a director. After the AGM in 2025, there were 7 directors, up from 6 in the previous year.

## **Achievements and performance**

This year MACC has continued to invest significantly in the long-term sustainability and improvement of the Business Park, focusing on enhancing key infrastructure, modernising buildings and creating high-quality accommodation for new and existing tenants.

A program of capital investment has been undertaken across the site. Building 124's renovation was completed at the start of the year. These improvements enabled Discover Space UK Ltd to establish operations within the building, generating new rental income whilst supporting the continued growth of the local space sector. Building 172 also underwent refurbishment works internally with external works planned for next year. The building has already secured a new long-term tenant whose work encourages more space related activity on site and has created a new employment role for the area. Building 42 was similarly refurbished to accommodate expansion of a current tenants business, now offering more services under the one roof.

Alongside investment in buildings, MACC has continued to improve the site's core infrastructure. A significant electrical infrastructure upgrade commenced during the year with an £80,000 budget allocated to Site 1 electrical improvements. Approximately 1.4 kilometres of new underground cabling has been installed enabling 27 buildings to be repowered. Significant maintenance work was completed on our substations to ensure reliability of supply for the future, these improvement works continue into next year. MACC also undertook extensive resurfacing works on its main road network to improve accessibility and safety for tenants and visitors alike.

Following damage sustained during Storm Éowyn, Buildings 81 and 83 were safely demolished. Both demolitions form part of MACC's wider site strategy, ensuring that resources are focused on buildings with long-term commercial viability whilst removing ageing structures that are no longer economically sustainable.

Environmental improvements also continued across the estate. More than 4,000 tyres were removed from the former go-kart track and recycled, significantly improving the appearance and environmental condition of the site.

MACC continues to invest in its people as well as its physical assets. During the year, enhanced pension contributions were introduced for staff and employees undertook a wide range of professional training, including MEWP operation, PASMA, Substation Awareness, Abrasive Wheels and utility safety qualifications.

The site has continued to demonstrate its versatility by hosting a range of commercial, educational and community events throughout the year. STEM Fest once again welcomed schools and young people to inspire future careers in science and engineering, whilst MACH-25 successfully attracted universities from across the United Kingdom to participate in aerospace design and rocket engineering challenges. The Mach Rally returned to the site, alongside Straightliners events, police training exercises, weddings and accommodation bookings, all contributing valuable additional income and increasing public engagement with the Business Park.

The whisky sector continues to strengthen its presence at Machrihanish. Witchburn Distillery has continued progressing towards production, while Campbeltown Bond has established an impressive whisky storage operation within the former Gaydon Hangar. These investments demonstrate growing confidence in the site and continue to create skilled employment opportunities across Kintyre.

MACC remains committed to supporting the wider community through sponsorship, charitable support and the provision of facilities for local organisations. The Company continues to work closely with Highlands and Islands Enterprise and other stakeholders to attract inward investment, encourage innovation and secure the long-term future of the Business Park.

MACC donated £16K to local voluntary and charitable groups under its Charitable Giving Scheme:

|                                                      |        |
|------------------------------------------------------|--------|
| Argyll & Bute Council – Live Argyll                  | £1,000 |
| Peninver Village Hall                                | £750   |
| Campbeltown Sea Cadets                               | £3,000 |
| Campbeltown & District Juvenile Football Association | £2,460 |
| The Kintyre Way                                      | £2,200 |
| Kintyre Canoe Club                                   | £1,458 |
| Kintyre Amenity Trust                                | £1,000 |
| Laggan Opportunity & Amenity Fund                    | £1,000 |
| 1st Campbeltown Brownies                             | £640   |
| Campbeltown Sailing Club                             | £480   |
| Kintyre Link Club                                    | £2,600 |

## Financial Review

As shown on the Statement of Financial Activities (SOFA) on page 13, there was net income in the year of £180,702 (2025: net expenditure of £231,776). At the year end, the Group had funds of £1,940,372 (2025: £1,759,670) of which £226,913 were restricted (2025: £231,978).

## Future plans

2026/27 is year 3 of a 5-year growth plan period that sets out a strategy to deliver our 2030 vision.

We will achieve this vision in four main areas of activity:

Intelligent stewardship - MACC will manage and develop the property under its care so that it is useful to tenants, flexible in adapting to future needs, and properly maintained.

Increasing occupancy of our Business Park - MACC will market its services to find more local, national and international tenants for its buildings and offer support to businesses where this is appropriate to deliver growth.

Attracting investment to Kintyre - MACC will help to attract additional inward investment to Kintyre – i.e. business activity that is completely new – offering services, space and expertise as it can.

Giving back to the local community - MACC will continue to support local jobs, businesses and industries to improve the region's economic activities. MACC will continue its annual charitable giving to reinvest in taken from its surplus, for local good causes.

## Risk mitigation

The Board of directors regularly review risk assessments for the company. Board level decisions are generally only taken after careful consideration of all influencing factors. Machrihanish Airbase Community Company is a relatively risk averse company and in taking a long term structured view of the development of the site the Board have realised that decisions relating to activities which do not currently fit with the business model need to be reserved for a later date.

The Board of directors has been particularly keen to mitigate risks associated with the operation of the infrastructure that the company has inherited from the Ministry of Defence.

