

COMPANY REGISTRATION NUMBER: SC401019
CHARITY REGISTRATION NUMBER: SC043587

Kyle of Sutherland Development Trust
Company Limited by Guarantee
Financial Statements
30 June 2024

RITSONS
Chartered Accountants & Statutory Auditors
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Financial Statements

Year ended 30 June 2024

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Kyle of Sutherland Development Trust
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 30 June 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charitable company for the year ended 30 June 2024.

Chair's report

Welcome to the annual report for the Kyle of Sutherland Development Trust (KoSDT); yet another year full of challenges and successes. The biggest piece of work undertaken over the last 12 months was the sale of Falls of Shin to Pure Leisure, which was eventually finalised in December 2023.

The prolonged period of closure has been a painful time for the Trust and the wider community, but we are pleased to see that the new private operator, The Salt and Salmon Company, managed by a young local couple, were able to get the site up and running and hopefully it will be providing long-term community wealth for many years to come. We wish them well in the future.

The sale of the Falls of Shin has greatly impacted on our ability to earn income to allow us to deliver non income generating social projects. The original financial model developed for Falls of Shin, which was accepted as viable by all partners and funders, showed an income to core finances of around £25,000 per year, from rent and a small percentage of turnover. Clearly, the model did not deliver as expected and, now that the asset has been moved on, KoSDT will not be able to access this financial contribution in the future. Given this, KoSDT will need to explore other ways to generate income, over and above grant support which will remain an essential part of the Trust's financial model.

The previous 12 months have proven to be challenging due to a decrease in income from Grant funding over the course of the year at the same time as running costs, particularly energy costs, were rising steadily. The main factors in this are a reduction in available sources of funding and an extended period where our two local Community Councils were not formed leading to a delay in payments of previously approved community benefit funds. It may also be the case that it will be more difficult to secure funds that were previously available to the Trust from funds administered by our local Community Councils in the future.

If the Trust find it more challenging to access local community benefit funding, then this will certainly lead to a decrease in employment of unsupported core staff (Trust Manager, Office and Assets Manager, Administration Manager, Maintenance Operative, Cleaner) and therefore a decrease in community support as delivery of projects will need to be reduced accordingly. The Trustees and staff will work hard to avoid cutting services, but this may have to be considered.

There also must be a recognition that public sector finances are under real pressure so the likelihood is that there will be less available for delivering projects in the immediate future. As a direct result the Scottish Government imposed a 5% cut on agreed budgets for all projects supported by the Investing in Communities Fund, this meant a 5% cut to the previously agreed budget of the Kyle FEEDS project in 2024/25. The Scottish Government have also now restricted reallocations of underspend to other project headings leading to an additional fall in agreed budgets.

The Trustees, and the wider community, also need to be realistic about the gap in time until income from Community Benefit allocations starts to accrue from any new RE developments. This will be at least 5 years away, most likely 10 years (if approved). Although small amounts of funding from Sallachy Windfarm could be being generated from 2028/29. It is vital that all of our local community organisations are able to continue to deliver support to our residents during this period so that they can plan to create real community impacts in the future.

However, despite these challenges the sale of such a significant asset also gives a real opportunity for the Trustees and Management to review the Trust's operations and plan our strategic direction for the next five years and beyond. This will be crucial due to the pressure facing public finances and the threats to the future sustainability of our remote rural communities, the biggest of which are depopulation, especially the loss of economically active residents, and climate change. To plan for a

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Year ended 30 June 2024

sustainable future, we must ensure that our long-term planning puts people, place, and the environment at its core.

If we want to reverse long-term depopulation, especially of younger residents, and deliver sustainable repopulation, then we have to properly invest in the future of our communities. We have to work together to plan and deliver strategic, structural and long-term interventions to our critical and foundational infrastructure to stop depopulation and actively create the circumstances that allow us to repopulate our communities with economically active people.

The Trust will continue to tackle social issues that stem from financial insecurity and the poor service provision that is common in remote rural areas. These will include developing or enhancing projects that tackle issues such as isolation, food and fuel poverty, health and wellbeing etc.

However, continuing to apply economic sticking plasters to cover the poverty that is common in our communities will not stop the pace of depopulation. Therefore, there is a need to consider alternative and ambitious approaches for the long term as a way of building sustainable and more resilient rural and remote rural communities, making a real impact in creating long-term and ongoing community wealth and wellbeing.

To actively tackle depopulation and create sustainable communities our focus will increasingly shift to working with partners to deliver more local attainable homes and better long-term career opportunities. To support this there will need to be access to improved transport links, superfast digital connectivity, and affordable childcare provision. This will need to be a priority to ensure that our communities remain sustainable and viable well into the future.

Despite these challenges we are confident that we can continue to deliver community support, environmental sustainability, and economic development to our residents in the coming years. However, strong partnership working with local organisations as well as those across Sutherland, Highland and Scotland will become even more crucial.

As the Chair of a voluntary board of trustees I would like to acknowledge the time they give to serve the community by taking on the responsibility for governance and financial oversight of a complex organisation such as KoSDT.

During the year the Trust have appointed three new co-opted Directors with the additions of Dr Marc Foggin and Marion Turner, and Betty Wright. We look forward to their future contributions. I would also like to thank Jackie Knight who stood down in the course of the year. Thank you for your contribution, passion and local insight.

It is also essential to recognise the substantial efforts that have been contributed by the Trust's staff, and dedicated volunteers. Without the dedication, hard work, tenacity and integrity of these people, the Trust would amount to very little. We should all be grateful to them. Long may that continue.

 9/7/2025.
Pete Campbell

Chairman

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Reference and administrative details

Registered charity name Kyle of Sutherland Development Trust

Charity registration number SC043587

Company registration number SC401019

Principal office and registered office The Barn
Drovers Square
Ardgay
Sutherland
IV24 3AL

The trustees P C Campbell
J A Knight (Resigned 30 October 2023)
A J Wright
Prof. N P Simco
S M Sanmartin
Dr J M Foggin (Appointed 11 April 2024)
M C Turner (Appointed 12 April 2024)
E H Wright (Appointed 24 April 2024)

Company secretary D G Watson

Key management personnel D G Watson
K Raven (Resigned 31 May 2025)

Auditor Ritsons
Chartered Accountants & Statutory Auditors
Forbes House
36 Huntly Street
Inverness
IV3 5PR

Bankers Bank of Scotland
PO Box 1000
BX2 1LB

Solicitors Macleod & MacCallum
28 Queensgate
Inverness
IV1 1DJ

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Year ended 30 June 2024

Structure, governance and management

Kyle of Sutherland Development Trust is a charitable company, limited by guarantee, which was incorporated on 6 June 2011. The company was established under its Articles of Association which established the objects and powers of the company together with its principles of governance. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The company was recognised as a charity with effect from 23 November 2012.

