Shetland Amenity Trust
Caring for Shetland's heritage

Shetland Amenity Trust

Annual Report and Financial Statements

Year Ended 31 March 2026

Scottish Charity Number: SC017505

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Trustees' Annual Report

The Trustees are pleased to present their annual Trustees' report together with the financial statements of the Trust for the year ended 31 March 2026.

Chair's Message

As I write my final Chair's Message for Shetland Amenity Trust, I find myself reflecting not just on another successful year, but on an extraordinary eight years of change, challenge and opportunity.

Serving as Chair has been one of the greatest privileges of my working life. It has allowed me to work alongside passionate staff, dedicated volunteers, committed Trustees and countless individuals and organisations across Shetland who care deeply about protecting what we affectionately call *'da aald rock'* – our unique natural and cultural heritage.

This year has demonstrated once again what can be achieved when we work together.

Across our museums, historic sites, environmental projects and community programmes we have continued to celebrate, protect and share Shetland's remarkable cultural and natural heritage. From welcoming almost 50,000 visitors to Shetland Museum and Archives, to another successful Shetland Wool Week, heritage conferences, Junior Rangers, exhibitions, archaeological projects and environmental surveys, our work continues to reach people of every age and from every corner of our community. Increasingly, the Trust is becoming not simply a custodian of heritage, but an organisation that inspires and enables others to become custodians themselves.

One of the most rewarding aspects of my time as Chair has been seeing the Trust evolve over recent years. Together, we have developed a clearer strategic direction, placing communities, partnerships and shared ownership of Shetland's heritage at the heart of everything we do.

For much of the Trust's history, success was often measured by what we gathered, from buildings to data. Today, our ambition is much broader. We believe Shetland's heritage should not belong solely to one organisation—it should belong to, and be enjoyed by, everyone in Shetland.

Our role is to champion Shetland's heritage by sharing knowledge, building partnerships and enabling communities to care for the places, stories, traditions and landscapes that define our islands. Whether supporting local heritage centres, working alongside environmental partners, inspiring young people through education, or helping communities tell their own stories, we are creating a model that is more resilient, more inclusive and ultimately more sustainable for future generations.

When we refreshed our strategy, we adopted a simple ambition: that Shetland's unique heritage should be owned by everyone, for the benefit of everyone, forever. Looking at where the Trust stands today, I believe we have taken meaningful steps towards making that ambition a reality.

That progress has only been possible because of the collective commitment of so many people. Trustees have been prepared to make difficult decisions, when necessary, our staff have continued to demonstrate exceptional professionalism and passion, our volunteers have given their time so generously, and our partners have worked alongside us with a shared commitment to Shetland's future.

This year has also demonstrated the Trust's growing confidence and ambition. We have continued to strengthen governance, modernise the organisation, improve financial management and develop new

partnerships, while never losing sight of our purpose. Even against the backdrop of the financial pressures facing the heritage sector, we have continued to invest in projects that deliver lasting benefit for Shetland.

As I step down at this year's Annual General Meeting, I do so with enormous confidence in the Trust's future.

The foundations are stronger than they have been for many years. We have a clear sense of purpose, growing partnerships, and an organisation that understands heritage is not simply about preserving the past—it is about enriching people's lives today while safeguarding what we value for future generations.

There will always be more to do. Caring for Shetland's heritage is never finished. But I leave knowing the Trust is well placed to embrace the opportunities ahead with confidence, creativity and optimism.

Finally, I would like to offer my heartfelt thanks.

To my fellow Trustees—thank you for your commitment, wisdom and support. To our volunteers and community partners—thank you for the countless hours you give to protecting and celebrating Shetland's heritage. To our funders, particularly Shetland Charitable Trust and Shetland Islands Council, thank you for your continued confidence in our work.

Most of all, I want to thank our Chief Executive, Hazel Sutherland, together with every member of staff across the Trust. Their knowledge, professionalism, resilience and unwavering commitment have guided the organisation through periods of challenge and opportunity, and it has been a privilege to work alongside them.

When I joined the Board eight years ago, I hoped I could make a positive contribution to an organisation that has meant so much to Shetland for over forty years. As I leave, I do so with enormous gratitude—to everyone who has shared that journey with me—and with confidence that the Trust is well placed to continue championing Shetland's heritage for generations to come.

A Moncrieff 26-AUG-26

Alison Moncrieff
Chair of Board of Trustees

Date

Charitable Objects

The Trust's objects are:

(a) the protection, improvement and enhancement of buildings and artefacts of architectural, historical, educational or other interest in Shetland with a view to securing public access to such buildings and the permanent display for the benefit of the public of such artefacts for the purposes of research, study or recreation;

(b) the provision, development and improvement of facilities for the enjoyment by the public of the Shetland countryside and its flora and fauna, the conservation and enhancement for the benefit of the public of its natural beauty and amenity and the securing of public access to the Shetland countryside for the purposes of research, study or recreation; and,

(c) such other purpose or purposes charitable in law as the Trustees shall from time to time determine.

Activities and Performance 2025/26

Looking after Shetland's Heritage – its stories, its places, its future

From ancient homes to traditional skills, from local stories to wild landscapes, Shetland Amenity Trust helps people connect with what makes our islands unique.

We look after the islands that look after us – their stories, their land, and the people who call them home. Through care, celebration and community, we keep Shetland's past alive and its future sustainable.

- We protect what makes Shetland special: caring for our historic sites, natural habitats and museums and archives.
- We celebrate the people and communities that shape our islands: sharing stories, skills and traditions through local heritage centres, events like Shetland Wool Week, and volunteering.
- We work together for a sustainable future: partnering with communities to inspire and deliver action in support of our environment and shared identity.

Our visitor facilities enjoyed a successful season, where we welcomed local people and visitors to enjoy Shetland's natural world and rich cultural identity through:

- Shetland UNESCO Global Geopark, recognised as an area with internationally important rocks and landscapes, managed responsibly for tourism, conservation and education.
- Old Scatness Broch and Iron Age Village, with 900 visitors
- Sumburgh Head Lighthouse, Visitor Centre and Nature Reserve, providing an engaging and interactive experience to explore the history and natural heritage of Sumburgh Head, with over 13,000 recorded attendances.
- Shetland Museum and Archives on behalf of Shetland islands Council, a celebrated facility showcasing Shetland's history and caring for the collections on behalf of the community and the Crofthouse Museum, with nearly 50,000 visitors.

Using the grant from Shetland Charitable Trust, we were able support 10 local heritage organisations with funding towards their running costs. The grants paid out totalled £45,783, ranging from £600 to over £9,000. The organisations supported are: Aithsting History Group, Bressay History Group, Burra History Group, Fetlar Museum Trust, Hanseatic Booth Trust, Lunnasting History Group, The Old Haa Trust, Sandwick History Group, South Mainland Community History Group, Whalsay Heritage Centre, and Shetland Heritage Association.

Engaging with our community is a key part of promoting and celebrating our heritage. Some highlight through the year were:

- Shetland Wool Week (September–October 2025) – welcoming over 1,000 participants from around the world, our internationally recognised festival showcased Shetland's textile traditions, with and for our textiles community, through classes, workshops, exhibitions and community events. We enjoyed hosting the Shetland Guild of Spinners, Knitters, Weavers and Dyers as Patrons, and creating the beautiful Aal Ower Toorie knitted in homes across the world to celebrate our Fair Isle traditions on an international stage.

- Celebrating Heritage Conference (November 2025) - delivered in partnership with Shetland Heritage Association, the conference of 50 delegates showcased volunteer heritage activity through inspirational stories and projects, such as the Papa Stour Kirk Development Project, and a talk on Shetland's remarkable geology and why our islands are often described as a miniature Great Britain in geological terms.

- Up Helly Aa Programme (January 2026) – an established multi-event programme including guided tours, family workshops, interpretive sessions, and cultural demonstrations linked to Shetland's Viking heritage, including the 'Peerie Viking' craft sessions.

A rich and diverse exhibition programme in the spaces in Shetland Museum and Archives provides creative expression and learning opportunities, for all ages. This year the Exhibition Programme Included:

Spirit of Places — Ron Sandford (April – August 2025)

- The exhibition brought together over 60 works that reflect Sandford's deep connection to place – drawing on his life in Shetland, time spent in China, and travels across Europe. Through meticulously observed still lifes, landscapes, and portraits in pencil, pen, ink, and watercolour, the exhibition showcases Sandford's remarkable skill and enduring commitment to drawing.

Mootie's Hoos — Helen Acklam (August – October 2025)

- Focusing on the deep connection between landscape, memory and history, Mootie's Hoos used mixed media to explore the stories of Shetland's women and the crofting communities they helped sustain. The exhibition centred around conversations Helen had with an elderly woman about her life on her croft in North Roe, and captures the essence of a generation who managed the croft while the men were away fishing.