## Policy on reserves

The financial reserves of the group at 31 March 2026 show total reserves of £1,940,372 which is comprised of £922,589 unrestricted funds (including a designated reserve of £790,870) and £226,913 of restricted funds. The restricted funds represents the current net book value of investment property and other assets acquired in the year ended 30 September 2013 for which grants were obtained.

## Directors

The directors who served throughout the period and to the date of this report were as follows:

D Cook  
J Stolberger (resigned 27 November 2025)  
P Prosser  
D Ralston  
G Stevenson  
C McNair  
A Tait (appointed 23 October 2025)  
N Finn (appointed 02 December 2025)

### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this Report of the Directors is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to be taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Auditors**

A resolution to continue with William Duncan + Co (Audit) Ltd as auditors was accepted at the last AGM.

### **Small company exemptions**

This report has been prepared in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with 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 (FRS102) (effective 1 January 2015) – ("Charities SORP (FRS 102)").

Approved by the Board on \_\_\_\_\_ and signed on its behalf by;

\_\_\_\_\_  
Director: Mr D Cook

Date \_\_\_\_\_

## **Independent auditor's report to the directors and members of Machrihanish Airbase Community Company**

### **Opinion**

We have audited the financial statements of Machrihanish Airbase Community Company (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31<sup>st</sup> March 2026 which comprise group statement of financial activities, the group balance sheet, the company statement of financial activities, the company balance sheet, the group statement of cash flows, the company statement of cash flows and the notes to the financial statements, including significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2026, and of the group's and parent charitable company's incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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**

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

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

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

### **Other information**

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company'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 trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent 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 and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

### **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 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Machrihanish Airbase Community Company

For the year ended 31 March 2026

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Mr Neil Reid FCCA (Senior Statutory Auditor)  
for and on behalf of William Duncan + Co (Audit) Ltd

Chartered Accountants  
Statutory Auditor  
30 Miller Road  
Ayr  
Ayrshire  
KA7 2AY

Date \_\_\_\_\_

William Duncan + Co (Audit) Ltd is eligible for appointment as auditor of the charitable group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## Consolidated Statement of Financial Activities

### Including Income and Expenditure Account

|                                    | Notes     | Unrestricted<br>General<br>Funds<br>2026 | Unrestricted<br>Designated<br>Funds<br>2026 | Restricted<br>Funds<br>2026 | Total<br>Funds<br>2026 | Total Funds<br>2025 |
|------------------------------------|-----------|------------------------------------------|---------------------------------------------|-----------------------------|------------------------|---------------------|
| <b>Income and endowments from:</b> |           |                                          |                                             |                             |                        |                     |
| Investment income - rent           |           | 884,425                                  | -                                           | -                           | 884,425                | 1,189,111           |
| Other trading activities           |           | 425,669                                  | -                                           | -                           | 425,669                | 8,303               |
| Other income                       |           | 107,302                                  | -                                           | -                           | 107,302                | 31,486              |
| Interest income                    |           | 4,186                                    | -                                           | -                           | 4,186                  | 4,011               |
| <b>Total Income</b>                |           | <b>1,421,582</b>                         | <b>-</b>                                    | <b>-</b>                    | <b>1,421,582</b>       | <b>1,232,911</b>    |
| <b>Expenditure on:</b>             |           |                                          |                                             |                             |                        |                     |
| Raising funds                      | 5         | 473,622                                  | -                                           | -                           | 473,622                | 425,492             |
| Charitable activities              | 6         | 720,196                                  | 41,997                                      | 5,065                       | 767,258                | 575,643             |
| <b>Total expenditure</b>           |           | <b>1,193,818</b>                         | <b>41,997</b>                               | <b>5,065</b>                | <b>1,240,880</b>       | <b>1,001,135</b>    |
| <b>Net income / (expenditure)</b>  |           | <b>227,764</b>                           | <b>(41,997)</b>                             | <b>(5,065)</b>              | <b>180,702</b>         | <b>231,776</b>      |
| Transfers between funds            |           | (357,406)                                | 357,406                                     | -                           | -                      | -                   |
| <b>Net movement in funds</b>       |           | <b>227,764</b>                           | <b>(41,997)</b>                             | <b>(5,065)</b>              | <b>180,702</b>         | <b>231,776</b>      |
| <b>Reconciliation of funds:</b>    |           |                                          |                                             |                             |                        |                     |
| Total funds brought forward        |           | 1,052,231                                | 475,461                                     | 231,978                     | 1,759,670              | 1,527,894           |
| <b>Total funds carried forward</b> | <b>15</b> | <b>922,589</b>                           | <b>790,870</b>                              | <b>226,913</b>              | <b>1,940,372</b>       | <b>1,759,670</b>    |

The Statement of Financial Activities includes all gains and losses recognised in the period. All income and expenditure relate to continuing activities. The accompanying accounting policies and notes form an integral part of these financial statements.

The notes on pages 18-29 form part of these accounts.

A comparative Statement of Financial Activities can be found at note 19.