Trustees

The names of the persons who served as trustees during the year and up to the date of this report are listed in this report. The Articles of Association allow for a maximum of eight trustees and a minimum of four. Ardgay and District and Creich Community Councils each nominate a trustee and six trustees are nominated from the membership. The charity is administered by the board of trustees who meet on a quarterly basis. Day to day running of the company is carried out by paid staff. Trustees are not remunerated for their work.

There are policies and procedures in place for new trustees to review and the Trust manager carries out an induction with new trustees.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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Objectives and activities

The company was formed to benefit the community of Ardgay and Creich districts, comprising the areas represented by the Creich Community Council and the Ardgay & District Community Council ("the Community - thereafter referred to as the Kyle of Sutherland") with the following objects:

- to provide recreational facilities or organise recreational activities;
- to advance education;
- to advance the arts and/or culture;
- to prevent or relieve poverty;
- to advance environmental protection and improvement;
- to advance community development through the promotion of tourism, trade and industry;
- to advance transport infrastructures;
- to relieve those in need by reason of unemployment;
- to relieve those in need by promoting training;
- to help young people to develop their physical, mental and spiritual capacities;
- to advance heritage and preserve the historical, architectural and constructional heritage;
- to advance the health of the residents;
- to relieve the needs of people who suffer from mental and/or physical disability illness or impairment;
- to encourage, stimulate and support volunteering;
- to promote, establish, operate and/or support other similar schemes and projects of a charitable nature;
- to advance community development.

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Year ended 30 June 2024

Achievements and performance

An Overview of the Year

KoSDT Assets:

Ardgay Regeneration Project: The Barn Business Centre and Drovers Square The building hosts the KoSDT office and 4 other businesses who between them employ 9 people.

The Community Bothy remains very busy, and the Community Polytunnel has come on considerably this past year. The outdoor education space that we erected on the land behind the polytunnel, adjacent to Ardgay hall, has been busy with visits from several community groups and our local schoolchildren.

Bonar Bridge Post Office & Assynt House

The Post Office still remains a community owned stand-alone service that includes a retail and working space, and the Royal Mail sorting office.

The attached social housing unit is owned by KoSDT and managed by Highland Housing Alliance. We have retained the same tenant since December 2019. The adjacent garden has been developed as a community kitchen garden with raised beds and a polytunnel.

Falls of Shin

After all potential options to retain Falls of Shin in Community Ownership were exhausted our main funder, The National Lottery Community Fund agreed to allow the property to be sold on the open market, this was signed off in May 2023. In December KoSDT sold the property for £410,000 for the entire site. KoSDT fulfilled all outstanding grant obligations in full by returning £264,510 to our public funding partners who supported the redevelopment of the site. We thank them for their support to the community. The trust also incurred additional costs of £27,622 during the sales process.

Superfast Broadband

KoSDT, with support from the SSE Beatrice Fund, made a significant investment in equipment that allowed Highland Wireless Ltd (HW) to roll out superfast broadband in the area. This project is one of the most significant and beneficial projects undertaken by KoSDT. The superfast service to our most remote rural areas will create the basis for people to live and work in the area without suffering from digital disadvantage. HW have over 140 premises in the area signed up to receive their service. The service has now reached capacity in some areas.

However, Highland Wireless (now part of Lothian Broadband) have now installed the infrastructure that allows the take up of fibre to the premises (FTTP) to the majority of properties in the area. This should create opportunities for a much more robust and faster service KoSDT are very proud to have played a role in the start-up of Highland Wireless by a young local entrepreneur.

KoSDT Projects

Kyle FEEDS (Food, Exercise, and the Environment. Delivering Sustainability) - During the year we have enhanced our community growing capacity beyond our Community Polytunnel by developing the Community Kitchen Garden in Bonar Bridge.

Community Food Stop Cafe - the café now invites guest organisations to be present during service. This has proven to be popular and well received. The first visiting organisation was the Highland Council Welfare Management Team who were at hand to give advice about benefits. CAB, Police

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Scotland, Fire & Rescue Scotland, Age Scotland have also attended. We have also removed our suggested pricing from the menu and created a Community Café Loyalty Card Scheme. The loyalty card will be stamped on every visit to the Café and once the customer has ten stamps, they will be issued with a £10 voucher (see below section on local food vouchers) for either Ardgay Stores or the Kyle Bakery.

Keep Active Together - The project also continues to deliver and develop our Keep Active Together (KAT) exercise programme which has been running since 2015. In 2023 we returned to direct delivery of KAT activities. During the pandemic we moved to a model of delivering activities through external providers, but this did not provide best value for money and therefore a return to delivery though KoSDT staff ensures that we increase support to our most vulnerable residents, in line with our funding conditions. We also facilitate additional activities such as local walks and badminton through support from qualified community volunteers.

Community Gardening Team & Community Kitchen Garden - This year funding from the Scottish Government Investing in Communities Fund (ICF) has allowed us to increase our community growing capacity to develop future local food security and to help with the transition to Net Zero. The KoSDT community gardeners are employed not just to develop the KoSDT projects but also to increase home growing capacity and to help other community organisations with their food growing projects.

Growing Families Project - The two-year Project supported 20 families per year. Families were visited by our gardeners who built a raised bed and provided free gardening equipment, plants and seeds along with hands-on guidance. The gardeners also provide an ongoing mentoring service. The KoSDT Community Gardener also installed raised beds at Bonar Bridge Primary School and Gledfield Nursery School. This funding from DTAS Pockets and Prospects will come to an end later in 2024 which means we will lose some of our staff resource for growing and will have to find additional funding or rely more heavily on our group of local volunteers if we wish to keep up the momentum we have gained to date.

The Community Food Bothy - is open to the public every Tuesday and Friday (including a Friday evening opening to help the working poor). Unfortunately demand for the Larder is still high. The main support comes from FareShare donations distributed by the CFINE team in Alness. We have also had welcome donations made by our local churches and the Rotary Club of Tain & Easter Ross.

Local Food Vouchers - The longevity of the cost-of-living crisis, on the back of Covid-19, has increased the amount of support we give to our residents significantly. As a result, we changed things slightly to widen choice, reduce dependence on the Community Food Larder, and ensure that our local shops, which are crucial to the long-term sustainability of our communities, are also supported. Therefore, we are now distributing vouchers to our Larder clients for use in our two local shops, The Kyle Bakery and Ardgay Stores. This will allow our clients increased dignity by giving them choice to purchase what they wish whilst also supporting two important local businesses. The vouchers exclude the purchase of alcohol, tobacco, or gambling.

Local Venison Project - KoSDT have been working with our local game dealers, Ardgay Game, and National charity, The Country Food Trust (CFT), on an initiative that allows locally sourced wild venison, donated by Ardgay Game, to be used to help with food poverty across Sutherland. We have worked together to manufacture and distribute thousands of nutritious, protein rich, low-fat, venison-based meals to food larders, charities and organisations that support individuals and families across Sutherland. It is hoped that this partnership represents a significant step towards alleviating food insecurity and promoting healthy eating in the area.