Flight — Paul Bloomer (October 2025 – February 2026)

- "Flight" opened in Da Gadderie in October. This retrospective exhibition celebrated twenty-five years of Paul Bloomer's work inspired by Shetland. The exhibition presented paintings, etchings, prints and drawings which captured Shetland's wild skies, shifting seascapes and dramatic landscapes.

Bobby Simpson craft-focused exhibition (January 2026)

- This exhibition highlighted the craftsmanship of Bobby Simpson, a gifted Shetland hobbyist whose keen observational skill shaped his hand-carved figures in wood, cork and driftwood. From Vikings to kishie-carrying islanders, his culturally rooted carvings reflect Shetland heritage and local materials. Warmly remembered and widely admired, Simpson's work offered visitors an intimate glimpse into a modest maker's enduring legacy.

Outwith: Valda, MacDiarmid and Whalsay (March 2026 onwards)

- This exhibition, workshops and community events was delivered in partnership with National Library Scotland (NLS), the Royal Scottish Academy (RSA), visual artists and academics. The story of Hugh MacDiarmid and his wife, Valda, continues to inspire nearly a century on. This landmark exhibition focuses on the nine years (1933 - 1942) poet Hugh MacDiarmid and his wife Valda spent in the Shetland island of Whalsay, exploring how the island influenced their lives and work. Despite poverty, ill health, and isolation, MacDiarmid produced half of his life's work there. The exhibition examines how the island's rugged landscapes, community and solitude shaped his poetry, while highlighting Valda's resilience and support, which was central to his achievements.

Throughout the year our team inspire a love of heritage through events, workshops and learning opportunities. Some highlights for the year include:

- We had the most incredible evening at the museum on Thursday 8th May, marking the 80th anniversary of VE Day in style and spirit. The building came alive with toe-tapping tunes from Girsie and the Loose Ends, as visitors explored new war-related displays, sampled ration-era treats like "Emergency Bread" thanks to Becky and Mary from Taste of Shetland, and heard from local historian Jon Sandison on Shetland during WW2. The 8 o'clocks were a hit too! We ended the night with a torch lighting at Hay's Dock, part of the nationwide beacon tribute - uniting us all in remembrance under perfect skies.
- The Shetland Youth Voice invited us to collaborate as a partner on the first of their summits for the year, focussed on Art, Culture and Creativity, with around 50 young people from all over Shetland attending. We held a learning session so that young people got a glimpse into some of the informal learning activity we offer at Shetland Museum as well as an engagement exercise to get some insight from the young people themselves about sessions they might like to see from us. Following the summit, the SYV plan to create an Arts, Culture and Creativity subcommittee which we hope to engage with
- The Junior Rangers Programme was launched in August 2025, for young people aged 13-18, following a successful pilot project. The programme provides an opportunity to develop hands on experience in conservation and heritage protection. There are currently 15 Junior Rangers and the club meets monthly, participating in a variety of conservation topics with field trips and demonstrations, with the support of many partner organisations.
- Shetland Archives received a donation from John H Ballantyne, following the publication of volume three in his Shetland Documents series, chronicling Shetland's history through documents dating from 1195 to 1697. The research material enhances existing archive holdings and reflects Ballantyne's long standing engagement with Shetland history and research.
- Mid Yell and Unst High School joined us for a visit as the final part of a project called Marseum. The work for the project was developed earlier in the year with the students visiting the Museum to see their work on display. A part of developing workforce for the future, MGS have been working in partnership with DYW to deliver youth employability projects in museums and schools. The students were tasked to co-create a resource with their local museum, learning about the diversity of job roles in the sector and increasing their employability skills gaining insights into the intricacies of exhibition creation, the art of storytelling and comprehending the vital role of museums, they developed and skilfully selected captivating narratives and objects to feature in their unique exhibition in The Neuk.

- We were delighted to support the sold out Taste of Shetland – A Taste of Shetland's Past: 100 Years of Northern Cooking event, held at the Shetland Museum and Archives in March. The evening, organised by Taste of Shetland, celebrated the deep roots of Shetland's food heritage and the traditions that continue to shape local identity today. The programme featured a series of engaging mini talks exploring themes such as crofting, traditional food practices, and the changing landscape of Shetland's culinary culture. These talks were complemented by live cookery demonstrations in our learning room, giving both local residents and visiting audiences the chance to see historic techniques and ingredients brought to life.
- Working in partnership with the Old Haa Museum in Yell, we supported the restoration of the White Wife, the carved figurehead from the German tree-masted barque SV Bohus which was wrecked at the Ness of Queyon in Yell in 1924. The original was found to be degraded but through the work of a conservator the figurehead has been restored and now stands proudly in her permanent home at the Old Haa Museum.
- Sumburgh Head Lighthouse, Visitor Centre and Nature Reserve hosted a talk on Storm Petrels, followed by a ringing demonstration. During the evening, participants were given the opportunity to release a Storm Petrel under the supervision of a licenses bird ringer and is a great example of partnership working with RSPB, Shetland Bird Club and Shetland Ringing Group.
- Taking time out to enjoy our natural heritage can bring about real mental health and wellbeing benefits. In May 2005, we promoted a guided coastal walk, as part of Mental Health Awareness Week, and 24 participants enjoyed the walk on the coastal path between Jarlshof and Sumburgh Head.
- Through the support of NatureScot's PeatlandACTION funding, our team continued to provide training opportunities to support the new emerging peatland restoration industry. Local contractors are reskilling their workforce to undertake the work, and ensure the economic benefits remain in Shetland. One project in the West Mainland saw 4 new apprentice digger drivers learn the skills of peatland restoration, requiring a trained eye and precise coordination to remould the landscape.
- Working with Tingwall Primary and Aith Junior High schools our team established a project to create areas of native wildflower meadows. Staff and volunteers gathered native wildflower seed to help boost biodiversity and create new habitats for pollinators and other wildlife. The seeds collected include bird's-foot trefoil, yellow rattle, red clover, devil's-bit scabious, tufted vetch, bush vetch and kidney vetch – all species valuable for nectar and pollen.
- The Allover Touring Exhibition, showing the photographs from Chris Morphet on the traditional fair isle styles routinely worn in the 1970s, was so popular that it went on tour to Fair Isle, Unst and Whalsay.
- We were delighted to work with community groups to get heritage properties back into community use, with the Fetlar Development Association to operate Aithbank Camping bod, with NCDC to operate Johnnie Notions camping böd and with the Unst Partnership to operate the Replica Viking Longship and Longhouse, at Brookpoint in Unst.
- With support from funders, we were able to undertake some significant investment in our properties, as below:
  - Accessibility and safety improvements at Sumburgh Head Visitor Centre, funded by Shetland Charitable Trust, including a cliff stability study;
  - Balcony Repairs at Shetland Museum and Archives, funded by Shetland Charitable Trust; and

- Boat Shed reconfiguration for safe storage and display of the boat collection, funded by the Coastal Communities Fund.
- Thatching at Da Crofthouse Museum, funded by Shetland Islands Council.

Voluntary help and gifts in kind

Shetland Amenity Trust offers a range of volunteering opportunities, around natural heritage, cultural heritage, community events and environmental improvement. Da Voar Redd Up is supported by over 3,000 volunteers, representing around 200 groups. Volunteers also regularly assist at Sumburgh Head Lighthouse and Shetland Wool Week, recording activity in the natural world and supporting the Museum Collection, the Woodlands Unit, and the recording of Place Names.

Financial Review

At 31 March 2026, our surplus on unrestricted funds before depreciation, investment revaluations and actuarial losses, was £119,324, so an improvement on the deficit of £135,632 recorded in the previous year, mainly due to savings made.

We are grateful for substantial core funding from Shetland Charitable Trust. This amounted to £1,300,000 in year, (£1,261,700 in 2024/25) and £213,773 of support towards assets and facilities.

Shetland Islands Council supports the Shetland Museum and Archives service under a 25-year contract to the value of £1,033,200 per annum. Shetland Islands Council also contracts with the Trust to deliver the Natural Heritage Ranger Service (£48,404).

Reserves Policy

The main aim of the reserves policy is to ensure that the Trust holds adequate funds to manage short-term cashflow requirements, support service delivery and the repair and maintenance of assets, and ensure its long-term viability. Following a significant prior year adjustment to reallocate balances from restricted, to unrestricted reserves, the unrestricted reserve currently sits at a £4,119,878 (see note 26).

The net value of reserves at the year-end was £14,676,757, an increase over the previous years balance of £12,692,866. The majority of this movement was due to the revaluation of properties. This sum comprised £10,556,879 in restricted funds and £4,119,878 in unrestricted funds.

Looking Forward: Going Concern Statement

The Trust has secured a balanced budget for the year ahead and is committed to ensuring that ongoing running costs will be met by in-year income.

The likely increases in running costs are assessed on a risk basis as part of the year on year budgeting. The risks will be mitigated by reducing the overall cost base or increasing income as set out below.