**Consolidated Balance Sheet**

|                                                | Notes | 31-Mar<br>2026<br>£ | 31-Mar<br>2025<br>£ |
|------------------------------------------------|-------|---------------------|---------------------|
| <b>Fixed assets</b>                            |       |                     |                     |
| Investments                                    | 8     | -                   | -                   |
| Tangible fixed assets                          | 9     | 505,724             | 449,194             |
|                                                |       | <u>505,724</u>      | <u>449,194</u>      |
| <b>Current assets</b>                          |       |                     |                     |
| Debtors                                        | 10    | 106,966             | 181,156             |
| Cash and cash equivalents                      |       | 1,596,103           | 1,356,774           |
|                                                |       | <u>1,703,069</u>    | <u>1,537,930</u>    |
| <b>Current liabilities</b>                     |       |                     |                     |
| Creditors: Amounts falling due within one year | 11    | (268,421)           | (227,454)           |
| <b>NET CURRENT ASSETS</b>                      |       | <u>1,434,648</u>    | <u>1,310,476</u>    |
| <b>NET ASSETS</b>                              |       | <u>1,940,372</u>    | <u>1,759,670</u>    |
| <b>Funds</b>                                   |       |                     |                     |
| Unrestricted funds - general                   | 15    | 922,589             | 1,052,231           |
| Unrestricted funds - designated reserves       | 15    | 790,870             | 475,461             |
| Restricted funds                               | 15    | <u>226,913</u>      | <u>231,978</u>      |
| <b>Total Funds</b>                             |       | <u>1,940,372</u>    | <u>1,759,670</u>    |

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

The notes on pages 18-29 form part of these accounts.

Approved by the Board on \_\_\_\_\_ and authorised to be signed on its behalf by:

\_\_\_\_\_  
Director: Mr D Cook

\_\_\_\_\_  
Date

## Charity Balance Sheet

|                                                | Notes | 31-Mar<br>2026<br>£ | 31-Mar<br>2026<br>£ | 31-Mar<br>2025<br>£ | 31-Mar<br>2025<br>£ |
|------------------------------------------------|-------|---------------------|---------------------|---------------------|---------------------|
| <b>Fixed assets</b>                            |       |                     |                     |                     |                     |
| Investments                                    | 8     |                     | 1                   |                     | 1                   |
| Tangible fixed assets                          | 9     |                     | 401,246             |                     | 403,592             |
|                                                |       |                     | <u>401,247</u>      |                     | <u>403,593</u>      |
| <b>Current assets</b>                          |       |                     |                     |                     |                     |
| Debtors                                        | 10    | 33,584              |                     | 46,826              |                     |
| Cash and cash equivalents                      |       | <u>1,194,922</u>    |                     | <u>1,070,145</u>    |                     |
|                                                |       | 1,228,506           |                     | 1,116,971           |                     |
| <b>Current liabilities</b>                     |       |                     |                     |                     |                     |
| Creditors: Amounts falling due within one year | 11    | <u>(15,157)</u>     |                     | <u>(48,905)</u>     |                     |
| <b>NET CURRENT ASSETS</b>                      |       |                     | <u>1,213,349</u>    |                     | <u>1,068,066</u>    |
| <b>NET ASSETS</b>                              |       |                     | <u>1,614,596</u>    |                     | <u>1,471,659</u>    |
| <b>Funds</b>                                   |       |                     |                     |                     |                     |
| Unrestricted funds - general                   | 15    |                     | 596,812             |                     | 764,219             |
| Unrestricted funds - designated reserves       | 15    |                     | 790,871             |                     | 475,462             |
| Restricted funds                               | 15    |                     | <u>226,913</u>      |                     | <u>231,978</u>      |
| <b>Total funds</b>                             |       |                     | <u>1,614,596</u>    |                     | <u>1,471,659</u>    |

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

The notes on pages 18-29 form part of these accounts.

Approved by the Board on \_\_\_\_\_ and authorised to be signed on its behalf by:

\_\_\_\_\_  
Director: Mr D Cook

\_\_\_\_\_  
Date

## Consolidated Statement of Cash Flows

|                                                                      | 2026<br>£        | 2025<br>£        |
|----------------------------------------------------------------------|------------------|------------------|
| <b>Cash flows from operating activities:</b>                         |                  |                  |
| Net movement in funds                                                | 180,702          | 231,776          |
| Depreciation charges                                                 | 56,979           | 36,336           |
| Increase / (decrease) in debtors                                     | 74,190           | (90,575)         |
| Increase / (decrease) in creditors                                   | 40,967           | (101,193)        |
| Net cash provided by operating activities                            | <u>352,838</u>   | <u>76,344</u>    |
| <b>Cash flows from investing activities:</b>                         |                  |                  |
| Purchase of tangible fixed assets                                    | <u>(113,509)</u> | <u>(33,048)</u>  |
| Net cash used in investing activities                                | <u>(113,509)</u> | <u>(33,048)</u>  |
| <b>Net (decrease) / increase in cash during the reporting period</b> | 239,329          | 43,296           |
| Cash at bank and in hand at 1 April 2025                             | 1,356,774        | 1,313,478        |
| Cash at bank and in hand at 31 March 2026                            | <u>1,596,103</u> | <u>1,356,774</u> |
|                                                                      | <u>239,329</u>   | <u>43,296</u>    |

