

Charity registration number SC038888 (Scotland)

Company registration number SC271553 (Scotland)

STRONSAY DEVELOPMENT TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

STRONSAY DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Allan	(Appointed 26 March 2025)
	E Dennison	
	V Erdman	(Appointed 1 January 2026)
	A Fraser	(Appointed 2 April 2025)
	M Holland	
	K Kent	
	L McQuaid (resigned 20/03/2025 and then reappointed 28/01/2026)	
	M McQuaid	(Appointed 28 January 2026)
	A Miller	(Appointed 26 March 2025)
	I Pollard	(Appointed 2 March 2026)
	J Seaton	
	C Stout	(Appointed 12 January 2026)
Charity number (Scotland)	SC038888	
Company number	SC271553	
Registered office	Unit 1 Wood's Yard Stronsay Orkney KW17 2AR	
Auditor	A J B Scholes Ltd 8 Albert Street Kirkwall Orkney KW15 1HP	

STRONSAY DEVELOPMENT TRUST

CONTENTS

	Page
Trustees' report	1 - 4
Independent auditor's report	5 - 8
Consolidated statement of financial activities	9
Statement of financial activities	10
Consolidated balance sheet	11
Balance sheet	12
Consolidated statement of cash flows	13
Statement of cash flows	14
Notes to the financial statements	15 - 33

STRONSAY DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

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 memorandum and articles of association, the Companies Act 2006 the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

Stronsay Development Trust exists to support and strengthen the Stronsay community, working to create opportunities for sustainable development, economic resilience, and enhanced wellbeing for all island residents. The charity's core aims are to improve community facilities, enhance local infrastructure, develop affordable housing solutions, and promote initiatives that sustain the island's social and economic fabric.

Operating in a small island setting presents unique challenges, particularly with an ageing population and a heavy reliance on volunteers to sustain essential services and community initiatives. Many of the responsibilities that, in other areas, might be picked up by statutory services are instead delivered by community organisations, relying on a fragile volunteer base. The Trust remains committed to addressing these challenges, but recognises the pressures they place on both Trustees and the wider community.

Achievements and performance

Significant activities and achievements against objectives

The period to August 2025 has been one of steady progress, consolidation, and continued learning for Stronsay Development Trust. Building on the work of previous years, the Trust has focused on embedding good governance, progressing key community assets, and strengthening our relationship with the wider community.

The Stronsay Hotel & Bar has remained a central focus of the Trust's work. While the hotel continues to operate under lease, the Trust has concentrated on its role as owner of this important community asset, working to ensure that the building is maintained, compliant, and positioned to meet the long-term needs of the island.

The Beechwood property has moved further into its operational phase during this period. The introduction of the Community Lets approach has allowed the Trust to support local housing needs in a practical and transparent way, and the experience gained this year has helped refine internal processes around property management, allocations, and ongoing maintenance.

During the year, the Trust has also been actively exploring opportunities to acquire additional assets that could deliver long-term benefit for Stronsay. This work has included early-stage investigation, feasibility discussions, and consideration of how any future acquisitions would align with the Trust's charitable purposes and organisational capacity. While no new assets were secured during this period, this work remains ongoing and reflects the Trust's commitment to carefully and responsibly expanding its asset base where this can support the island's sustainability and resilience.

A significant strand of work throughout 2024-2025 has been strengthening governance and internal systems. The Board has continued to act on the outcomes of previous governance reviews, embedding clearer financial controls, improved reporting, and more consistent oversight. Regular Board meetings have supported better decision making and ensured that Trustees are able to provide appropriate strategic direction while maintaining accountability.

Staffing and organisational resilience have also remained a priority. During the year, the Trust has focused on stabilising workloads, supporting staff development, and planning more deliberately for continuity and succession. This has included reviewing roles, responsibilities, and capacity to ensure that the Trust can deliver its aims in a sustainable way.

The Trust has continued to secure and manage external funding to support community benefit. During this period, funding has enabled work across a range of areas including community wellbeing, youth activity, heritage, and environmental projects. We have worked closely with local groups and partners to ensure that these projects deliver real value and align with wider community priorities.

STRONSAY DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

In 2025, the Trust established a dedicated Community Grants programme with an allocated budget of £50,000 for the financial year. This programme was designed to support local groups, organisations, and initiatives that contribute to education, training, community entertainment, and place plan activity. The aim of the fund is to strengthen island wellbeing, encourage participation, and support projects that help Stronsay to grow and thrive. The introduction of this grants system represents an important step in enabling the Trust to reinvest resources directly into the community in a structured, transparent, and impactful way.

Community engagement has remained an important focus throughout 2024-2025. The Trust has sought to improve how we communicate our role, our limitations, and our ambitions, while creating more opportunities for residents to engage with and influence our work. This has included clearer information-sharing, consultation activity, and collaboration with other local organisations.

Overall, the period to August 2025 has been one of consolidation and preparation. While challenges remain, the Trust is in a stronger position than in previous years, with clearer systems, improved governance, and a growing understanding of how best to serve the community of Stronsay. The Board remains committed to working openly and constructively with residents, staff, volunteers, and partners as we continue to develop and safeguard community assets for the future.

Financial review

The charity had total incoming resources of £993,492 (2024: £433,469) and total resources expended of £300,064 (2024: £270,914), giving a net surplus for the year of £693,428 (2024: £162,555). Total funds as at the balance sheet date amounted to £2,233,660 (2024: £1,540,232), of which £517,018 (2024: £1,123,786) are restricted funds.