In May 2024 we distributed the last of the 3,000 locally sourced Venison Bolognese meals through

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the Community Bothy. The partnership with CFT has continued and the larder is distributing a significant quantity of Pheasant Curry.

Annual events - The team continued to deliver some larger annual events such as the Annual Big Brunch as part of Challenge Poverty Week, the 'Big Picnic' with a plant and seed swap as part of the Highlands & Islands Climate Festival, and the KoS Gala Week Big Afternoon Tea Party. All events were very well attended.

None of these services would be possible without the help and support of our wonderful group of volunteers.

During 23/24, as a result of the current situation with Public Sector Finances, the Scottish Government have imposed a 5% cut on agreed budgets for all projects supported by the Investing in Communities Fund, measures have been put in place to make savings whilst ensuring that project delivery is not compromised.

Green Health and Natural Assets (GHANA)

In October 2022 the Trust secured funding from the Robertson Trust for three years to develop and deliver projects that benefit mental health, wellbeing, and inclusion by using our natural assets. The project will align with Kyle FEEDS objectives.

The excellent **Sutherland Girls on Boards (SGOB)** project will continue. However, SGOB will soon become a separate charity and move away from the Trust in the coming years.

The GHANA project will continue to develop more outdoor learning and education, especially using our existing community woodlands and forest walks. KoSDT helped the Gearrhoille Community Wood to celebrate its 20th anniversary. We also worked with Highlife Highland to deliver a Kids Outdoor Play and Explore Club as well as other intergenerational events such as 'Wellbeing in the Woods'.

The green health aspects are delivered alongside our established financial hardship support schemes, such as the **Helping Hands Home Energy Support** project, with new strands developed specifically to support those under 25 as a result of significant funding from the **Westminster Trust**, as well as other support funding secured through **MFR Cash for Kids (CFK)**. KoSDT also works in partnership with the Fuel Bank Foundation to distribute prepayment key meter vouchers.

Christmas support

Christmas can be a very challenging time for many people facing Hardship in our communities, especially with the soaring cost of food and energy. Therefore, KoSDT staff work particularly hard at this time of year to try and ensure that everyone is able to enjoy the festive period. For Christmas 2023 we delivered the following:

- We held two Christmas Food Larders, providing enough food to cook a Christmas dinner. Those who couldn't make it along to the Larder received a Christmas Food Hamper. 168 people, including 26 children, were supported by the Christmas Larders.
- 85 people enjoyed the Community Food Stop Cafe annual three course Christmas Lunch which took place in Bonar Bridge Hall. - KoSDT purchased, and co-ordinated, the distribution of 231 age specific Christmas Eve Boxes for less fortunate children across Sutherland.
- 247 Christmas Baking Kits were distributed to children across Sutherland for Food and Play
- KoSDT staff also distributed £34,600 worth of Food Vouchers to young people and families across Sutherland in the week before Christmas. This support, secured from the Westminster Foundation, helped 168 households, by providing food vouchers from Asda, Tesco or a local shop of the recipients' choice.
- KoSDT once again worked closely with MFR Cash for Kids to co-ordinate local applications and distribution of presents for their Mission Christmas Appeal.

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Kyle of Sutherland Community Resilience Plan

The Kyle of Sutherland Community Resilience Plan was developed by KoSDT, in partnership with the community, in 2021 and has continued to evolve through support from KoSDT staff. The plan has received amazing feedback and is nationally recognised as an example of good practice. The plan is featured in the Kyle Chronicle, which is delivered to every household in the area, every three months. The feature includes a map of key safe locations and information on local flooding, snow and wildfires etc which all members of the community will be encouraged to keep near to hand.

The Kyle of Sutherland Community Resilience group identified the need for Mental Health awareness and training sessions within in the area. As a result, in November 2023 KoSDT, in partnership with Mikeysline, delivered free mental health training in the community to increase resilience and offer support.

Sutherland Community Planning Partnership Support

KoSDT have been employing staff to support community planning across Sutherland since 2017. The Trust currently employs two staff who support the priorities of the Sutherland Community Partnership and help to deliver the action plans developed by working groups (Homes, Transport, Fuel & Food Poverty, Employability, Mental Health & Wellbeing etc).

The SCP brings together public agencies, third sector organisations and other key community groups to work collaboratively with the people of Sutherland to deliver better outcomes. The underlying priorities are: Inequalities, Repopulation, Climate Change and Net Zero, Mental Health and Emotional Wellbeing, Disabilities and Community Learning and Development (CLD).

There has been a significant amount of work delivered on food poverty, local growing, and fuel poverty in the past few years. The team are currently supporting the SCP to deliver significant projects to increase Housing and Transport opportunities across Sutherland.

The SCP support team also supported communities across Sutherland to develop Local Place Plans (LPP). The team developed an information and support pack that was circulated to all 17 Community Council areas. The team also supported several communities to help develop place and spatial plans for settlements and communities across Sutherland.

Support for Lairg

Since October 2019 Lairg and District Community Initiatives (LDCI) have contracted with KoSDT to provide a Community Development Officer service. The contract between LDCI and KoSDT for officer support has been extended until the end of December 2024 and if funding is secured this arrangement will be extended on an annual basis, subject to need.

The support from KoSDT to LDCI also includes advice and guidance from the KoSDT Manager and the wider team to LDCI Board members on how to develop infrastructure projects such as the Ferry Croft Playpark which was developed as a result of fundraising and project management provided by KoSDT staff. It is hoped that the closer working relationship between the two Trusts will continue to deliver positive outcomes for the communities of Ardgay, Creich, and Lairg over the next few years.

Work on Community Shared Ownership of Renewable Energy Developments

KoSDT, in partnership with Local Energy Scotland, are investigating the opportunities that may arise from shared community ownership of local onshore windfarm developments. KoSDT are currently leading negotiations (on behalf of the communities of Lairg, Ardgay & District, Creich, Durness, Kinlochbervie, and Scourie) with a developer to look at the opportunities for shared community ownership of a development on Sallachy Estate. An MOU with a commitment to explore community shared ownership with the developer was signed in 2021. The project was granted planning permission in April 2022. However, it currently only has a connection date in 2028.

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Staffing

KoSDT currently employ 17 staff (9.5 FTE's), all working out of our office in Ardgay. This generates more than £20k of wages into the local economy each month. KoSDT are a real living wage accredited employer and will continue to follow a policy of paying a minimum of £0.50 per hour above the real living wage level for all staff.