## Charity Statement of Cash Flows

|                                                                      | 2026<br>£        | 2025<br>£        |
|----------------------------------------------------------------------|------------------|------------------|
| <b>Cash flows from operating activities:</b>                         |                  |                  |
| Net movement in funds                                                | 142,937          | 19,560           |
| Depreciation charges                                                 | 23,642           | 18,647           |
| Increase / (decrease) in debtors                                     | 13,243           | 2,564            |
| Increase / (decrease) in creditors                                   | <u>(33,748)</u>  | <u>(59,185)</u>  |
| Net cash provided by operating activities                            | <u>146,074</u>   | <u>(18,414)</u>  |
| <b>Cash flows from investing activities:</b>                         |                  |                  |
| Purchase of tangible fixed assets                                    | <u>(21,297)</u>  | <u>(819)</u>     |
| Net cash used in investing activities                                | <u>(21,297)</u>  | <u>(819)</u>     |
| <b>Net (decrease) / increase in cash during the reporting period</b> | 124,777          | (19,233)         |
| Cash at bank and in hand at 1 April 2024                             | 1,070,145        | 1,089,378        |
| Cash at bank and in hand at 31 March 2025                            | <u>1,194,922</u> | <u>1,070,145</u> |
|                                                                      | <u>124,777</u>   | <u>(19,233)</u>  |

## Notes to the Consolidated Financial Statements

### 1. Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the Trust's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 (FRS102) (effective 1 January 2019) – ("Charities SORP (FRS 102)") and the Companies Act 2006 and applicable accounting standards. The Trust is a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared under the historic cost convention. The financial statements are prepared in Sterling which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

#### 1.2 Going concern

On the basis of the overall profitable track record of the group, in recent years its strong financial position, and a high level of secured rental income as detailed in note 13, the directors are satisfied that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Basis of consolidation

The group financial statements consolidate the charitable company and subsidiary undertaking for the year. The results relating to the joint venture have not been consolidated on the grounds they are immaterial.

#### 1.4 Legal status of the company

The Company is a public benefit company limited by guarantee, registered in Scotland and has no share capital. The liability of each member in the event of winding up is limited to £1.

#### 1.5 Income

Investment rental income and investment recharges income relate to the rent and electricity costs charged by MACC Developments Limited to its tenants. This income is included in the Statement of Financial Activities on an accruals basis.

Income from government grants is recognised in the Statement of Financial Activities when there is evidence of entitlement to the grant, receipt is probable, and its amount can be measured reliably. This occurs when the company makes a claim to the relevant awarding body for costs they have incurred in achieving the project for which a grant has been agreed.

#### 1.6 Expenditure

*Expenditure is recognised on an accruals basis as a liability is incurred.*

The allocation of expenditure between activities is made utilising our departmental reporting system on a basis that is designed to reflect the use of the resources.

##### *Charitable activities*

Charitable activities include costs of the delivery of charitable activities, including costs that can be allocated directly to these activities and indirect costs necessary to support them.

##### *Raising funds*

Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. This includes the non-charitable trading activities of its trading subsidiary.

**1.7 Investments**

Investments in subsidiaries are stated at cost less impairment. Investments in joint ventures are stated at cost plus share of profits, or losses (restricted to cost).

**1.8 Tangible fixed assets**

Tangible fixed assets, other than investment property, are stated at cost less depreciation, and impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                              |                      |
|------------------------------|----------------------|
| Leasehold Improvements       | 10% straight line    |
| Heritable assets             | 2% straight line     |
| Motor vehicles               | 25% reducing balance |
| Office equipment & furniture | 20% straight line    |
| Plant & machinery            | 20% straight line    |
| Solar panels                 | 5% straight line     |

The land and buildings of Machrihanish Airbase are accounted for as heritable assets as, whilst being rented to third parties, they are intrinsic to the charitable objects of the company. Heritable assets are held at capitalised cost, being the cost of all additions made to the property since it was purchased for £1. The average market value of land in the area around the airbase supports the capitalised cost that the heritable assets are held at.

**1.9 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.10 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in

**1.11 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**1.12 Operating leases: company as lessee**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.13 Operating leases: company as lessor**

Rental income from operating leases is credited to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight-line basis, unless another systematic basis is representative of the time pattern over when the lessor's benefit from the leased asset is diminished.

**1.14 Financial Instruments**

The charity 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 amortised cost.

**1.15 Pensions****Defined contribution pensions plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

**2. Judgements and key sources of estimation uncertainties**

Except for the judgement to determine the classification of land and buildings as heritable assets rather than as investment property (see accounting policy 1.8) there were no material judgements and key sources of estimation uncertainty in the preparation of the financial statements.

|                                               | <b>Group<br/>2026<br/>£</b>      | <b>Group<br/>2025<br/>£</b>      |
|-----------------------------------------------|----------------------------------|----------------------------------|
| <b>3. Net income is stated after charging</b> |                                  |                                  |
| Auditor's remuneration                        | 11,000                           | 9,000                            |
| Depreciation                                  | 56,979                           | 36,336                           |
|                                               | <u>67,979</u>                    | <u>45,336</u>                    |
|                                               | <b>Group<br/>2026<br/>£</b>      | <b>Group<br/>2025<br/>£</b>      |
| <b>4. Staff costs</b>                         |                                  |                                  |
| Salaries                                      | 219,208                          | 229,753                          |
| Social Security                               | 14,480                           | 16,780                           |
| Pension                                       | 15,524                           | 4,874                            |
|                                               | <u>249,212</u>                   | <u>251,407</u>                   |
|                                               | <b>Group<br/>2026<br/>Number</b> | <b>Group<br/>2025<br/>Number</b> |
| Staff                                         | <u>8</u>                         | <u>8</u>                         |

No employees earned over £60,000 (2025: £60,000). The Directors are regarded as being key management personnel and received no remuneration (2025: nil).