The main cost element is staffing costs. The Trust has invested significantly in modernising the Human Resources policies and procedures, including plans to refresh the Trust's pay and rewards policy and job evaluation arrangements.

The Trust has an approved Property Strategy to dispose of assets which are deemed surplus to requirements. This will secure cash receipts and reduce the ongoing property costs associated with the current property portfolio. The plans in place will result in a partial reduction in costs in 2026/27, and be fully realised by 2027/28.

There is in place a planned programme of service redesigns, to ensure that services provided by the Trust are aligned with the Trust's refreshed Strategic Plan and can be delivered in a cost effective way, and within the overall funding envelope.

The Trust has adopted a Fundraising Strategy. The Trust has secured in year, £109,494 of funding additional to the core grant and service level agreement funding streams. The externally funded projects have been successfully delivered and there is emerging confidence that the Trust will be successful in continuing to secure external funding at a national level in support of its objectives. There

is a strong management focus on the success of the retail function, and overall patterns of sales for visitor attractions and events is positive.

The internal historical debt stands at £182,936, which will be addressed on an ongoing basis and through the sale of surplus assets within 4 years. The financial policies of the Trust prevent any reoccurrence of internal debt being incurred, unless for short-term year end cash flow purposes which are immediately repaid.

The Trust is therefore confident that it can operate as a going concern, with a presumption that the Trust will be able to meet its obligations when they become due.

Risk Management

The Trust has established a reporting mechanism to allow Trustees to have oversight of the key corporate risks on a regular basis.

The main Corporate Risks are summarised under 10 headings. Each has a separate Risk Assessment showing the impact of the risk, control measures and identified gaps to further manage the risks to a reasonable level.

- Effective Governance
- Effective Service Delivery
- Financial Sustainability
- Property Portfolio
- Staff Performing Well
- Change Management
- Managing Contracts
- Managing Information
- Managing Safety
- Addressing Climate Change

Trustees have assessed the corporate risks and present a summary of the current position in the table below.

Risk No	Risk	Score Before Control Measures	Score (after Control Measures)	Target Risk (Current)
1	Effective Governance	25 (High)	6 (Medium)	Medium
2	Effective Service Delivery	12 (High)	4 (Low)	Medium
3	Financial Sustainability	25 (High)	8 (Medium)	High
4	Property Portfolio	15 (High)	9 (Medium)	Medium
5	Staff Performing Well	20 (High)	6 (Medium)	Medium
6	Change Management	12 (High)	9 (Medium)	Medium
7	Managing Contracts	15 (High)	4 (Low)	Medium
8	Managing Information	15 (High)	12 (High)	Medium
9	Managing Safely	20 (High)	8 (Medium)	Medium
10	Addressing climate change	15 (High)	12 (High)	Medium

Progress has been made on aspects of the control environment and management systems. There is an action plan in place to further support the management arrangements including:

- Secure a balanced income and expenditure position, and repaying the internal debt
- Modernising the human resources policy framework and practices
- Implementing efficient management systems, documenting procedures and business continuity
- Implement the Property Strategy and secure adequate maintenance budget to meet statutory, planned and reactive maintenance needs
- Retention and Destruction schedules agreed and implemented
- Compliance with Net Carbon Zero Commitment and Funding Obligations on measuring and managing impact

Structure, Governance and Management

Trustees and Organisational Structure

The Trust is an unincorporated Scottish Charity, originally registered as a Charity on 10 January 1983, Scottish Charity Number SC017505.

The Trust Deed allows for up to twelve Trustees to be appointed. Trustees are appointed for the period of four years, when they can stand for re-election. No Trustee may normally serve for more than two successive four-year terms, although the Board can agree to extend a term of office if appropriate. New Trustees are appointed after advertising for interest prior to the AGM. Nominations must be made on the official nomination form and elections are held by secret ballot. These ballots are finalised and counted with the results announced at the Trust's AGM.

New Trustees receive relevant strategic documents and are invited to meet the Trust's Chair and Chief Executive to discuss the work of the Trust and their roles and responsibilities as a Trustee, including their legal obligations. Training for Trustees is provided as necessary.

The Trustees are responsible for the governance of the Trust and meet regularly throughout the year.

The Chief Executive takes responsibility for the day-to-day operation of the Trust and manages the staff on behalf of the Trustees.

Governance Review

The Board of Trustees are committed to achieving the principles for good governance:

- **Organisational Purpose** - A well-run board is clear about the purpose and values of the organisation and how it will achieve its aims.
- **Leadership** - A well-run board is clear about its role and responsibilities and provides strategic direction in line with the organisation's purpose, vision, and values.
- **Board Behaviour** - A well-run board, both collectively and individually, embraces and demonstrates mutual respect, integrity, openness, and accountability.
- **Control** - A well-run board will develop and implement appropriate controls to direct and oversee progress and performance of the organisation.
- **Effectiveness** - A well-run board understands its role, powers and duties and works collectively and proactively, to achieve its organisational purpose.

The Board has established Administrative Regulations, adopted in 2024, to determine the rules under which decision making will take place.

Relationships with Related Parties

The Trust has relationships with various funding partners whose funding assists the Trust in pursuing its charitable objectives. The Trust also works in partnership with other organisations, eg Museum Galleries Scotland, NatureScot and the RSPB, for the furtherance of its charitable objects.

The Trust maintains a record of Trustees' interests, including any relationship they may have with parties transacting business with the Trust. Trustees are expected to declare any potential or actual conflict of interest.

Reference and Administrative Information

Trustees and Senior Staff	
Trustees	Alison Moncrieff (Chair) – June 2018 – present
	Hamish Balfour – August 2023 – present
	Robert Hunter – March 2023 – present
	Olaf Isbister – August 2024 – present
	Margaret Reeves – August 2023 – present
	Vic Thomas – September 2021 – present
	Lindsay Tulloch – March 2023 – present
	John Uttley – December 2025 – present
Management Team	Hazel Sutherland – Chief Executive (Interim)
	Jacqui Birnie – Cultural Heritage Manager
	Tracey Hawkins – Collections Manager
	Amy Hendry – Engagement & Programming Manager
	Kerry Llewellyn – Finance Manager
	Rory Tallack – Natural Heritage Manager

Professional Advice	Organisation
Auditors	Scholes Chartered Accountants, St. Olaf's Hall, Church Road, Lerwick, Shetland, ZE1 0FD
Bankers	Virgin Money, Commercial Street, Lerwick, Shetland, ZE1 0JJ
Investment Fund Managers	Rathbones, incorporating Investec Wealth and Investment UK, 50 George Square, Glasgow, G2 1EH
Solicitors	Harper Macleod LLP, St. Olaf Hall, Lerwick, Shetland, ZE1 0FD

Administrative Details	
Founding Trust Deed	Registered BC&S on 10th January 1983
Supplementary Trust Deed	Registered BC&S on 17th August 1993
Scottish Charity Number	SC017505
VAT Registration Number	716 8439 12
Principal Office	Garthspool, Lerwick, Shetland, ZE1 0NY

Statement of Trustees' Responsibilities

The Trustees 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).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. 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 Charities SORP 2019 (FRS102);
- 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 that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the terms of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by Trustees on 26 August 2026



Alison Moncrieff
Chair and Authorised Signatory

Independent Auditors' Report to the Trustees: Year Ended 31 March 2026

Opinion

We have audited the financial statements of Shetland Amenity Trust (the 'charity') for the year ended 31st March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and the 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 charity's affairs as at 31st March 2026, and of its incoming resources and application of resources, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under the Act.

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 charity 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 related 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 charity'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 trustees are responsible for the 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. 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the trustees are responsible for the preparation of financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Employment Act 2008 and Health and Safety at Work Act 1974. We performed audit procedures to inquire of management whether the charity is in compliance with these law and regulations and inspected the client's risk register for controls in place, as well as checking payroll documentation and reconciliations.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in connection with management override included but were not limited to testing manual journal entries and other adjustments, evaluation the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates. In relation to revenue recognition we have tested grant letters and source documentation in relation to ancillary revenue.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Due to 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

AJB Scholes Ltd.