<u>Position</u>	<u>Funded to</u>	<u>Funding status</u>
Trust Manager	Dec 24	Partially funded by Achany/Rosehall
Office Manager (P/T) 3 days	Unsupported	
Admin Manager (P/T)	Dec 24	Partially funded by Achany/Rosehall
Office Assistant (P/T) 1 day	Unsupported	
GHANA Project Manager	Nov 25	Partially funded by the Robertson Trust
Dev Officer (P/T) 3 days	Jan 24	Work secured with LDCI to end of Dec 24
Kyle FEEDS Manager	Mar 26	Funded by SG ICF Fund
Kyle FEEDS Officer (P/T) 2 days	Mar 26	Funded by SG ICF Fund
Kyle FEEDS Officer (P/T) 2 days	Mar 26	Funded by SG ICF Fund
Community Gardener 3 days	Mar 26	Funded by SG ICF Fund
Community Gardener 2 days	Sep24/Mar 26	Funded by SG ICF Fund/Pockets & Prospects (Sep 24)
KAT Activity Officer 2 days	Mar 26	Funded by SG ICF Fund
SACC Officer (F/T)	Mar 24	Funded by HIE
SACC Officer (P/T) 3 days	Mar 24	Funded by HIE
SACC Admin (P/T) 2 days	Mar 24	Funded by HIE
Maintenance (P/T) 2 days	Unsupported	
Cleaner (P/T) 6 hours per week	Unsupported	

During the year the Trust said goodbye to two of our longest serving, and highly valued, members of staff, Beth Simco and Mary Drylie. We wish them well in the future. We also welcomed three new members of the team, Olivia Saunders, Sandra Hilton, and Miranda Jones.

Communications

Kyle Chronicle

The 19th issue of the Kyle Chronicle was published in June 2024 - delivered by volunteers free to every household in the Kyle of Sutherland every 3 months. This development has received tremendous feedback and is now an established part of community life.

The Magazine has greatly improved communications in the area, helping business, charities and community groups to reach the public, and helping people access useful information such as local services, events and local emergency plans.

However, it is unsupported from funders and as a result KoSDT may have to consider whether continued production of the magazine is viable.

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KoSDT Strategic Partnership Working

- KoSDT Director Pete Cambell is a businessman and former Chair of Creich CC
- KoSDT Director Professor Neil Simco is the former UHI Deputy Principal, Academic and Research
- KoSDT Director Marion Turner is a retired teacher and former member of Ardgay CC
- KoSDT Director Andy Wright is a retired teacher and former member of Ardgay CC
- KoSDT Director Betty wright is a retired school technician and former Chair of Ardgay CC
- KoSDT Director Silvia Muras Sanmartin is a journalist and former Chair of Ardgay CC
- KoSDT Director Dr Marc Fogglin is an Honorary Research Associate at the University of Oxford. Dr Fogglin is also the founder and director of a non-profit organisation which supports community-led sustainable development in Tibet and Central Asia
- The KoSDT Manager is a trained Economist and has previously worked as a Senior Development Manager for HIE in Inverness and Shetland, managed an EU Funding Programme for Moray Council, and was Economic Development Manager for the Cairngorms National Park Authority
- KoSDT are a full partner in the Sutherland Community Planning Partnership and play an active role on several of its sub-committees including the Homes & Infrastructure, Transport, Food Resilience, Fuel Poverty
- The KoSDT Manager sits on the Scottish Government Social Enterprise Steering Group
- The KoSDT Manager has advised the Scottish Government Rural Energy Consumers Working Group, chaired by the Minister for Energy, and the Scottish Government Fuel Poverty Advisory Panel on fuel poverty in rural and remote rural areas of Scotland
- The KoSDT manager was invited by the Minister for Energy to attend a meeting with Ofgem to represent Remote Rural Scotland
- The KoSDT Manager was invited to meet with the Scottish Human Rights Commission to represent Sutherland
- The KoSDT Manager sits on the Highland Poverty Action Network steering group.
- The KoSDT Manager Chairs the Far North Line Community Rail Partnership
- The KoSDT Manager sits on the Venture North board. Venture North is the Tourism and Destination Management Organisation for Caithness and Sutherland
- The KoSDT Manager sits on the MFR Cash for Kids North Area Board
- KoSDT Project Managers also sit on the Lairg & District Community Initiative, Boards of Caithness & Sutherland Women's Aid, and the UHI Foundation
- KoSDT have become partners in the North Highlands & Islands Climate Hub

Membership & AGM

Membership has remained consistently around 200 members of the community. The KoSDT AGM was held in November.

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Supporters:

KoSDT would like to thank the following for their support during the year:

- The Scottish Government
- The Highland Council
- UK Shared Prosperity Fund
- Highland and Islands Enterprise
- Highland Third Sector Interface
- Voluntary Groups Sutherland
- All of the Sutherland Community Planning partners and contributors
- Ardgay & District CC
- Creich CC
- Edderton CC
- SSE Achany Community Windfarm Fund
- RWE Rosehall Community Windfarm Fund
- Foundation Scotland
- Development Trusts Association Scotland
- MFR Cash for Kids
- The National Lottery Community Fund
- Arnold Clark Community Fund
- Asda Foundation
- Nourish Scotland
- North Highland Initiative
- Westminster Foundation
- Anne Duchess of Westminster's Fund
- HTSI
- The Robertson Trust
- Local Energy Scotland
- Peoples Postcode Lottery
- Nourish Scotland
- Highlands & Islands Climate Hub
- Highland Green Health Partnership
- Zero Waste Scotland
- SSE Sustainable Development Fund
- Foundation for Integrated Transport
- Connecting Scotland
- Meter Performance Services
- Rotary Club of Tain & Easter Ross
- Our Local Churches
- CFiNE (Community Food in the North East)
- Race around Britain

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Financial review

The charity generated a deficit for the year of £414,623 (2023 - £27,903); of which there is a surplus of £21,503 in unrestricted and a deficit of £436,126 in restricted. This is after a non-cash depreciation charge of £38,362 (2023 - £72,575) and the repayment of a grant of £264,510 (2023 - £nil) relating to the sale of the premises at Falls of Shin.

Total unrestricted funds at the year end amount to £97,116 (2023 - £75,613). The charity also holds restricted funds at the year end amounting to £1,039,524 (2023 - £1,475,650). Restricted funds comprise funds advanced for a specific purpose.

The total unrestricted funds of £97,116 includes fixed assets of £19,426 and designated funds of £1,414 leaving free reserves of £76,276.

It is the policy of the charity that free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed, should be maintained at a level equivalent to three months unrestricted expenditure. Unrestricted expenditure for the year was £223,285. Three months of the total expenditure is estimated at £55,821 which is below the free reserves in the previous paragraph.

Plans for future periods

As mentioned in the Chair's Report, the Trust will continue to tackle social issues that stem from poverty and the poor service provision that is common in remote rural areas. These will include developing or enhancing projects that tackle issues such as isolation, food and fuel poverty, health and wellbeing etc.