|                                                | <b>Group<br/>2026<br/>£</b> | <b>Group<br/>2025<br/>£</b> |
|------------------------------------------------|-----------------------------|-----------------------------|
| <b>5. Costs of raising funds</b>               |                             |                             |
| Wages and salaries                             | 122,995                     | 142,761                     |
| Heat, light and electricity                    | 242,777                     | 223,280                     |
| Insurance                                      | 107,850                     | 59,451                      |
|                                                | <u>473,622</u>              | <u>425,492</u>              |
|                                                | <b>Group<br/>2026<br/>£</b> | <b>Group<br/>2025<br/>£</b> |
| <b>6. Charitable activities</b>                |                             |                             |
| Accountancy fees                               | 17,568                      | 18,380                      |
| Advertising                                    | 7,446                       | 2,150                       |
| Bad debts                                      | 1,276                       | 6,467                       |
| Bank charges                                   | 763                         | 690                         |
| Charitable donations                           | 16,588                      | 13,923                      |
| Donations refunded                             | 7,500                       | -                           |
| Cleaning                                       | 5,193                       | 6,333                       |
| Computer costs                                 | 10,897                      | 7,451                       |
| Depreciation of tangible fixed assets          | 56,979                      | 30,336                      |
| Profit / loss on disposal of fixed asset       | (24,000)                    | -                           |
| Equipment hire                                 | 9,086                       | 17,200                      |
| Governance costs - audit fees                  | 11,000                      | 9,000                       |
| Irrecoverable VAT                              | 22,947                      | 7,712                       |
| Legal, consultancy and other professional fees | 35,721                      | 45,275                      |
| Motor expenses                                 | 11,957                      | 7,221                       |
| Pension costs                                  | 15,524                      | 4,874                       |
| Printing, postage and stationery               | 1,299                       | 1,042                       |
| Project and event costs                        | 278,856                     | 148,876                     |
| Rates                                          | 20,552                      | 6,632                       |
| Repairs and maintenance                        | 131,012                     | 82,632                      |
| Staff salaries                                 | 110,693                     | 136,543                     |
| Staff training                                 | 5,163                       | -                           |
| Subscriptions                                  | 1,404                       | 4,072                       |
| Sundry expenses                                | 10,729                      | 12,707                      |
| Telephone expenses                             | 1,105                       | 6,127                       |
|                                                | <u>767,258</u>              | <u>575,643</u>              |

The above expenditure is unrestricted.

## 7. Taxation

There is no corporation tax provision required in the consolidated financial statements as all taxable profits made by MACC Developments Limited are gifted to Machrihanish Airbase Community Company. The parent undertaking has been recognised as a charity by HM Revenue & Customs for the purposes of tax relief granted by Section 505 of the Income and Corporation Taxes Act 1998.

|                                                | Charity<br>2026<br>£ | Charity<br>2025<br>£ |
|------------------------------------------------|----------------------|----------------------|
| <b>8. Investments</b>                          |                      |                      |
| Shares in Discover Space UK Limited - SC499199 | 0                    | 0                    |
| Shares in MACC Developments Limited - SC413390 | 1                    | 1                    |
|                                                | <u>1</u>             | <u>1</u>             |

Details of the investments at the year end are as follows:

| Name                      | % held | Class of shares | Aggregate capital & reserves | Profit / (loss) after tax |
|---------------------------|--------|-----------------|------------------------------|---------------------------|
| MACC Developments Limited | 100%   | Ordinary        | 325,776                      | 329,435                   |
| Discover Space UK Limited | 0%     | Ordinary        | -                            | -                         |

Details of the subsidiary and joint venture companies are provided in note 16.

