Charity registration number SC048870 (Scotland)

EDAY HERITAGE CENTRE ASSOCIATION

(A SCOTTISH CHARITABLE INCORPORATED ORGANISATION)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

EDAY HERITAGE CENTRE ASSOCIATION
(A SCOTTISH CHARITABLE INCORPORATED ORGANISATION)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Hewison D Powell S Powell J Robertson M Thomson
Charity number	SC048870
Independent examiner	A J B Scholes Ltd 8 Albert Street Kirkwall Orkney KW15 1HP

EDAY HERITAGE CENTRE ASSOCIATION
(A SCOTTISH CHARITABLE INCORPORATED ORGANISATION)
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EDAY HERITAGE CENTRE ASSOCIATION
(A SCOTTISH CHARITABLE INCORPORATED ORGANISATION)
TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2026

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's written constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to provide, maintain and manage a heritage interpretation centre for the benefit of island residents and visitors to Eday; to build up an archive of documentation and a collection of artefacts pertaining to the island of Eday and its residents, past and present; to advance the education of the public in the human, cultural, natural and built environmental heritage of the island of Eday; and to advance community development by providing a venue for the residents of Eday to meet and hold events in small groups or as a community.

Achievements and performance

All the indigenous planting is now complete for the garden project and the committee would like to thank NILPS for their help and funding in this venture.

Also a thank you to Eday Partnership for funding the 2025 excursions.

Financial review

Incoming resources in the period totalled £1,297 whilst resources expended amounted to £21,168. At the balance sheet date the association reports net funds of £294,905 of which £270,221 is represented by the Eday Heritage Centre building and other fixtures, fittings and equipment.

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

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a Scottish Charitable Incorporated Organisation governed by a written constitution. It was registered as a charity on 27 November 2018.

All those on the electoral roll for Eday are automatically members.

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

M Burr (Deceased 31 May 2026)
E Hewison
D Powell
S Powell
J Robertson
M Thomson

Trustees are normally appointed by election at the AGM.

The trustees' report was approved by the Board of Trustees.

.....
S Powell
Trustee

Date: .....

EDAY HERITAGE CENTRE ASSOCIATION
(A SCOTTISH CHARITABLE INCORPORATED ORGANISATION)
INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EDAY HERITAGE CENTRE ASSOCIATION

I report on the financial statements of the charity for the year ended 31 March 2026, which are set out on pages 4 to 13.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They consider that the audit requirement of Regulation 10(1)(d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(a) which gives me reasonable cause to believe that in any material respect the requirements:

(i) to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and

(ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met or

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

Ivan Houston CA
Chartered Accountant
Independent Examiner

8 Albert Street
Kirkwall
Orkney
KW15 1HP

Dated: .....

EDAY HERITAGE CENTRE ASSOCIATION
(A SCOTTISH CHARITABLE INCORPORATED ORGANISATION)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Income from:							
Donations and legacies	**3**	1,297	-	1,297	1,527	46,327	47,854
Charitable activities	**4**	-	-	-	1,140	-	1,140
Investments	**5**	-	-	-	141	-	141
Total income		1,297	-	1,297	2,808	46,327	49,135
Expenditure on:							
Charitable activities	**6**	16,980	4,188	21,168	19,063	7,181	26,244
Total expenditure		16,980	4,188	21,168	19,063	7,181	26,244
Net income/(expenditure)		(15,683)	(4,188)	(19,871)	(16,255)	39,146	22,891
Transfers between funds		-	-	-	28,782	(28,782)	-
Net movement in funds	**7**	(15,683)	(4,188)	(19,871)	12,527	10,364	22,891
Reconciliation of funds:							
Fund balances at 1 April 2025		304,412	10,364	314,776	291,885	-	291,885
Fund balances at 31 March 2026		288,729	6,176	294,905	304,412	10,364	314,776

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

EDAY HERITAGE CENTRE ASSOCIATION
(A SCOTTISH CHARITABLE INCORPORATED ORGANISATION)
BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	**11**		270,221		281,365
Current assets					
Stocks	**12**	200		200	
Debtors	**13**	55		29	
Cash at bank and in hand		26,049		34,453	
		26,304		34,682	
Creditors: amounts falling due within one year	**14**	(1,620)		(1,271)	
Net current assets			24,684		33,411
Total assets less current liabilities			294,905		314,776
The funds of the charity					
Restricted income funds	**15**		6,176		10,364
Unrestricted funds	**16**		288,729		304,412
			294,905		314,776

The financial statements were approved by the trustees on .....