Trustees' responsibilities statement

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

Company law requires the charitable company trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 June 2024

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 9 July 2025 and signed on behalf of the board of trustees by:



P C Campbell
Trustee

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Kyle of Sutherland Development Trust

Year ended 30 June 2024

Opinion

We have audited the financial statements of Kyle of Sutherland Development Trust (the 'charitable company') for the year ended 30 June 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, 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.

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

Material uncertainty related to going concern

We draw attention to the going concern section of note 3 in the financial statements, which indicates the charity's reliance on future unrestricted grants which are not yet confirmed. As stated in note 3, these events or conditions indicate that a material uncertainty exists that may cast doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included a review of the figures to date, the projections for 12 months from June 2025 and making enquiries of management of their opinion of whether grant applications will be successful.

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

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Kyle of Sutherland Development Trust *(continued)*

Year ended 30 June 2024

Other information

The other information comprises the information included in the 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report, prepared for the purposes of company law are included in the trustees' annual report, 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' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 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, 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 the 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; and
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustees' annual report, and from the requirements to prepare a strategic report.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Kyle of Sutherland Development Trust *(continued)*

Year ended 30 June 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Kyle of Sutherland Development Trust *(continued)*

Year ended 30 June 2024

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 441(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006, and report in accordance with the Acts.

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:

As part of the audit planning process, the engagement partner and the engagement team obtained an understanding and discussed the legal and regulatory frameworks that are applicable, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charitable company. The key laws and regulations we considered in this context included Companies Act 2006, Financial Report Standard 102 (FRS 102), Charities SORP (FRS102). GDPR, employment and tax laws and health and safety legislation.

The Responsible Individual (RI) and the engagement team discussed non-compliance with laws and regulations at the audit team planning meeting. The RI made enquiries of management regarding their assessment of the likelihood of fraud or error or non-compliance with laws and regulations which could lead to material misstatements in the financial statements and whether they were aware of any instances of fraud or non-compliance. The RI was satisfied that the engagement team had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations during the audit.

The engagement team also enquired of management as part of the audit, including obtaining and reviewing supporting documentation and reading minutes of meetings of those charged with governance. The engagement team did not identify any key audit matters relating to irregularities, including fraud.

Part of the engagement team's assessment of non-compliance with laws and regulations included a review of the risk of management override of controls. This was carried out by reviewing journals posted to the financial records, reviewing large or unusual transactions, cut off, undisclosed related party transactions and reviewing accounting estimates to identify any material misstatement which may be due to fraud.

The audit team also considered whether there could be fraudulent revenue recognition. This was carried out by reviewing the revenue recognition policies, testing of material revenue streams and testing cut off at the year end date.

The disclosures in the financial statements were reviewed and tested to supporting documentation to assess compliance with applicable laws and regulations. A Disclosure Check was carried out to confirm that the financial statements comply with current accounting requirements.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of Kyle of Sutherland Development Trust *(continued)*

Year ended 30 June 2024

Use of our report

This report is made solely to the charitable company's members, 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 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Gemma Palombo MA (Hons), CA (Senior Statutory Auditor)

For and on behalf of
Ritsons
Chartered Accountants & Statutory Auditors
Forbes House
36 Huntly Street
Inverness
IV3 5PR

The firm is eligible for appointment as auditor in terms of section 1212 of the Companies Act 2006.

10 July 2025.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 June 2024

		Unrestricted funds £	2024 Restricted funds £	Total funds £	2023 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	2,329	7,595	9,924	5,644
Charitable activities	6	98,805	347,807	446,612	536,294
Investment income	7	1,422	—	1,422	256
Total income		<u>102,556</u>	<u>355,402</u>	<u>457,958</u>	<u>542,194</u>
Expenditure					
Expenditure on charitable activities	8,9	(223,285)	(384,786)	(608,071)	(570,097)
Other expenditure	10	—	(264,510)	(264,510)	—
Total expenditure		<u>(223,285)</u>	<u>(649,296)</u>	<u>(872,581)</u>	<u>(570,097)</u>
Net expenditure		<u>(120,729)</u>	<u>(293,894)</u>	<u>(414,623)</u>	<u>(27,903)</u>
Transfers between funds		142,232	(142,232)	—	—
Net movement in funds		<u>21,503</u>	<u>(436,126)</u>	<u>(414,623)</u>	<u>(27,903)</u>
Reconciliation of funds					
Total funds brought forward		75,613	1,475,650	1,551,263	1,579,166
Total funds carried forward		<u>97,116</u>	<u>1,039,524</u>	<u>1,136,640</u>	<u>1,551,263</u>

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

The notes on pages 23 to 37 form part of these financial statements.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

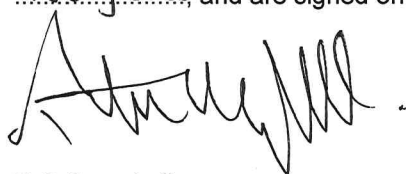
Statement of Financial Position

30 June 2024

	Note	2024 £	£	2023 £	£
Fixed assets					
Tangible fixed assets	16		978,175		1,415,784
Current assets					
Debtors	17	46,401		44,878	
Cash at bank and in hand		144,205		133,524	
		190,606		178,402	
Creditors: amounts falling due within one year	18	(32,141)		(42,923)	
Net current assets			158,465		135,479
Total assets less current liabilities			1,136,640		1,551,263
Net assets			1,136,640		1,551,263
Funds of the charity					
Restricted funds			1,039,524		1,475,650
Unrestricted funds			97,116		75,613
Total charity funds	21		1,136,640		1,551,262

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 9 July 2025 and are signed on behalf of the board by:



P C Campbell
Trustee

The notes on pages 23 to 37 form part of these financial statements.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Statement of Cash Flows

Year ended 30 June 2024

	2024 £	2023 £
Cash flows from operating activities		
Net expenditure	(414,623)	(27,903)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	38,362	72,575
Impairment of tangible fixed assets	—	7,046
Other interest receivable and similar income	(1,422)	(256)
Accrued expenses	1,436	3,295
<i>Changes in:</i>		
Trade and other debtors	(1,523)	(14,484)
Trade and other creditors	(12,218)	7,680
Cash generated from operations	(389,988)	47,953
Interest received	1,422	256
Net cash (used in)/from operating activities	<u>(388,566)</u>	<u>48,209</u>
Cash flows from investing activities		
Purchase of tangible assets	(10,753)	(1,194)
Proceeds from sale of tangible assets	410,000	26,753
Net cash from investing activities	<u>399,247</u>	<u>25,559</u>
Net increase in cash and cash equivalents	10,681	73,768
Cash and cash equivalents at beginning of year	133,524	59,756
Cash and cash equivalents at end of year	<u>144,205</u>	<u>133,524</u>

The notes on pages 23 to 37 form part of these financial statements.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 June 2024

1. General information

The charitable company is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is The Barn, Drovers Square, Ardgay, Sutherland, IV24 3AL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

Securing grant funding has become much more challenging in the last few years mostly due to constraints in the public sector finances and as a result more charitable organisations seeking support from available funds. Draft figures for 2024/25 show a deficit on unrestricted funds and forecasts for 2025/26 show further deficits when unconfirmed grants are removed. While 2025/26 will be a challenging year, the trustees are confident that the charity can operate at a surplus if it secures identified grant funding and retains, and hopefully, increases the income from rent and tenancies. However, this may need to be accompanied by a reduction in core costs, regrettably this will most likely have to be through a reduction in employment costs (and associated services) by decreasing the costs of unsupported staff.