Machrihanish Airbase Community Company

For the year ended 31 March 2026

| GROUP                           |                          |                        |                                         |                           |                   |            |
|---------------------------------|--------------------------|------------------------|-----------------------------------------|---------------------------|-------------------|------------|
|                                 | Heritable<br>assets<br>£ | Motor<br>Vehicles<br>£ | Office<br>equipment<br>& furniture<br>£ | Plant &<br>machinery<br>£ | Solar panels<br>£ | Total<br>£ |
| <b>9. Tangible fixed assets</b> |                          |                        |                                         |                           |                   |            |
| <b>Cost or Valuation</b>        |                          |                        |                                         |                           |                   |            |
| As at 31 March 2025             | 242,493                  | 52,189                 | 76,542                                  | 99,278                    | 221,194           | 691,696    |
| Additions                       | 21,297                   | -                      | 2,000                                   | 90,212                    | -                 | 113,509    |
| Disposals                       | -                        | -                      | -                                       | (42,650)                  | -                 | (42,650)   |
| As at 31 March 2026             | 263,790                  | 52,189                 | 78,542                                  | 146,840                   | 221,194           | 762,555    |
| <b>Depreciation</b>             |                          |                        |                                         |                           |                   |            |
| As at 31 March 2025             | 6,309                    | 29,045                 | 52,951                                  | 82,993                    | 71,204            | 242,502    |
| Charge for the year             | 6,117                    | 5,786                  | 8,636                                   | 25,380                    | 11,060            | 56,979     |
| Disposals                       | -                        | -                      | -                                       | (42,650)                  | -                 | (42,650)   |
| As at 31 March 2026             | 12,426                   | 34,831                 | 61,587                                  | 65,723                    | 82,264            | 256,829    |
| <b>Net Book Value</b>           |                          |                        |                                         |                           |                   |            |
| As at 31 March 2026             | 251,364                  | 17,358                 | 16,955                                  | 81,117                    | 138,930           | 505,724    |
| As at 31 March 2025             | 236,184                  | 23,144                 | 23,591                                  | 16,285                    | 149,990           | 449,194    |
| Charity                         |                          |                        |                                         |                           |                   |            |
|                                 | Heritable<br>assets<br>£ | Motor<br>Vehicles<br>£ | Office<br>equipment<br>& furniture<br>£ | Plant &<br>machinery<br>£ | Solar panels<br>£ | Total<br>£ |
| <b>Tangible fixed assets</b>    |                          |                        |                                         |                           |                   |            |
| <b>Cost or Valuation</b>        |                          |                        |                                         |                           |                   |            |
| As at 31 March 2025             | 231,978                  |                        | 67,001                                  | 3,478                     | 221,194           | 523,651    |
| Additions                       | 21,297                   |                        |                                         |                           |                   | 21,297     |
| Disposals                       |                          |                        |                                         |                           |                   |            |
| As at 31 March 2026             | 253,275                  |                        | 67,001                                  | 3,478                     | 221,194           | 544,948    |
| <b>Depreciation</b>             |                          |                        |                                         |                           |                   |            |
| As at 31 March 2025             |                          |                        | 45,377                                  | 3,478                     | 71,204            | 120,059    |
| Charge for the year             | 5,065                    |                        | 7,517                                   |                           | 11,060            | 23,642     |
| Disposals                       |                          |                        |                                         |                           |                   |            |
| As at 31 March 2026             | 5,065                    |                        | 52,894                                  | 3,478                     | 82,263            | 143,701    |
| <b>Net Book Value</b>           |                          |                        |                                         |                           |                   |            |
| As at 31 March 2026             | 248,210                  |                        | 14,107                                  | -                         | 138,930           | 401,247    |
| As at 31 March 2025             | 231,978                  |                        | 21,624                                  |                           | 149,990           | 403,592    |

The carrying value of the heritable assets of the charity is the cost less depreciation.

|                                                   | <b>Group<br/>2026<br/>£</b> | <b>Group<br/>2025<br/>£</b> | <b>Charity<br/>2026<br/>£</b> | <b>Charity<br/>2025<br/>£</b> |
|---------------------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>10. Debtors</b>                                |                             |                             |                               |                               |
| Trade debtors                                     | 75,862                      | 129,718                     | 10,260                        | 650                           |
| Amounts due from subsidiary undertaking (note 17) | -                           | -                           | 20,356                        | 17,358                        |
| Amount due from joint venture (note 17)           | -                           | 23,403                      | -                             | 23,403                        |
| Prepayments and accrued income                    | 28,136                      | 22,620                      | -                             | -                             |
| VAT receivable                                    | 2,968                       | 5,415                       | 2,968                         | 5,415                         |
|                                                   | <u>106,966</u>              | <u>181,156</u>              | <u>33,584</u>                 | <u>46,826</u>                 |
|                                                   |                             |                             |                               |                               |
|                                                   | <b>Group<br/>2025<br/>£</b> | <b>Group<br/>2024<br/>£</b> | <b>Charity<br/>2025<br/>£</b> | <b>Charity<br/>2024<br/>£</b> |
| <b>11 Creditors</b>                               |                             |                             |                               |                               |
| Trade creditors                                   | 24,550                      | 3,229                       | 452                           | 509                           |
| Other creditors                                   | 43,177                      | 49,227                      | -                             | -                             |
| Amounts due to subsidiary undertaking             | -                           | -                           | -                             | 35,058                        |
| Accruals and deferred income (see below)          | 171,675                     | 141,848                     | 14,705                        | 13,338                        |
| VAT, PAYE & NI                                    | 29,019                      | 33,150                      | -                             | -                             |
|                                                   | <u>268,421</u>              | <u>227,454</u>              | <u>15,157</u>                 | <u>48,905</u>                 |
|                                                   |                             |                             |                               |                               |
| <b>Deferred income</b>                            | <b>Group<br/>2026<br/>£</b> | <b>Group<br/>2025<br/>£</b> | <b>Charity<br/>2026<br/>£</b> | <b>Charity<br/>2025<br/>£</b> |
| Balance at 1 April                                | 99,134                      | 84,617                      | -                             | -                             |
| Amount released to income during the period       | (99,134)                    | (84,617)                    | -                             | -                             |
| Amount deferred during the year                   | 124,228                     | 99,134                      | 260                           | 958                           |
| Balance at 31 March                               | <u>124,228</u>              | <u>99,134</u>               | <u>260</u>                    | <u>958</u>                    |
|                                                   |                             |                             |                               |                               |
| <b>12. Pension Contributions</b>                  |                             |                             |                               |                               |

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions payable by the company to the fund and amounted to £15,524 (2025: £4,874). Contributions totalling £nil (2025 - £nil) were payable to the fund at the reporting date

**13. Future minimum lease receipts under non-cancellable operating leases**

|                                                    | 2025              | 2024              |
|----------------------------------------------------|-------------------|-------------------|
| Due in less than 1 year                            | 761,943           | 711,563           |
| Due in more than one year and less than five years | 2,318,507         | 2,226,046         |
| Due in more than five years                        | 17,531,075        | 18,060,925        |
|                                                    | <u>20,611,525</u> | <u>20,998,534</u> |