.....
S Powell
Trustee

1 Accounting policies

Charity information

Eday Heritage Centre Association is a registered Scottish charity governed by a written constitution.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's written constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

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

Income earmarked specifically for the purchase and running costs of the Eday Heritage Centre has been allocated to a restricted fund.

Legacies are regarded as receivable when the amount is notified as certain or on receipt.

Goods or assets donated to the charity are valued at second hand value, where material.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure (including any irrecoverable VAT) is charged to the Statement of Financial Activities on an accruals basis.

Expenses are allocated to the type of activity to which they relate.

No allocation of support costs is considered necessary.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line basis
Fixtures, fittings & equipment	15% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies **(Continued)**

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2026	Restricted funds 2026	Total 2026	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£	£	£	£
Donations and gifts	465	-	465	688	-	688
Grants	832	-	832	839	46,327	47,166
	1,297	-	1,297	1,527	46,327	47,854

4 Income from charitable activities

	Total 2026	Charitable activities 2025
	£	£
Services provided under contract	-	1,140
Analysis by fund		
Unrestricted funds	-	1,140

5 Income from investments

	Unrestricted funds 2026	Unrestricted funds 2025
	£	£
Rental income	-	141

6 Expenditure on charitable activities

	Charitable activities 2026 £	Charitable activities 2025 £
Direct costs		
Depreciation and impairment	11,144	11,156
Other charitable expenditure	10,024	15,088
	21,168	26,244
Analysis by fund		
Unrestricted funds	16,980	19,063
Restricted funds	4,188	7,181
	21,168	26,244

7 Net movement in funds

	2026 £	2025 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	960	860
Depreciation of owned tangible fixed assets	11,144	11,156

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. None of them were reimbursed for any travelling expenses.

9 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Total	-	-

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

10 Taxation

The association is a registered Scottish charity and not chargeable to corporation tax on income arising from its charitable activities.

11 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2025	382,337	96,672	479,009
At 31 March 2026	382,337	96,672	479,009
Depreciation and impairment			
At 1 April 2025	118,773	78,871	197,644
Depreciation charged in the year	7,647	3,497	11,144
At 31 March 2026	126,420	82,368	208,788
Carrying amount			
At 31 March 2026	255,917	14,304	270,221
At 31 March 2025	263,565	17,800	281,365

12 Stocks

	2026	2025
	£	£
Finished goods and goods for resale	200	200

13 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Other debtors	55	29

14 Creditors: amounts falling due within one year

	2026	2025
	£	£
Accruals and deferred income	1,620	1,271

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2025	Incoming resources	Resources expended	Transfers	At 31 March 2026
	£	£	£	£	£
Eday Partnership/ NILPS - HC Coordinator	5,864	-	(2,688)	-	3,176
NILPS- Garden Maintenance	4,500	-	(1,500)	-	3,000
	10,364	-	(4,188)	-	6,176

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
	-	-	-	-	-
Internal refurbishment	-	14,325	-	(14,325)	-
External refubishment	-	16,462	-	(16,462)	-
Eday Partnership/ NILPS - HC Coordinator	-	6,900	(1,036)	-	5,864
NILPS- Garden Maintenance	-	4,500	-	-	4,500
Eday Partnership/ Eday Community Association - equipment	-	765	-	(765)	-
OIC - Repairs to building	-	3,073	(6,145)	3,072	-
OIC - Artwork purchase	-	302	-	(302)	-
	-	46,327	(7,181)	(28,782)	10,364

16 Unrestricted funds

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

	At 1 April 2025	Incoming resources	Resources expended	Transfers	At 31 March 2026
	£	£	£	£	£
Designated fund - tangible fixed assets	292,521	-	(11,144)	(11,156)	270,221
General funds	11,891	1,297	(5,836)	11,156	18,508
	304,412	1,297	(16,980)	-	288,729

16 Unrestricted funds **(Continued)**

Previous year:	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Designated fund - tangible fixed assets	264,589	-	-	27,932	292,521
General funds	27,296	2,808	(19,063)	850	11,891
	291,885	2,808	(19,063)	28,782	304,412

The balance on the designated fund represents the net book value of tangible fixed assets as at the balance sheet date. Funds equivalent to the movement in the book value are transferred to/ from the designated fund each year.

17 Analysis of net assets between funds

	Unrestricted funds 2026	Restricted funds 2026	Total 2026	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£	£	£	£
Fund balances at 31 March 2026 are represented by:						
Tangible assets	270,221	-	270,221	281,365	-	281,365
Current assets/(liabilities)	18,508	6,176	24,684	23,047	10,364	33,411
	288,729	6,176	294,905	304,412	10,364	314,776

18 Related party transactions

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