As a result of the unconfirmed unrestricted grants, there is material uncertainty on the charity's ability to continue as a going concern. However, the trustees consider there are robust plans and options going forward which together are sufficient to mitigate the uncertainty and as such find it appropriate to prepare the financial statements on the going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes. Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

3. Accounting policies *(continued)*

Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Fixtures and fittings	- 10% straight line
Equipment	- 20% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments, which includes debtors, bank balances and creditors, are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Kyle of Sutherland Development Trust is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	<u>2,329</u>	<u>7,595</u>	<u>9,924</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	<u>330</u>	<u>5,314</u>	<u>5,644</u>

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Grant income	50,506	341,557	392,063
Rental income	25,379	—	25,379
Business services	13,920	6,200	20,120
Other income	<u>9,000</u>	<u>50</u>	<u>9,050</u>
	<u>98,805</u>	<u>347,807</u>	<u>446,612</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Grant income	98,270	360,108	458,378
Rental income	25,468	—	25,468
Business services	25,976	17,985	43,961
Other income	<u>8,487</u>	<u>—</u>	<u>8,487</u>
	<u>158,201</u>	<u>378,093</u>	<u>536,294</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	<u>1,422</u>	<u>1,422</u>	<u>256</u>	<u>256</u>

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Environmental	215,604	384,786	600,390
Support costs	7,681	—	7,681
	<u>223,285</u>	<u>384,786</u>	<u>608,071</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Environmental	123,440	439,657	563,097
Support costs	7,000	—	7,000
	<u>130,440</u>	<u>439,657</u>	<u>570,097</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2024 £	Total fund 2023 £
Environmental	511,591	88,799	—	600,390	563,097
Governance costs	—	—	7,681	7,681	7,000
	<u>511,591</u>	<u>88,799</u>	<u>7,681</u>	<u>608,071</u>	<u>570,097</u>

Funding was available to award small grants to individuals for cost of living support within the charity's area of operation.

10. Other expenditure

	Restricted Funds £	Total Funds 2024 £	Restricted Funds £	Total Funds 2023 £
Other exceptional expenditure	<u>264,510</u>	<u>264,510</u>	<u>—</u>	<u>—</u>

The exceptional payment was the clawback of part of a grant received in previous years following the sale of the Falls of Shin property. As per the terms of the grant, if the property was sold within a certain time period, an element of the grant was repayable to the funder.

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	38,362	72,575
Impairment of tangible fixed assets recognised in:		
Expenditure on charitable activities	—	7,046
Operating lease rentals	<u>1,215</u>	<u>1,252</u>

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

12. Auditors remuneration

	2024	2023
	£	£
Fees payable for the audit of the financial statements	6,000	5,500
Fees payable for accountancy services	<u>1,681</u>	<u>1,500</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	256,581	213,379
Employer national insurance	13,125	10,028
Employer contributions to pension plans	<u>5,966</u>	<u>5,027</u>
	<u>275,672</u>	<u>228,434</u>

The average head count of employees during the year was 16 (2023: 14).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charitable company. The total compensation paid to key management personnel for services provided to the charitable company was £78,568 (2023:£67,179).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

15. Transfers between funds

£68,713 (2023 - £nil) was transferred from unrestricted to Post Office to adjust the closing balance.

£161,459 (2023 - £nil) was transferred from FOS Build to clear the remaining fund balance after the building was sold. No further repayments of grants were required.

£45,5523 (2023 - £nil) was transferred from HIE FOS to clear the remaining balance in the fund after the building was sold. No repayments of grants were required.

£5,000 (2023 - £1,596) was transferred from Westminster Fund - Cost of Living to unrestricted to cover the costs of administering the project. A further £2,500 was transferred to National Lottery Cost of Living to reallocate costs of the previous year.

£2,490 (2023 - £nil) was transferred from National Lottery -Cost of Living to KOS HHF to reallocate costs from the previous year.

£nil (2023 - £5,199) was transferred from BCKALM in favour of unrestricted to cover costs previously recorded as unrestricted.

£nil(2023 - £13,366) was transferred from unrestricted to Kyle Chronicle to cover the deficit of the profit. There is no further funding for this project and expenditure will be treated as unrestricted going forward.

£nil (2023 - £2,500) was transferred from National Lottery - Cost of Living to unrestricted to cover the energy costs of The Bothy, in line with the funding terms.

£nil (2023 - £2,036) was transferred from Highland Council - Winter Warmth Support to cover the energy costs of The Bothy, in line with the funding terms.

There were also a number of small transfers to either transfer small balances to unrestricted on completion of the projects or from unrestricted to restricted to clear the small deficits on restricted projects.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

16. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 July 2023	2,294,679	3,609	205,094	2,503,382
Additions	—	—	10,753	10,753
Disposals	(1,129,127)	—	(112,467)	(1,241,594)
At 30 June 2024	<u>1,165,552</u>	<u>3,609</u>	<u>103,380</u>	<u>1,272,541</u>
Depreciation				
At 1 July 2023	934,315	3,510	149,773	1,087,598
Charge for the year	29,139	99	9,124	38,362
Disposals	(739,667)	—	(91,927)	(831,594)
At 30 June 2024	<u>223,787</u>	<u>3,609</u>	<u>66,970</u>	<u>294,366</u>
Carrying amount				
At 30 June 2024	<u>941,765</u>	<u>—</u>	<u>36,410</u>	<u>978,175</u>
At 30 June 2023	<u>1,360,364</u>	<u>99</u>	<u>55,321</u>	<u>1,415,784</u>

17. Debtors

	2024	2023
	£	£
Trade debtors	1,857	14,044
Prepayments and accrued income	1,167	—
Other debtors	43,377	30,834
	<u>46,401</u>	<u>44,878</u>

18. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	—	15,705
Accruals and deferred income	28,440	19,444
Social security and other taxes	1,168	5,101
Other creditors	2,533	2,673
	<u>32,141</u>	<u>42,923</u>

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

19. Deferred income

	2024	2023
	£	£
At 1 July 2023	1,001	11,727
Amount released to income	(1,001)	(11,727)
Amount deferred in year	8,561	1,001
At 30 June 2024	8,561	1,001

Deferred income is income received during the year that relates to the following year.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,966 (2023: £5,027).