MACC Developments Limited rent the Airbase site from Machrihanish Airbase Community Company for £28,000 per annum and lease the buildings to third parties by way of lease agreements. Long term leases are non-cancellable and therefore tenants are committed to future payments until their lease expires.

|                                                       | Unrestricted<br>General<br>Funds | Unrestricted<br>Designated<br>Funds | Restricted<br>Funds | Total<br>Funds   |
|-------------------------------------------------------|----------------------------------|-------------------------------------|---------------------|------------------|
|                                                       | £                                | £                                   | £                   | £                |
| <b>14. Analysis of group net assets between funds</b> |                                  |                                     |                     |                  |
| Fixed assets                                          | 139,881                          | 138,930                             | 226,913             | 505,724          |
| Current assets                                        | 1,051,129                        | 651,940                             | -                   | 1,703,069        |
| Current liabilities                                   | (268,421)                        | -                                   | -                   | (268,421)        |
| Net assets at 31 March 2026                           | <u>922,589</u>                   | <u>790,870</u>                      | <u>226,913</u>      | <u>1,940,372</u> |

**15. Analysis of charitable funds**

|                                        | 01 April<br>2025 | Income           | Expenditure        | Transfers | 31 March<br>2026 |
|----------------------------------------|------------------|------------------|--------------------|-----------|------------------|
|                                        | £                | £                | £                  | £         | £                |
| <b>Analysis of group fund movement</b> |                  |                  |                    |           |                  |
| General                                | 1,052,231        | 1,421,582        | (1,193,818)        | (357,406) | 922,589          |
| Designated reserves                    | 475,461          | -                | (41,997)           | 357,406   | 790,870          |
| <b>Unrestricted funds</b>              | <u>1,527,692</u> | <u>1,421,582</u> | <u>(1,235,815)</u> | <u>-</u>  | <u>1,713,459</u> |
| Property improvement fund              | <u>231,978</u>   | <u>-</u>         | <u>(5,065)</u>     | <u>-</u>  | <u>226,913</u>   |
| <b>Restricted funds</b>                | <u>231,978</u>   | <u>-</u>         | <u>(5,065)</u>     | <u>-</u>  | <u>226,913</u>   |

# Machrihanish Airbase Community Company

For the year ended 31 March 2026

|                                          | 01 April<br>2025 | Income         | Expenditure      | Transfers | 31 March<br>2026 |
|------------------------------------------|------------------|----------------|------------------|-----------|------------------|
| <b>Analysis of charity fund movement</b> | £                | £              | £                | £         | £                |
| General                                  | 764,219          | 404,344        | (214,345)        | (357,406) | 596,812          |
| Designated reserves                      | 475,462          | -              | (41,997)         | 357,406   | 790,871          |
| <b>Unrestricted funds</b>                | <b>1,239,681</b> | <b>404,348</b> | <b>(256,342)</b> | <b>-</b>  | <b>1,387,683</b> |
| Property improvement fund                | 231,978          | -              | (5,065)          |           | 226,913          |
| <b>Restricted funds</b>                  | <b>231,978</b>   | <b>-</b>       | <b>(5,065)</b>   | <b>-</b>  | <b>226,913</b>   |

## Analysis of designated reserves

|                         | £              |
|-------------------------|----------------|
| Electrical improvements | 170,000        |
| Water pipes             | 200,000        |
| Building improvements   | 220,871        |
| Sewage works            | 200,000        |
|                         | <u>790,871</u> |

The restricted funds primarily relate to grant income received in earlier years, offset by amounts used for the long term maintenance and repair of the site infrastructure. The balance of the funds represents the net book value of fixed assets financed by the grants.

## 16. Subsidiary companies

MACC Developments Limited is a wholly owned subsidiary of the charity. The company was incorporated on 19 December 2011 and commenced trading on 11 May 2012. The principal activity of the company is that of property rental and operation of the Machrihanish airbase. All taxable profits made by the limited company are gifted to the charity for the purpose of delivering lasting economic and social benefit to the local community by taking advantage of the resources and potential the airbase offers.

On 5 May 2025, MACC Developments Ltd disposed of its share in DSUK for £0 consideration to allow MACC Developments Ltd to focus on its core business.

## 17. Related party transactions

During the year, MACC Developments Limited donated £291,674 (2025: £94,000) to Machrihanish Airbase Community Company, which is it's parent company, in respect of the profits of the previous period.

As at 31 March 2026, the Company owed it's parent company £20,356 (2025: £17,700). No interest is charged on the balance owed to Machrihanish Airbase Community Company.

During the year, MACC Developments Limited, paid head lease rentals of £28,000 (2025 - £28,000) to Machrihanish Airbase Community Company. There is a formal lease in place for MACC Developments Limited to pay Machrihanish Airbase Community Company annual lease payments of £28,000. The

charity charged £5,280 (2025: £34,230) for electricity generated from their solar panels and a further £41,571 (2025 - £0) for repair and maintenance recharges.