AJB Scholes Ltd
Statutory Auditor
Chartered Accountants
St Olaf's Hall
Church Road
Lerwick
Shetland
ZE1 0FD

26 August 2026.

SHETLAND AMENITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2026

	Note	Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2026 Total Funds	2025 Total Funds
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	97,495	-	-	-	97,495	85,282
Charitable activities	3	338,509	2,842,356	-	-	3,180,865	3,047,177
Other trading activities	4	390,302	-	-	-	390,302	448,264
Investment income	5	10,910	35,997	-	-	46,907	62,533
Total income and endowments		837,216	2,878,353	-	-	3,715,569	3,643,256
EXPENDITURE ON:							
Raising Funds	6	204,389	-	-	9,174	213,563	240,804
Charitable activities	7	813,105	2,722,484	-	-	3,535,589	3,831,101
TOTAL EXPENDITURE		1,017,494	2,722,484	-	9,174	3,749,152	4,071,905
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		(180,278)	155,869	-	(9,174)	(33,583)	(428,649)
Net gains/(losses) on investments	13	-	-	-	154,906	154,906	13,057
NET INCOME/(EXPENDITURE) FOR THE YEAR		(180,278)	155,869	-	145,732	121,323	(415,592)
Transfers between funds	23	221,189	(35,997)	(240,854)	55,662	-	-
NET INCOME/(EXPENDITURE)		40,911	119,872	(240,854)	201,394	121,323	(415,592)
OTHER RECOGNISED (LOSSES) AND GAINS							
Gains/(losses) on revaluation of fixed assets	12 & 25	314,068	1,548,811	-	-	1,862,879	(258,179)
Gains/(losses) on sale of fixed assets		(310)	-		-	(310)	3,913
Actuarial losses on defined benefit pension scheme	20	-	-	-	-	-	(4,132,000)
NET MOVEMENT IN FUNDS		354,669	1,668,683	(240,854)	201,394	1,983,892	(4,801,858)
RECONCILIATION OF FUNDS							
TOTAL FUNDS BROUGHT FORWARD AT 1 APRIL 2025		3,765,209	1,275,831	6,459,721	1,192,105	12,692,866	17,494,724
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2026	23	4,119,878	2,944,514	6,218,867	1,393,499	14,676,758	12,692,866

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 23 to 40 form part of these accounts

SHETLAND AMENITY TRUST

BALANCE SHEET

YEAR ENDED 31 MARCH 2026

	Note	2026 £	2026 £	2025 (as restated) £	2025 (as restated) £
FIXED ASSETS					
Intangible assets	11		-		-
Tangible assets	12		13,200,383		11,638,667
Endowment Investments (at market value)	13		1,393,499		1,192,105
Total fixed assets			14,593,882		12,830,772
CURRENT ASSETS					
Stocks	14	75,806		66,008	
Debtors	15	247,146		123,290	
Cash at bank and in hand		102,431		66,080	
Total current assets		425,383		255,378	
LIABILITIES:					
Creditors: Amounts falling due within one year	16	(342,508)		(390,756)	
NET CURRENT ASSETS/(LIABILITIES)			82,875		(135,378)
TOTAL ASSETS LESS CURRENT LIABILITIES			14,676,757		12,695,394
Creditors: Amounts falling due after more than one year	17		-		(2,528)
NET ASSETS EXCLUDING PENSION			14,676,757		12,692,866
Defined benefit pension scheme asset / (liability)	20		-		-
TOTAL NET ASSETS			14,676,757		12,692,866
THE FUNDS OF THE CHARITY					
Endowment Fund	23		1,393,499		1,192,105
Restricted Income Funds	23		433,383		313,511
Restricted Capital Funds	23		6,218,867		6,459,721
Restricted Revaluation Reserve	23		2,511,130		962,320
Total Restricted Funds			10,556,879		8,927,657
Capital on Formation	23		1		1
Unrestricted income funds ex. pension liability	23		3,032,835		2,992,234
Unrestricted Revaluation Reserve	23		1,087,042		772,974
Pension reserve	23		-		-
Total Unrestricted Funds			4,119,878		3,765,209
TOTAL CHARITY FUNDS			14,676,757		12,692,866

Approved by the Board of Trustees and signed on its behalf by;

TRUSTEE

TRUSTEE

DATE 26 August 2026.

The notes on pages 23 to 40 form part of these accounts

SHETLAND AMENITY TRUST

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2026

	Note	2026	2025 (as restated)
		£	£
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	25(a)	46,452	(20,023)
Cash flows from investing activities			
Dividends, interest and rents from investments		35,997	44,810
Interest received		10,910	17,723
Purchase of property, plant and equipment		-	-
Proceeds from sale of property, plant and equipment		1,560	-
Proceeds from sale of investments		512,619	160,415
Purchase of investments and additional cash available		(540,508)	(248,600)
Net cash provided by investing activities		20,578	(25,652)
Cash flows from financing activities			
Repayment of borrowing		(12,033)	(12,035)
Interest paid		(220)	(614)
Net cash provided (used in) investing activities		(12,253)	(12,649)
Change in cash and cash equivalents in the reporting period		54,777	(58,324)
Cash and cash equivalents at 1st April 2025	25(b)	83,775	142,099
Cash and cash equivalents at 31 March 2026	25(b)	138,552	83,775

The notes on pages 23 to 40 form part of these accounts

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS: YEAR ENDED 31 MARCH 2026

1. ACCOUNTING POLICIES

a) Basis of Accounting and Going Concern

Shetland Amenity Trust is a registered Scottish charity and is constituted by its trust deed. The address of the charity's registered office and a description of the charity's operations and principal activities are further discussed in the Trustees' Report. The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are prepared on a going concern basis under the historical cost convention with items recognised at cost of transaction value unless otherwise stated in the relevant notes to these accounts and include the results of the charity's operations which are described in the Trustees' Report and all of which are continuing.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The functional currency of Shetland Amenity Trust is considered to be pounds sterling because that is the currency of the primary economic environment in which the charity operates.

All figures within the financial statements are rounded to the nearest whole pound.

b) Going Concern

The Trust is reliant on external grant funding, and key funding is provided by the Shetland Charitable Trust and the Shetland Islands Council.

The Shetland Charitable Trust have approved indicative funding until 31 March 2030. Shetland Islands Council and Shetland Amenity Trust entered into a Minute of Agreement for the provision of the Shetland Museum and Archives Services on 29 September 2005, for a period of 25 years, also giving security until 2030.

Although the Trust no longer has a deficit level on unrestricted reserves, work is ongoing to ensure this is maintained and to grow this balance to underwrite the organisation. The details of this are set out within the Trustees report.

Taking these points into consideration, the additional detail included in the Trustees' Annual Report, and there being no material uncertainties, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c) Critical Accounting Estimates and Areas of Judgement

The following judgements and estimates have had the most significant effect on the amounts recognised in the financial statements.

The trust participates in a defined benefit pension scheme which is currently in an asset position. At 31 March 2026 the asset recognised in the accounts was nil (2025: nil). Changes to the actuarial assumptions could result in material changes within the next financial year. Following updated guidance on the recognition of pension scheme assets, Shetland Amenity Trust has not recognised the defined benefit scheme asset as the impact of the assets ceiling is to maintain the net pension asset as £nil.

The revaluation of property is based on valuations performed by independent, professionally qualified valuers. These valuations require the use of significant estimates and assumptions. Where properties are of a non-specialised nature for which there is an active market, fair value has been primarily derived using the Market Comparable approach and/or Income approach. Where properties are of a specialised nature for which there is no active market and no useful or relevant evidence of recent comparable sales transactions, the Depreciated

Replacement Cost (DRC) Method has been appropriately used. Changes in these assumptions could materially affect the carrying amount of the assets and the related revaluation reserve.

d) Income

As a general principle, income is recognised in the Statement of Financial Activities when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities. Income is only recognised when all of the following criteria are met:

- Entitlement: control over the rights or other access to the economic benefit has passed to the charity;
- Probable: it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity; and
- Measurement: the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Incoming resources are analysed and directly attributed to the appropriate activity that produced the resources.

Grants are recognised when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards initial setting up of projects are credited in full to the various activities in furtherance of the Charity's objects in the year in which they are received.

Where grant income received is subject to donor imposed conditions that specify the time period in which the expenditure can take place, such incoming resources are accounted for as deferred income and recognised as a liability until the accounting period in which the Trust is allowed by the conditions to expend the resources.

Where grant income is received with conditions attached that must be fulfilled before the Trust has unconditional entitlement of the resources, and uncertainty exists as to whether the Trust can meet conditions within its control, such incoming resources are accounted for as deferred income and recognised as a liability until certainty exists that the conditions imposed can be met.

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

e) Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

Support costs are those functions that assist the work of the charity but do not undertake charitable activities. These costs include staff salaries, overheads and governance costs. All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis that reflects the use of the resource.

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

f) Termination Benefits

Termination benefits are payable when employment is terminated by the charity before the normal retirement date, or whenever an employee accepts voluntary redundancy. Such benefits are recognised when the charity is demonstrably committed to terminating the employment without withdrawal or when an offer of voluntary redundancy is accepted.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS: YEAR ENDED 31 MARCH 2026

1. ACCOUNTING POLICIES (continued)

g) Grant Aid
Grant Aid awarded to other organisations is accounted for when committed.

h) Operating Leases
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against surpluses on a straight line basis over the period of the lease.

i) Value Added Tax
Irrecoverable value added tax is written off when the expenditure to which it relates is incurred.

j) Pensions – Defined Benefit Scheme
Employees are eligible for membership of the Local Government Pension Scheme, a multi-employer defined benefit statutory scheme, administered by Shetland Islands Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998 as amended.

The contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees. Variations from the regular costs are spread over the average expected remaining work lives of current members in the scheme.

k) Donated Goods and Services
Where donations of assets, other goods, services or facilities are received by the charity free of charge, and the benefit to the charity is reasonably quantifiable, in the Statement of Financial Activities, the estimated value to the charity of these goods, services or facilities received is included in incoming resources and equivalent amounts of expenditure are included as expenditure under the appropriate headings. No donations have been recognised in the current financial year. Volunteer hours, which are highlighted in the Trustees' Report (page 9), have not been recognised in the accounts in line with Statement of Recommended Practice guidance.

l) Tangible Fixed Assets
No single equipment purchase with a cost below £2,000 is to be capitalised. Any item of equipment costing more than £2,000 is initially capitalised at cost.

Heritable and Leasehold properties, whose fair value can be measured reliably, are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses, based on their remaining useful lives. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in net income/(expenditure) for the year and accumulated in the total funds of the charity

Depreciation is charged on fixed assets, other than investments, from the month of purchase so as to write off each asset's net cost less any residual value over its anticipated useful economic life. The following rates of depreciation are used:

Heritable Property	-	straight line over the useful life of the building, varying from 10 to 50 years
Long Leasehold Property	-	straight line over the remaining useful life, deemed to be 35 years
Equipment	-	10 - 20% straight line
Motor Vehicles	-	20% straight line

Artwork is not depreciated as it is considered to have a useful life of greater than 50 years and therefore any depreciation is considered immaterial. The Trustees consider that this departure from United Kingdom Generally Accepted Accounting Practice (UK GAAP) is necessary in order to provide a true and fair view.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS: YEAR ENDED 31 MARCH 2026

1. ACCOUNTING POLICIES (continued)

l) Tangible Fixed Assets (continued)

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

m) Intangible Fixed Assets

Patents and other intangible assets are capitalised at cost. Amortisation is charged using the straight line method from the month of purchase so as to write off the cost of these assets less any residual value over their useful economic life. Assets currently held are being written off over 5 years.

n) Investments

Listed investments are initially capitalised at cost value but are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

o) Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the Statement of Financial Activities. Reversals of impairment losses are also recognised in the Statement of Financial Activities.

p) Debtors

Trade and other debtors, that are receivable within one year, are measured at their recoverable amounts and include amounts owed to the charity for the provision of goods and services or amounts paid in advance for goods and services that the charity will receive.

q) Cash at Bank and in Hand

Cash at bank and in hand is held to meet the short-term cash commitments as they fall due rather than for any investment purposes.

r) Liabilities

Liabilities arise from legal or constructive obligations that commit the charity to expenditure. A liability and related expenditure is recognised when all of the following criteria are met:

Obligation: a present legal or constructive obligation exists at the reporting date as a result of a past event;
Probable: it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement; and
Measurement: the amount of the obligation can be measured or estimated reliably.

Liabilities that are classified as payable within one year on initial recognition are measured at the undiscounted amount of cash or other consideration expected to be paid. Amounts are included in liabilities when authorised and committed.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS: YEAR ENDED 31 MARCH 2026

1. ACCOUNTING POLICIES (continued)

s) Funds

With the adoption of the statement of recommended practice, funds require to be classified between restricted funds which are subject to specific terms as to their use laid down by the donor and unrestricted funds which can be used at the discretion of the Trustees in the furtherance of the objectives of the Trust.

All funds held as Restricted Funds are funds that have restrictions imposed by donors and can only be applied for the particular purposes specified by the donors.

Endowment funds are capital funds where the capital cannot be spent although the income may be spent. The investment income is added to restricted funds and is utilised in the furtherance of delivering the charity's objectives.

Permanent Restricted Grant funds are grant funding that has been received in respect of specific capital expenditure. The amount transferred between funds relates to the amortisation of the capitalised grants. These grants are amortised over the useful economic life of the assets the grants were received for.

t) Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net incoming/outgoing resources.

u) Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at their transaction value and subsequently measured at their settlement value.

v) Prior Year Adjustment

Prior year figures have been restated in the financial statements. For further details please refer to Note 26 on page 39.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

2 DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2026 Total Funds	2025 Total Funds
	£	£	£	£	£	£
Donations	97,495	-	-	-	97,495	85,282
	97,495	-	-	-	97,495	85,282

The charity benefits from the involvement and enthusiastic support of its volunteers, details of which are given in the Trustees' Report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

In 2025, all donations were considerd to be unrestricted funds.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2026 Total Funds	2025 Total Funds
Grant Funded Income	£	£	£	£	£	£
Shetland Charitable Trust	-	1,517,250	-	-	1,517,250	1,327,422
Shetland Islands Council	-	72,008	-	-	72,008	10,821
Scottish Natural Heritage - Peatlands	-	136,641	-	-	136,641	105,995
Other Grants	-	34,853	-	-	34,853	40,084
	-	1,760,752	-	-	1,760,752	1,484,322
Other income from charitable activities						
Shetland Islands Council	-	1,081,604	-	-	1,081,604	1,051,140
Commercial Operations	338,509	-	-	-	338,509	511,715
	338,509	1,081,604	-	-	1,420,113	1,562,855
Total charitable activities	338,509	2,842,356	-	-	3,180,865	3,047,177

In 2025 £2,535,462 of income from charitable activities was attributable to restricted funds. The balance of £511,715 was attributable to unrestricted funds.

4 OTHER TRADING ACTIVITIES

Retail income	390,302	-	-	-	390,302	448,264
Total other trading activities	390,302	-	-	-	390,302	448,264

All trading income in 2025 was considered to be unrestricted funds.

5 INVESTMENT INCOME

Investments listed on a recognised stock exchange	-	35,997	-	-	35,997	44,810
Bank interest	10,910	-	-	-	10,910	17,723
Total investment income	10,910	35,997	-	-	46,907	62,533

In 2025, £44,810 of income from investments was attributable to restricted funds. The balance of £17,723 was attributable to unresricted funds.

6 EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2026 Total Funds	2025 Total Funds
	£	£	£	£	£	£
MUSEUM SHOP						
Retail costs	116,142	-	-	-	116,142	150,185
Sumburgh Head operational costs	88,247	-	-	-	88,247	82,059
Investment management costs	-	-	-	9,174	9,174	8,560
	204,389	-	-	9,174	213,563	240,804

All expenditure on raising funds in 2025 was considered to be unrestricted funds.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

7 EXPENDITURE ON CHARITABLE ACTIVITIES

2026		Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2026 Total Funds	2025 Total Funds
		£	£	£	£	£	£
Activities Undertaken Directly							
Shetland Museum and Archives		103,968	224,225	-	-	328,193	425,974
Other Grant Funded Projects and Services		30,893	39,982	-	-	70,875	81,397
Commercial Operations		255,785	-	-	-	255,785	290,531
Direct Charitable Wages and Salaries		-	1,412,233	-	-	1,412,233	1,637,118
Depreciation		299,602	-	-	-	299,602	309,572
Grant Aid		13,281	45,783	-	-	59,064	63,993
Support costs							
Governance	8	-	25,300	-	-	25,300	27,026
Finance and Office Administration		-	321,820	-	-	321,820	335,195
Fleet Management		11,807		-	-	11,807	22,773
Repairs and Maintenance		72,895	311,994	-	-	384,889	237,160
Support Wages and Salaries		24,874	341,147	-	-	366,021	400,362
		813,105	2,722,484	-	-	3,535,589	3,831,101

2025		Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2025 Total Funds	2024 Total Funds
		£	£	£	£	£	£
Activities Undertaken Directly							
Shetland Museum and Archives		195	425,779	-	-	425,974	394,834
Other Grant Funded Projects and Services		62,946	18,451	-	-	81,397	154,366
Commercial Operations		290,531	-	-	-	290,531	261,490
Direct Charitable Wages and Salaries		557,804	1,079,314	-	-	1,637,118	1,369,380
Depreciation		309,572	-	-	-	309,572	303,178
Grant Aid		-	63,993	-	-	63,993	81,623
Support costs							
Governance	8	-	27,026	-	-	27,026	27,584
Finance and Office Administration		-	335,195	-	-	335,195	199,857
Fleet Management		22,773	-	-	-	22,773	34,421
Repairs and Maintenance		32,123	205,037	-	-	237,160	740,877
Support Wages and Salaries		-	400,362	-	-	400,362	424,183
		1,275,944	2,555,157	-	-	3,831,101	3,991,793

8 GOVERNANCE COSTS

2026	Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2026 Total Funds	2025 Total Funds
	£	£	£	£	£	£
Auditors Remuneration						
Audit Fees	-	16,000	-	-	16,000	13,055
Other Governance Costs						
Trustees Allowances and Expenditure	-	-	-	-	-	94
Room Hire	-	38	-	-	38	-
Other Trustee Costs - Trustee Indemnity Insurance	-	6,877	-	-	6,877	6,942
Other Trustee Costs - Board Intelligence Tool	-	2,385	-	-	2,385	6,935
	-	25,300	-	-	25,300	27,026

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

8 GOVERNANCE COSTS (continued)

2025	Unrestricted Funds	Restricted Funds	Restricted Capital Grant Funds	Restricted Endowment Funds	2025 Total Funds	2024 Total Funds
	£	£	£	£	£	£
Auditors Remuneration						
Audit Fees	-	13,055	-	-	13,055	9,100
Other Governance Costs						
Trustees Allowances and Expenditure	-	-	-	-	-	882
Room Hire	-	94	-	-	94	-
Other Trustee Costs - Trustee Indemnity	-	6,942	-	-	6,942	6,942
Other Trustee Costs - Board Intelligence Tool	-	6,935	-	-	6,935	10,660
	-	27,026	-	-	27,026	27,584

Trustees are entitled to an attendance allowance to reimburse them for the cost of their travel to meetings. No allowances were paid in the financial year. During the year, reimbursements were made to trustees totalling £nil (2025: £nil). Trustees are not remunerated by the Trust.