21. Analysis of charitable funds

Unrestricted funds

	At 1 July 2023	Income	Expenditure	Transfers	At 30 June 2024
	£	£	£	£	£
General funds	75,613	100,556	(222,699)	142,232	95,702
Buss Xmas support	—	2,000	(586)	—	1,414
	<u>75,613</u>	<u>102,556</u>	<u>(223,285)</u>	<u>142,232</u>	<u>97,116</u>

	At 1 July 2022	Income	Expenditure	Transfers	At 30 June 2023
	£	£	£	£	£
General funds	48,274	158,787	(130,440)	(1,008)	75,613
Buss Xmas support	—	—	—	—	—
	<u>48,274</u>	<u>158,787</u>	<u>(130,440)</u>	<u>(1,008)</u>	<u>75,613</u>

Restricted funds

	At 1 July 2023	Income	Expenditure	Transfers	At 30 June 2024
	£	£	£	£	£
Post Office	(22,319)	—	—	68,713	46,394
Post Office House	97,992	—	(4,382)	—	93,610
FOS Build	425,969	—	(264,510)	(161,459)	—
CHESS	935	—	—	—	935
Ardgay Regeneration	696,019	—	(24,312)	—	671,707
Broadband project	3,228	—	(745)	—	2,483

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

21. Analysis of charitable funds *(continued)*

Tulloch Road	13,665	—	(370)	—	13,295
Electric Car	13,076	—	(787)	—	12,289
KALM	8,168	—	(1,455)	—	6,713
LDCI HHF	—	2,000	(268)	10	1,742
BCKALM	10,056	—	—	—	10,056
Kyle Chronicle	—	—	—	—	—
BMW Post Office	10,991	—	(2,664)	—	8,327
HIE FOS	45,552	—	—	(45,552)	—
MFR (total)	—	17,000	(6,198)	—	10,802
RT LDCI HHF	10	—	—	(10)	—
SACC Project	32,317	74,015	(60,131)	—	46,201
SHHS HIE - CRF	—	—	—	—	—
Charitable Assets	3,695	—	—	—	3,695
Arnold Clark	1,710	3,500	(718)	—	4,492
Beatrice Resil	1,722	—	(248)	—	1,474
Big lottery FOS	—	—	—	—	—
CFK MD	—	—	—	—	—
CGorm Xmas Fund	—	—	—	—	—
Connecting Scotland -					
Kylesku	563	363	(485)	—	441
Edderton HHF	(766)	—	—	766	—
SLL	6,000	—	(2,448)	—	3,552
TFOP Kitchen Garden	10,000	—	(1,844)	—	8,156
KOS HHF	5,907	5,000	(6,413)	2,490	6,984
Queen's Jubilee	184	—	—	—	184
Supported posts	—	—	—	—	—
Asda Foudation	112	—	—	—	112
Highland Council - Cost					
of Living	(309)	—	—	281	(28)
Corra Foundation	—	—	—	—	—
Westminster fund Cost					
of Living	48,900	—	(41,405)	(7,500)	(5)
Highland Council -					
Baking for Fun	—	—	—	—	—
FOS Portaroo	4,821	—	(3,386)	—	1,435
Green Health	18,495	35,111	(37,445)	300	16,461
HC Rural Transport	15,000	39,400	(44,382)	—	10,018
KF Donations (CFS)	2,970	5,164	(1,740)	—	6,394
Kyle Feeds	930	113,927	(105,373)	—	9,484
Lairg HHF	1,000	—	(1,000)	—	—
National Lottery Cost of					
Living	8,626	—	(4,427)	10	4,209
Pockets and Pros	4,242	7,400	(5,931)	—	5,711
Police Rugby	—	—	—	—	—
SCP (SACC)	2,193	470	(296)	—	2,367
SFLCP	—	—	—	—	—
Westminster	1,879	—	(1,216)	(660)	3
Winter Warmth Support	2,117	—	(2,050)	379	446
B Big	—	1,151	(318)	—	833
Big Picnic	—	200	(200)	—	—

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

21. Analysis of charitable funds *(continued)*

Climate Hub - kitchen garden	—	500	(262)	—	238
NHI (SGOB)	—	9,480	(5,676)	—	3,804
NHI (Xmas 2023)	—	11,160	(11,160)	—	—
Peoples Postcode Lottery (Xmas larder)	—	2,551	(2,551)	—	—
Westminster (Xmas boxes)	—	2,500	(2,500)	—	—
Place Plan	—	4,000	—	—	4,000
Far North Line	—	20,510	—	—	20,510
	<u>1,475,650</u>	<u>355,402</u>	<u>(649,296)</u>	<u>(142,232)</u>	<u>1,039,524</u>

	At 1 July 2022 £	Income £	Expenditure £	Transfers £	At 30 June 2023 £
Post Office	46,393	—	(68,712)	—	(22,319)
Post Office House	102,409	—	(4,417)	—	97,992
FOS Build	464,624	—	(38,655)	—	425,969
CHESS	1,143	—	(208)	—	935
Ardgay Regeneration	720,393	—	(24,374)	—	696,019
Broadband project	29,626	—	(26,398)	—	3,228
Tulloch Road	14,219	—	(554)	—	13,665
Electric Car	14,959	—	(1,883)	—	13,076
KALM	10,265	—	(2,010)	(87)	8,168
LDCI HHF	—	—	—	—	—
BCKALM	18,590	70,260	(73,595)	(5,199)	10,056
Kyle Chronicle	(7,750)	5,000	(10,616)	13,366	—
BBMW Post Office	14,322	—	(3,331)	—	10,991
HIE FOS	46,807	—	(1,255)	—	45,552
MFR (total)	221	22,292	(22,811)	298	—
RT LDCI HHF	759	1,500	(2,249)	—	10
SACC Project	22,507	53,146	(43,336)	—	32,317
SHHS HIE - CRF	(415)	—	—	415	—
Charitable Assets	3,695	—	—	—	3,695
Arnold Clark	1,412	2,500	(2,202)	—	1,710
Beatrice Resil	2,289	650	(1,217)	—	1,722
Big lottery FOS	480	—	(480)	—	—
CFK MD	718	—	(945)	227	—
CGorm Xmas Fund	439	—	—	(439)	—
Connecting Scotland - Kylesku	946	—	(383)	—	563
Edderton HHF	1,502	—	(1,268)	(1,000)	(766)
SLL	6,000	—	—	—	6,000
TFOP Kitchen Garden	10,000	—	—	—	10,000
KOS HHF	3,345	11,000	(9,066)	628	5,907
Queen's Jubilee	184	—	—	—	184
Supported posts	810	—	—	(810)	—
Asda Foundation	—	1,934	(1,822)	—	112