During the year, the following transactions occurred with businesses owned by Directors of the charity and/or subsidiary company:

- £2,620 (2025 - £8,294) was paid to Jim Martin Supplies, which is owned by J Martin (Director of the subsidiary), and £6,000 (2025: £9,920) was received from Jim Martin Supplies for property rental.
- £632 (2025 - £1,725) rental income from D Ralston (director of the Charity).
- £7,459 (2025 - £7,192) rental income was received from MACC Gym Ltd, which is owned by E Eynon (Director of the subsidiary).
- £1,294 (2025 - £1,694) rental income from MACC Livery Yard, which is owned by E Eynon (Director of the subsidiary).
- £0 (2025 - £3,850) consulting expenses paid to I Wardrop (Director of the subsidiary).
- £10,421 (2025 - £38,232) accommodation income and MACC Lab site costs recharged to Discover Space UK Limited, a joint-venture with its parent company in FY26 until it was disposed of on 5 May 2025. There was still a loan of £10,000 (2025 - £23,403) to Discover Space UK Limited at the year end which should be repaid in FY27.

#### **18. Ultimate controlling party**

In the directors' opinion, there is no ultimate controlling party.

For the year ended 31 March 2026

| 19. | Charity only Statement of Financial Activities | Unrestricted General Funds<br>2026 | Unrestricted Designated Funds<br>2026 | Restricted Funds<br>2026 | Total Funds<br>2026 | Total funds<br>2025 |
|-----|------------------------------------------------|------------------------------------|---------------------------------------|--------------------------|---------------------|---------------------|
|     | <b>Income and endowments from:</b>             |                                    |                                       |                          |                     |                     |
|     | Donations and legacies                         | 291,674                            | -                                     | -                        | 291,674             | 99,225              |
|     | Investment income - rent                       | 40,815                             | -                                     | -                        | 40,815              | 49,230              |
|     | Other trading activities                       | 67,669                             | -                                     | -                        | 67,669              | 42,521              |
|     | Other income                                   | 4,186                              | -                                     | -                        | 4,186               | 4,011               |
|     | <b>Total Income</b>                            | <b>404,344</b>                     | <b>-</b>                              | <b>-</b>                 | <b>404,344</b>      | <b>194,987</b>      |
|     | <b>Expenditure on:</b>                         |                                    |                                       |                          |                     |                     |
|     | Charitable activities                          | 214,345                            | 41,997                                | 5,065                    | 261,407             | 175,427             |
|     | <b>Total expenditure</b>                       | <b>214,345</b>                     | <b>41,997</b>                         | <b>5,065</b>             | <b>261,407</b>      | <b>175,427</b>      |
|     | <b>Net income / (expenditure)</b>              | <b>189,999</b>                     | <b>(41,997)</b>                       | <b>(5,065)</b>           | <b>142,937</b>      | <b>19,560</b>       |
|     | Transfers between funds                        | (357,406)                          | 357,406                               | -                        | -                   | -                   |
|     | <b>Net movement in funds</b>                   | <b>(167,407)</b>                   | <b>315,409</b>                        | <b>(5,065)</b>           | <b>142,937</b>      | <b>19,560</b>       |
|     | <b>Reconciliation of funds:</b>                |                                    |                                       |                          |                     |                     |
|     | Total funds brought forward                    | 764,219                            | 475,462                               | 231,978                  | 1,471,659           | 1,452,099           |
|     | <b>Total funds carried forward</b>             | <b>596,812</b>                     | <b>790,871</b>                        | <b>226,913</b>           | <b>1,614,596</b>    | <b>1,471,659</b>    |

Machrihanish Airbase Community Company

For the year ended 31 March 2026

| 20. Comparative Statement of Financial Activities | Unrestricted General Funds | Unrestricted Designated Funds | Restricted Funds | Total Funds      | Total funds      |
|---------------------------------------------------|----------------------------|-------------------------------|------------------|------------------|------------------|
|                                                   | 2025                       | 2025                          | 2025             | 2025             | 2024             |
| <b>Income and endowments from:</b>                |                            |                               |                  |                  |                  |
| Donations and legacies                            | 99,225                     | -                             | -                | 99,225           | 140,000          |
| Investment income - rent                          | 49,230                     | -                             | -                | 49,230           | 39,295           |
| Other trading activities                          | 42,521                     | -                             | -                | 42,521           | 48,536           |
| Other income                                      | 4,011                      | -                             | -                | 4,011            | -                |
| <b>Total Income</b>                               | <b>194,987</b>             | <b>-</b>                      | <b>-</b>         | <b>194,987</b>   | <b>227,831</b>   |
| <b>Expenditure on:</b>                            |                            |                               |                  |                  |                  |
| Charitable activities                             | 61,647                     | 113,780                       | -                | 175,427          | 495,609          |
| <b>Total expenditure</b>                          | <b>61,647</b>              | <b>113,780</b>                | <b>-</b>         | <b>175,427</b>   | <b>495,609</b>   |
| <b>Net income / (expenditure)</b>                 | <b>133,340</b>             | <b>(113,780)</b>              | <b>-</b>         | <b>19,560</b>    | <b>(267,778)</b> |
| Transfers between funds                           | 13,602                     | -                             | (13,602)         | -                | -                |
| <b>Net movement in funds</b>                      | <b>146,942</b>             | <b>(113,780)</b>              | <b>(13,602)</b>  | <b>19,560</b>    | <b>(267,778)</b> |
| <b>Reconciliation of funds:</b>                   |                            |                               |                  |                  |                  |
| Total funds brought forward                       | 617,277                    | 589,242                       | 245,580          | 1,452,099        | 1,719,877        |
| <b>Total funds carried forward</b>                | <b>764,219</b>             | <b>475,462</b>                | <b>231,978</b>   | <b>1,471,659</b> | <b>1,452,099</b> |