9 STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2026	2025
	£	£
Wages and salaries	1,517,472	1,639,521
Employer's National Insurance	293,656	158,263
Pension contributions (including operating costs of defined benefit pension scheme)	179,247	467,756
	1,990,375	2,265,540

Redundancy costs for the year were £nil (2025: £27,993). These were accounted for when paid and calculated in the statutory method. Redundancy costs were met with funding from the charity's commercial operations.

	2026	2025
	No.	No.
The average number of employees employed during the year was	50	54
The number of higher paid employees was		
Taxable emoluments band £60,000 - £70,000	1	1
The number of higher paid employees accruing benefits under defined benefit pension schemes	1	1

The total employment benefits, including employer's pension contributions, of key management personnel was £146,053 (2025: £235,126).

10 GRANT AID - GRANTS PAID/COMMITTED

2026	Committed at 1 April 2025	Awarded during year	Grants written off	Paid during year	Committed at 31 March 2026
	£	£	£	£	£
SAT Drifting Apart	4,170	-	-	-	4,170
Sandwick Social and Economic Development - Display system	850	-	-	-	850
Claire White - Da Fateful Tale o Marion Pardone film	1,194	-	(64)	(1,130)	-
Tingwall Agricultural Museum	1,500	-	-	-	1,500
South Georgia Heritage Trust	399	-	(24)	(375)	-
	8,113	-	(88)	(1,505)	6,520

2025	Committed at 1 April 2024	Awarded during year	Grants written off	Paid during year	Committed at 31 March 2025
	£	£	£	£	£
SAT Drifting Apart	4,170	-	-	-	4,170
Shetland Film Archive - Sandwick Scenes	300	-	-	(300)	-
Sandwick Social and Economic Development - Display system	850	-	-	-	850
Claire White - Da Fateful Tale o Marion Pardone film	3,980	-	-	(2,786)	1,194
Tingwall Agricultural Museum	1,500	-	-	(-	1,500
Sandwick Social and Economic Development	255	-	-	(255)	-
South Georgia Heritage Trust	-	3,995	-	(3,596)	399
	11,055	3,995	-	(6,937)	8,113

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

10 GRANT AID - GRANTS PAID/COMMITTED (continued)

GRANT AID SCHEME

The Trust operates a grant aid scheme financed by investment income from its endowment fund. The ability to offer grant assistance is dependent on the level of investment income received and can vary year to year depending on stock market performance.

Grants are offered for projects in environmental improvement and interpretation including access to the countryside and publications promoting Shetland's heritage. Applications are also considered for the restoration, renovation and preservation of artefacts considered to have significance in the interpretation of Shetland's history. Projects being submitted must demonstrate a tangible benefit for the people of Shetland and ensure the furtherance for the Trust's objectives.

11 INTANGIBLE FIXED ASSETS

COST	Museum & Archives Branding £	Glass Recycling Centre £	Total £
At 1st April 2025	34,746	300	35,046
At 31st March 2026	34,746	300	35,046
DEPRECIATION			
At 1st April 2025	34,746	300	35,046
At 31st March 2026	34,746	300	35,046
NET BOOK VALUE			
At 31st March 2026	-	-	-
At 31st March 2025	-	-	-

12 TANGIBLE FIXED ASSETS

COST	Heritable Property £	Long Leasehold Property £	Equipment £	Motor Vehicles £	Total £
At 1st April 2025	11,677,000	650,000	2,656,020	69,868	15,052,888
Additions	-	-	-	-	-
Revaluation	638,000	25,000	-	-	663,000
Disposals	-	-	-	(7,200)	(7,200)
At 31st March 2026	12,315,000	675,000	2,656,020	62,668	15,708,688
DEPRECIATION					
At 1st April 2025	895,254	56,309	2,417,403	45,256	3,414,221
Depreciation charged in the year	258,968	16,007	12,093	12,534	299,602
Eliminated in respect of revaluation	(1,129,190)	(70,688)	-	-	(1,199,878)
Eliminated in respect of disposals	-	-	-	(5,640)	(5,640)
At 31st March 2026	25,032	1,628	2,429,496	52,150	2,508,305
NET BOOK VALUE					
At 31st March 2026	12,289,968	673,372	226,524	10,518	13,200,383
At 31st March 2025	10,781,746	593,691	238,617	24,612	11,638,667

All fixed assets are used directly for charitable purposes.

The Museum and Archives Collections remain the possession of Shetland Islands Council and as such are not included by the Trust. All additions to the collections are paid directly from Shetland Islands Council funding through the service level agreement.

The Shetland Museum and Archives building, included within Heritable Property above, with a net book value of £9,150,000, may not be sold or transferred without the prior written consent of Shetland Charitable Trust, and any proceeds from such a transaction are potentially wholly or partially repayable to the Shetland Charitable Trust in accordance with grant conditions dated May 2004. Should the building at Garthspool, included within Leasehold Property above, with a net book value of £675,000, be sold or transferred, any proceeds from such a transaction are immediately payable to the Shetland Charitable Trust in accordance with grant documentation accepted on 14th May 1999.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

12 TANGIBLE FIXED ASSETS (Continued)

All Heritable and Leasehold Property was revalued on 12 March 2026 by LA Simpson Chartered Surveyor, independent valuers not connected with the charity, on the basis of Fair Value. The valuations have been prepared in accordance with the RICS Valuation - Global Standards 2024, the UK National Supplement and The Financial Reporting Standard, FRS 102. Assets which have an agreed selling price at 31 March 2026 have been valued at the agreed price. The property revaluation resulted in gains of £1,862,878 being credited to Other Comprehensive Income in the Statement of Financial Activities and Revaluation Reserve. The carrying value of those assets revalued that would have been recognised had the assets been carried under the historic cost model, and the charity's previous accounting policies, totals £8,044,860.

13 ENDOWMENT INVESTMENTS

		2026		2025	
		£	£	£	£
Market Value at 31st March			1,192,105		1,162,463
Less:	Disposals at opening book value			-	
	Proceeds	512,619		160,415	
	Loss on disposals	-	(512,619)	16,116	(176,531)
			679,486		985,932
Add:	Acquision at cost	540,508		248,600	
	Gain on disposals	84,838		-	
	Accumulation dividends	173		183	
	(Decrease)/Increase in cash deposits	18,426		(71,782)	
	Net (Losses)/Gains on Revaulation	70,068	714,013	29,172	206,173
			1,393,499		1,192,105

ANALYSIS OF INVESTMENTS	Market Value at 31.03.26	Cost Analysis at 31.03.26	Market Value at 31.03.25	Cost Analysis at 31.03.25
	£	£	£	£
Fixed and Variable Interest Securities:				
UK Fixed Interest	170,772	169,423	149,710	155,721
Overseas Fixed Interest	80,680	80,240	143,068	141,235
UK Equities	369,931	224,497	376,205	254,188
European Equities	72,650	60,164	37,624	28,592
Far East & Australian Equities	93,478	70,859	25,656	18,178
International Equities	375,824	369,005	272,725	252,932
Emerging Economies	66,052	52,728	27,171	28,918
UK Property	36,576	50,901	53,459	63,414
Alternative Assets	91,414	85,412	88,693	107,150
Funds on Deposit - unlisted	36,122	36,122	17,794	17,794
	1,393,499	1,199,351	1,192,105	1,068,122

Net gains/losses on investments of £154,906 (2025: £13,057) per the SOFA is the total of the gain on disposals of £84,838 (2025: loss of £16,116) plus the gains on revaluation of £70,068 (2025: £29,172). The investments are held primarily for investment return.