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

21. Analysis of charitable funds *(continued)*

Highland Council - Cost of Living	—	2,982	(3,291)	—	(309)
Corra Foundation	—	5,250	(5,000)	(250)	—
Westminster fund Cost of Living	—	70,000	(19,504)	(1,596)	48,900
Highland Council - Baking for Fun	—	3,799	(3,790)	(9)	—
FOS Portaloo	—	6,616	(1,795)	—	4,821
Green Health	—	38,551	(20,056)	—	18,495
HC Rural Transport	—	15,000	—	—	15,000
KF Donations (CFS)	—	2,970	—	—	2,970
Kyle Feeds	—	29,868	(28,938)	—	930
Lairg HHF	—	1,250	(250)	—	1,000
National Lottery Cost of Living	—	13,750	(2,624)	(2,500)	8,626
Pockets and Pros	—	6,572	(2,330)	—	4,242
Police Rugby	—	4,220	(4,220)	—	—
SCP (SACC)	—	3,380	(1,187)	—	2,193
SFLCP	—	900	(900)	—	—
Westminster	—	3,000	(1,121)	—	1,879
Winter Warmth Support	—	7,017	(2,864)	(2,036)	2,117
B Big	—	—	—	—	—
Big Picnic	—	—	—	—	—
Climate Hub - kitchen garden	—	—	—	—	—
NHI (SGOB)	—	—	—	—	—
NHI (Xmas 2023)	—	—	—	—	—
Peoples Postcode Lottery (Xmas larder)	—	—	—	—	—
Westminster (Xmas boxes)	—	—	—	—	—
Place Plan	—	—	—	—	—
Far North Line	—	—	—	—	—
	<u>1,530,892</u>	<u>383,407</u>	<u>(439,657)</u>	<u>1,008</u>	<u>1,475,650</u>

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

21. Analysis of charitable funds *(continued)*

Post office and Post Office House are fixed asset funds relating to the Post Office in Bonar Bridge.

FOS Build is a fixed asset fund for the initial purchase of Falls of Shin and the rebuild costs.

Ardgay Regeneration is a fixed asset fund. Funding was received to regenerate the site of a derelict hotel in the centre of the village of Ardgay. This work was completed in 2019.

Broadband Project is a fixed asset fund. Funding was received from the SSE Beatrice Fund to erect masts to act as the carriers of wi-fi superfast broadband to our most remote communities.

Tulloch Road - Funding received to investigate the opportunity to build three housing units on land adjacent to Bonar Bridge Post Office. This build has not proceeded.

Electric Car is a fixed asset fund. In 2017 funding was secured to purchase an electric vehicle so that our staff could travel to meetings and projects in a more environmentally sustainable way.

KALM funding was received to deliver the project Kyle All Lives Matter. This was initially funded by the Scottish Government with further funding received from The Highland Council.

BBMW Post Office was funding received from SSE Achany, HIE and both Community Councils for a refurbishment. This was completed in November 2021. The balance on the fund relates to fixed assets.

HIE FOS is a fixed asset fund with funding received from HIE to provide an overnight parking facility for motorhomes, including electric hook up points, water, and waste disposal facilities which were installed at Falls of Shin in early 2021.

SACC Project is funding received from The Scottish Government's Aspiring Communities Fund which funded 3 FTE employees and help deliver, in partnership with communities, projects dealing with inequalities and deprivation

Kitchen Garden is funding received from The National Lottery Community Fund for a Ready Steady Grow project.

Westminster cost of living – food support funds distributed to disadvantaged and vulnerable children and young people affected by the cost of living crises.

Green Health – funding for projects which benefit mental health, wellbeing and inclusion by using our natural assets.

Kyle FEEDS – funding for projects which improve health inequalities including the community café, polytunnel and other community events.

Far North Line – funding for project to develop responsible tourism and promote rail travel in communities served by the Far North Line.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2024

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	19,426	958,749	978,175
Current assets	109,831	80,775	190,606
Creditors less than 1 year	(32,141)	—	(32,141)
Net assets	<u>97,116</u>	<u>1,039,524</u>	<u>1,136,640</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	36,573	1,379,211	1,415,784
Current assets	81,626	96,776	178,402
Creditors less than 1 year	(42,586)	(337)	(42,923)
Net assets	<u>75,613</u>	<u>1,475,650</u>	<u>1,551,263</u>

23. Analysis of changes in net debt

	At 1 Jul 2023 £	Cash flows £	At 30 Jun 2024 £
Cash at bank and in hand	<u>133,524</u>	<u>10,681</u>	<u>144,205</u>

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Not later than 1 year	1,081	1,081
Later than 1 year and not later than 5 years	2,704	3,784
Later than 5 years	13	14
	<u>3,798</u>	<u>4,879</u>

25. Related parties

During the year the daughter of one of the trustees received remuneration of £28,592 (2023 - £28,602).

During the year the charity paid £10,999 (2023 - £10,997) to Carn Bren Publishing Ltd, a company in which a trustee is a director and shareholder, for publishing costs in connection with the Kyle Chronicle.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Management Information

Year ended 30 June 2024

The following pages do not form part of the financial statements.

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 30 June 2024

	2024 £	2023 £
Income and endowments		
Donations and legacies		
Donations	9,924	5,644
Charitable activities		
Grant income	392,063	458,378
Rental income	25,379	25,468
Business services	20,120	43,961
Other income	9,050	8,487
	<u>446,612</u>	<u>536,294</u>
Investment income		
Bank interest receivable	1,422	256
	<u>1,422</u>	<u>256</u>
Total income	<u>457,958</u>	<u>542,194</u>

Kyle of Sutherland Development Trust

Company Limited by Guarantee

Detailed Statement of Financial Activities *(continued)*

Year ended 30 June 2024

	2024 £	2023 £
Expenditure		
Expenditure on charitable activities		
Wages and salaries	269,706	223,407
Pension costs	5,966	5,027
Operating leases	1,215	1,252
Rates and water	3,008	7,468
Light and heat	28,443	26,457
Repairs and maintenance	14,180	13,170
Insurance	11,627	14,110
Other motor/travel costs	5,539	4,513
Legal and professional fees	52,018	16,855
Telephone	2,446	1,097
Other office costs	11,260	13,489
Depreciation	38,362	72,575
Impairment	—	7,046
Events	20,735	27,462
Advertising	11,359	10,997
Training	1,096	2,087
Support grants	88,799	68,903
Miscellaneous expenses	42,312	27,429
Loss on disposal of fixed assets	—	26,753
	<u>608,071</u>	<u>570,097</u>
Other expenditure		
Other exceptional expenditure	<u>264,510</u>	<u>—</u>
Total expenditure	<u>872,581</u>	<u>570,097</u>
Net expenditure	<u>(414,623)</u>	<u>(27,903)</u>