14 STOCK

	2026	2025
	£	£
Museum Shop Stock	63,793	54,963
Sumburgh Head Shop Stock	12,013	11,045
	75,806	66,008

15 DEBTORS

	2026	2025
	£	£
Trade debtors	3,915	48,057
VAT	46,303	28,072
Other debtors	-	-
Prepayments and accrued income	196,928	47,161
	247,146	123,290

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2026	2025
		£	£
Trade creditors		172,721	221,639
Accruals and deferred income		75,127	83,634
Other creditors		56,729	39,659
PAYE/NI creditor		35,425	33,813
Loans	18	2,506	12,011
		342,508	390,756

The following liabilities disclosued under creditors falling due within one year are secured by the charity:

Loans	2,506	12,011
Bank overdraft	-	-
	2,506	12,011

Analysis of movement in deferred income:	Opening Balance	Deferred in Year	Released in Year	Closing Balance
	£	£	£	£
Facility hire	3,000	4,750	(3,000)	4,750
	3,000	4,750	(3,000)	4,750

Deferred income is recognised in circumstances where the charity is not yet entitled to the income.

17 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

		2026	2025
		£	£
Loans	18	-	2,528
		-	2,528

The following liabilities disclosed under creditors falling due after more than one year are secured by the charity:

Loans	-	2,528
	-	2,528

18 LOANS

	2026 Due < One Year	2026 Due > One Year	2025 Due < One Year	2025 Due > One Year
	£	£	£	£
Eshaness Lighthouse Mortgage	-	-	2,011	-
Bouncebank Loan	2,506	-	10,000	2,528
	2,506	-	12,011	2,528

The Eshaness Lighthouse has been fully repaid.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

19 OPERATING LEASES

Amounts paid by the Trust during the year in respect of operating leases were as follows:

	2026	2025
	£	£
Operating lease payments	12,348	10,959
	12,348	10,959

Total future minimum lease payments under non-cancellable operating leases were as follows:

Not later than 1 year	9,994	10,959
Later than 1 year and not later than 5 years	34,324	32,051
Later than 5 years	471,057	478,087
	515,375	521,097

20 PENSION: DEFINED BENEFIT SCHEME

Shetland Amenity Trust provides pension arrangements to eligible employees through the Shetland Islands Council administered multi employer defined benefits scheme and the related costs are assessed in accordance with the advice of Hymans Robertson, Independent Qualified Actuaries.

The latest formal valuation of the Fund was at 31 March 2023 and this is updated on a triennial basis. A summary of the membership data used and the benefits valued at the latest formal valuation are set out in the formal valuation report. Hymans Robertson has reviewed the most recent full actuarial valuation at 31 March 2023 and has updated it on an annual basis as at the charity's balance sheet date to reflect current conditions.

Arrangements have been put in place whereby the employer's annual contributions include deficit funding of 2.9% of pensionable payroll costs spread over 20 years.

Assumptions as at	**31st March 2026 % per annum**	31st March 2025 % per annum
Inflation/pension increase rate	3.00%	2.75%
Salary increases	3.00%	2.75%
Discount rate	6.30%	5.80%
Proportion of employees opting for early retirement	0.00%	0.00%

The discount rate used to place a value on the liabilities is determined by reference to market yields on high quality corporate bonds at the reporting date. The approach adopted by Hymans Robertson to setting the discount rate involved constructing a corporate bond yield curve based on the constituents of the iBoxx AA corporate bond index.

Mortality assumptions	**31st March 2026 % per annum**	31st March 2025 % per annum
Longevity at age 65 for current pensioners		
Men	20.8	20.5
Women	22.3	22.1
Longevity at age 65 for future pensioners		
Men	21.6	21.3
Women	25.5	25.4

Assets (Employer Share)	**31st March 2026**		31st March 2025	
	Percentage	**Fair value of the total plan assets £ 000**	Percentage	Fair value of the total plan assets £ 000
Equities	69%	13,315	77%	13,286
Bonds	6%	1,158	5%	863
Property	25%	4,824	17%	2,933
Cash	0%	-	1%	172
	100%	19,297	100%	17,254

Following updated guidance on the recognition of pension scheme assets the Trust have not recognised the defined benefit pension scheme asset as the impactof the asset ceiling is to reduce the net pension asset to £nil.

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

20 PENSION: DEFINED BENEFIT SCHEME (Continued)

Net Pension Liability as at	31st March 2026 £000	31st March 2025 £000
Fair value of Employer Assets	19,297	17,254
Present value of funded liabilities	(11,523)	(11,240)
Net (under)/overfunding in funded plans	7,774	6,014
Impact of asset ceiling	(7,774)	(6,014)
Present value of unfunded liabilities	-	-
Unrecognised past service cost	-	-
Net (liability)/asset	-	-
Amount in the balance sheet		
Liabilities	-	-
Assets	-	-
Net Pension (liability)/asset	-	-

Amounts recognised in the SOFA	31st March 2026 £000	31st March 2025 £000
Current service cost	(246)	(351)
Past service cost	-	(141)
Net interest cost	350	200
Employer contributions	294	468
Remeasurements:		
Changes in demographic assumptions	(65)	20
Changes in financial assumptions	468	2,060
Other experience	(100)	113
Return on assets excluding amounts included in net interest	1,059	(487)
Impact of asset ceiling	(1,760)	(6,014)
	-	(4,132)

	31st March 2026 £000	31st March 2025 £000
Actual return on plan assets		
Return on assets excluding amounts included in net interest	1,059	(487)
Interest income on plan assets included in net interest	1,000	817
Return on plan assets	2,059	330

Reconciliation of defined benefit obligation

	31st March 2026 £000	31st March 2025 £000
Opening defined benefit obligation	11,240	12,646
Current service cost	246	351
Past service cost	-	141
Interest cost	650	617
Contributions by members	86	93
Changes in financial assumptions	(468)	(2,060)
Changes in demographic assumptions	65	(20)
Other experience	100	(113)
Benefits paid	(396)	(415)
Closing defined benefit obligation	11,523	11,240

Reconciliation of fair value of employer assets

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

20 PENSION: DEFINED BENEFIT SCHEME (Continued)

	31st March 2026 £000	31st March 2025 £000
Opening fair value of employer assets	17,254	16,778
Interest income	1,000	817
Contributions by members	86	93
Contributions by the employer	294	468
Other experience	-	-
Return on assets excluding amounts included in net interest	1,059	(487)
Benefits paid	(396)	(415)
Closing fair value of employer assets	19,297	17,254

The actuary estimates that employer's contributions for the year to 31 March 2027 will be approximately £294,000.

Hymans Robertson confirm the figures presented above are prepared only for the purposes of Financial Reporting Standard 102 and have no validity in other circumstances. In particular, they are not relevant for calculations undertaken for funding purposes, for accounting under the International Accounting Standard IAS19, for bulk transfers or for other statutory purposes under LGPS Regulations.

21 RELATED PARTY TRANSACTIONS

There were no related party transactions in the year or in the prior year.

22 FINANCIAL INSTRUMENTS

	2026	2025
	£	£
The carrying amount for each category of financial instrument, measured at amortised cost, is as follows:		
Financial Liabilities		
Loans payable falling due within 1 year	2,506	12,011
Loans payable falling due between 2 - 5 years	-	2,528
Loans payable falling due after 5 years	-	-
	2,506	14,539

The loan financing is in the form of:

23 SUMMARY STATEMENT OF FUNDS

Restricted Funds 2026	General Fund £	Revaluation Reserve £	Shetland Wildlife Fund £	Grant Aid Fund £	Permanent Grant Fund £	Total £
At 1st April 2025 (as restated)	145,232	962,320	3,953	164,326	6,459,721	7,735,552
Income	2,842,356	-	-	35,997	-	2,878,353
Expenditure	(2,722,484)	-	-	-	-	(2,722,484)
Other Comprehensive Income	-	1,548,810	-	-	-	1,548,810
Transfer of funds between funds	-	-	-	(35,997)	(240,854)	(276,851)
At 31st March 2026	265,104	2,511,130	3,953	164,326	6,218,867	9,163,380

Restricted Funds 2025	General Fund £	Revaluation Reserve £	Shetland Wildlife Fund £	Grant Aid Fund £	Permanent Grant Fund £	Total £
At 1st April 2024 (as restated)	160,934	962,320	3,953	168,319	6,666,832	7,962,358
Income	2,535,462	-	-	44,810	-	2,580,272
Expenditure	(2,551,164)	-	-	(3,993)	-	(2,555,157)
Other Comprehensive Income	-	-	-	-	-	-
Transfer of funds between funds	-	-	-	(44,810)	(207,111)	(251,921)
At 31st March 2025 (as restated)	145,232	962,320	3,953	164,326	6,459,721	7,735,552

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

23 SUMMARY STATEMENT OF FUNDS (continued)

Included within the general fund are the Shetland Charitable Trust core fund, SCT capital grant fund, Shetland Museum and Archives service provision fund, Peatlands Project Officer fund and Coastal Communities fund. Included within income is £1,300,000, £93,878, £1,033,200, £118,289 and £72,008 respectively in relation to these funds, with all of this income being expended in the year. The opening and closing balances on each of these funds was nil, with the exception of the Peatlands Project Officer fund, which had an opening and closing balance of £37,379.

The Shetland Wildlife Fund was established from compensation monies received following the Braer tanker oil spill in Shetland in 1993. The remainder of the fund was given to the Trust in February 2006 to be distributed to projects which support Shetland Wildlife.

The Grant Aid Fund was established to offer assistance to heritage related projects of exceptional quality which accord with the objects of the Trust Deed. This is financed from the investment income earned on the Endowment Fund. Transfers are recorded between the Endowment Fund and Grant Aid Fund to facilitate this.

The Permanent Grant Fund has been established to record funding of a capital nature. A transfer is made from this fund to show the amortisation of such funding over the expected useful lifetimes of the capital assets to which the specific grants relate. This transfer is made to unrestricted reserves to coincide with the recognition of the depreciation of assets.

Endowment Fund	**2026**		**2025**	
	£	£	£	£
Grants received to 31 March		800,000		800,000
Net recognised gains / (losses) on investments brought forward	392,105		362,463	
Realised gains / (losses) on investments during year	84,838		(16,116)	
Movement of cash to and from general funds	46,488		16,586	
Unrealised gains / (losses) on revaluation of investments at year end	70,068		29,172	
		593,499		392,105
		1,393,499		1,192,105

Unrestricted Funds

2026	**General Fund** £	**Revaluation Reserve** £	**Capital on Formation** £	**Pension Fund** £	**Total** £
At 1st April 2025 (as restated)	2,992,234	772,974	1	-	3,765,209
Income	837,216	-	-	-	837,216
Expenditure	(1,017,494)	-	-	-	(1,017,494)
Gain/(loss) on sale of fixed assets	(310)	-	-	-	(310)
Other Comprehensive Income	-	314,068	-	-	314,068
Transfer of funds between funds	221,189	-	-	-	221,189
At 31st March 2026	3,032,835	1,087,042	1	-	4,119,878

Unrestricted Funds

2025	**General Fund** £	**Revaluation Reserve** £	**Capital on Formation** £	**Pension Fund** £	**Total** £
At 1st April 2024 (as restated)	3,206,779	1,031,123	1	4,132,000	8,369,903
Income	1,062,984	-	-	-	1,062,984
Expenditure	(1,508,188)	-	-	-	(1,508,188)
Gain/(loss) on sale of fixed assets	3,913	-	-	-	3,913
Actuarial gain/(loss)	-		-	(4,132,000)	(4,132,000)
Transfer of funds between funds	226,746	(258,149)	-	-	(31,403)
At 31st March 2025 (as restated)	2,992,234	772,974	1	-	3,765,209

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

24 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2026	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 31st March 2026
	£	£	£	£
Fixed Assets	4,470,386	8,729,997	-	13,200,383
Investments	-	-	1,393,499	1,393,499
Current Assets	(8,000)	433,383	-	425,383
Current Liabilities	(342,508)	-	-	(342,508)
Long Term Liabilities	-	-	-	-
Provisions				-
	4,119,878	9,163,380	1,393,499	14,676,757

2025	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 31st March 2025 (as restated)
	£	£	£	£
Fixed Assets (as restated)	4,216,626	7,422,041	-	11,638,667
Investments	-	-	1,192,105	1,192,105
Current Assets	(58,133)	313,511	-	255,378
Current Liabilities	(390,756)	-	-	(390,756)
Long Term Liabilities	(2,528)	-	-	(2,528)
Provisions	-	-	-	-
	3,765,209	7,735,552	1,192,105	12,692,866

25 NOTES TO STATEMENT OF CASHFLOWS

	2026	2025
	£	£
(a) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	121,323	(415,592)
Adjustments for:		
Depreciation	299,602	309,572
Gains/(losses) on sale of fixed assets	(310)	3,913
Gains on sale & revaluation of investments	(155,079)	(13,239)
Dividends and interest from investments	(46,907)	(62,533)
Interest paid	220	614
Decrease/(Increase) in stock	(9,798)	31,426
(Increase)/Decrease in debtors	(123,856)	150,463
Increase / (Decrease) in creditors	(38,743)	(24,647)
Net cash provided by/(used in) operating activites	46,452	(20,023)

(b) Analysis of cash and cash equivalents	2026	2025
	£	£
Cash in hand	102,431	66,080
Cash fund held in investment portfolio	36,121	17,695
	138,552	83,775

(c) Analysis of Changes in Net Debt

	As at 01.04.25	Cash Flows	As at 31.03.26
Cash and Cash Equivalents			
Cash in hand	650	-	650
Cash at bank	65,430	36,351	101,781
Cash fund held in investment portfolio	17,695	18,427	36,122
Borrowings			
Debt due within one year	(12,011)	9,505	(2,506)
Debt due after more than one year	(2,529)	2,529	-
Total	69,235	66,812	136,047

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

26 PRIOR YEAR ADJUSTMENT

The balances as at 1st April 2024 have been restated to take into account changes made in the estimation method for the annual write down of the permanent grant reserve. Changes have also been made to how revaluation of assets are recorded to ensure the balance is reflective of the true revaluation asset.

Changes to the statement of financial activities	Previously reported £	Adjustment £	As restated at 31 March 2025 £
TOTAL FUNDS BROUGHT FORWARD AT 1 APRIL 2025			
Unrestricted funds	153,139	3,612,070	3,765,209
Restricted funds	2,783,613	(1,507,782)	1,275,831
Restricted capital funds	8,564,009	(2,104,288)	6,459,721

Changes to the balance sheet	Previously reported £	Adjustment £	As restated at 31 March 2025 £
Restricted Capital Funds	8,564,009	(2,104,288)	6,459,721
Restricted Revaluation Reserve	2,470,102	(1,507,782)	962,320
Total Restricted Funds	12,539,727	(3,612,070)	8,927,657
Unrestricted income funds ex. Pension liability	153,138	2,839,096	2,992,234
Unrestricted Revaluation reserve	-	772,974	772,974
Total Unrestricted funds	153,139	3,612,070	3,765,209

Changes to summary statement of funds	Previously reported £	Adjustment £	As restated at 31 March 2025 £
Restricted Funds			
2026			
At 1st April 2025			
Revaluation Reserve	2,470,102	(1,507,782)	962,320
Permanent Grant Fund	8,564,009	(2,104,288)	6,459,721
Total	**11,347,622**	**(3,612,070)**	**7,735,552**
2025			
At 1st April 2024			
Revaluation Reserve	(530,242)	1,492,562	962,320
Permanent Grant Fund	12,854,374	(6,187,542)	6,666,832
Total	**12,657,338**	**(4,694,980)**	**7,962,358**
Other Comprehensive Income			
Revaluation Reserve	3,000,344	(3,000,344)	-
Total	**3,000,344**	**(3,000,344)**	-
Transfers of funds between funds			
Permanent Grant Fund	(4,290,365)	4,083,254	(207,111)
Total	**(4,335,175)**	**4,083,254**	**(251,921)**
At 31st March 2025			
Revaluation Reserve	2,470,102	(1,507,782)	962,320
Permanent Grant Fund	8,564,009	(2,104,288)	6,459,721
Total	**11,347,622**	**(3,612,070)**	**7,735,552**
Unrestricted Funds			
2026			
At 1st April 2025			
General Fund	153,138	2,839,096	2,992,234
Revaluation Reserve	-	772,974	772,974
Total	**153,139**	**3,612,070**	**3,765,209**
2025			
At 1st April 2024			
General Fund	(457,078)	3,663,857	3,206,779
Revaluation Reserve	-	1,031,123	1,031,123
Total	**3,674,923**	**4,694,980**	**8,369,903**
Transfers of funds between funds			
General Fund	4,310,030	(4,083,284)	226,746
Revaluation Reserve	-	(258,149)	(258,149)
Total	**4,310,030**	**(4,341,433)**	**(31,403)**
At 31st March 2025			
General Fund	153,138	2,839,096	2,992,234
Revaluation Reserve	-	772,974	772,974
Total	**153,139**	**3,612,070**	**3,765,209**

SHETLAND AMENITY TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026

26 PRIOR YEAR ADJUSTMENT (continued)

Changes to analysis of net assets between funds	Previously reported	Adjustment	As restated at 31 March 2025
2025	£	£	£
Fixed Assets			
Unrestricted funds	604,556	3,612,070	4,216,626
Restricted funds	11,034,111	(3,612,070)	7,422,041
Total			
Unrestricted funds	153,139	3,612,070	3,765,209
Restricted funds	11,347,622	(3,612,070)	7,735,552