The group had total incoming resources of £1,121,659 (2024: £1,188,343) and total resources expended of £567,577 (2024: £536,471). Funds at the balance sheet date totalled £3,512,208 (2024: £3,004,765).

Reserves policy

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.

Plans for future periods

The Trust is partnering with the Community Council and the Community Association to complete a shared Local Place Plan. This plan will be submitted to Orkney Islands Council, where it will be considered as part of the new Local Development Plan for Orkney. This partnership ensures the Trust's work aligns strategically with wider local developments, underpinned by sound governance and financial sustainability. The plans align with national policy and strategy addressing depopulation of the islands. The Place Plan will be used to inform Stronsay development Trust's Strategy 2026-2031, with commitment to supporting community resilience and a thriving community.

Structure, governance and management

The charity is a company limited by guarantee and a registered Scottish charity no. SC038888. The charity's governing document is its memorandum and articles of association.

STRONSAY DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M Allan	(Appointed 26 March 2025)
N Bremner	(Resigned 23 November 2025)
E Dennison	
V Erdman	(Appointed 1 January 2026)
A Fraser	(Appointed 2 April 2025)
M Holland	
K Kent	
L McQuaid (resigned 20/03/2025 and then reappointed 28/01/2026)	
M McQuaid	(Appointed 28 January 2026)
A Miller	(Appointed 26 March 2025)
D Riley-Moore	(Appointed 26 March 2025 and resigned 14 December 2025)
I Pollard	(Appointed 2 March 2026)
J Seaton	
I Stevenson	(Resigned 24 November 2025)
C Stout	(Appointed 26 March 2025 and resigned 21 October 2025)
C Stout	(Appointed 12 January 2026)

Recruitment and appointment of trustees

At each annual general meeting, the members may elect any member to be a trustee. Trustees are subject to retirement by rotation, as described in the articles of association.

The charity provides appropriate training and induction to all newly appointed trustees.

Significant strategic decisions are made by the trustees at board meetings which are held frequently throughout the year. Less significant matters are delegated to staff and volunteers who are accountable to the board of trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

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

Company law requires the 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, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 adequate 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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.

STRONSAY DEVELOPMENT TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

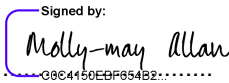
Auditor

In accordance with the company's articles, a resolution proposing that A J B Scholes Ltd be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Signed by:

G064150E0P654B2.....

M Allan

Trustee

5/27/2026
Date:

STRONSAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF STRONSAY DEVELOPMENT TRUST

Opinion

We have audited the financial statements of Stronsay Development Trust (the parent) and its subsidiary (the group) for the year ended 31 August 2025 which comprise and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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 the provisions available for small entities, in the circumstances set out in note 29 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 parent or group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

STRONSAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF STRONSAY DEVELOPMENT TRUST

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the group's and parent's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

STRONSAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF STRONSAY DEVELOPMENT TRUST

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- . the nature of the industry and sector, and control environment;
- . results of our enquiries of management;
- . any matters we identified having obtained and reviewed the parent and group's documentation of their policies and procedures relating to:
 - . identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - . detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - . the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- . the matters discussed among the audit engagement team.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and irregularities. Income recognition was a key area of focus. In common with all audits under ISA's (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the parent and group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, such as the UK Companies Act 2006, tax legislation, and relevant charities acts.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These include laws and regulations pertaining to employment.

In addition to the above, our procedures to respond to risks identified included the following:

- . reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- . enquiring of management concerning actual potential litigation and claims;
- . performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- . reading minutes of meetings of those charged with governance; and
- . in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

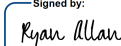
STRONSAY DEVELOPMENT TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF STRONSAY DEVELOPMENT TRUST

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

70FDA11A4AF943E

Ryan Allan (Senior Statutory Auditor)

For and on behalf of A J B Scholes Ltd, Statutory Auditor

Chartered Accountants

8 Albert Street

Kirkwall

Orkney

KW15 1HP 5/27/2026

Date:

STRONSAY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	1,868	182,030	183,898	265	131,558	131,823
Charitable activities	4	6,795	-	6,795	-	-	-
Other trading activities	5	925,297	-	925,297	1,055,507	-	1,055,507
Investments	6	5,669	-	5,669	1,013	-	1,013
Total income		939,629	182,030	1,121,659	1,056,785	131,558	1,188,343
Expenditure on:							
Raising funds	7	268,695	-	268,695	306,854	10,000	316,854
Charitable activities	8	146,691	152,191	298,882	46,134	153,099	199,233
Other	11	-	-	-	20,384	-	20,384
Total expenditure		415,386	152,191	567,577	373,372	163,099	536,471
Net income/(expenditure) for the year before transfers and tax		524,243	29,839	554,082	683,413	(31,541)	651,872
Gross transfers between funds	23	636,607	(636,607)	-	(891)	891	-
Net income/(expenditure) for the year before tax		1,160,850	(606,768)	554,082	682,522	(30,650)	651,872
Taxation	13	(41,889)	-	(41,889)	9,158	-	9,158
Other recognised gains and losses	15	(4,750)	-	(4,750)	(15,536)	-	(15,536)
Net movement in funds		1,114,211	(606,768)	507,443	676,144	(30,650)	645,494
Fund balances at 1 September 2024		1,880,979	1,123,786	3,004,765	1,204,835	1,154,436	2,359,271
Fund balances at 31 August 2025		2,995,190	517,018	3,512,208	1,880,979	1,123,786	3,004,765

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

STRONSAY DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	1,868	182,030	183,898	265	131,558	131,823
Charitable activities	4	6,795	-	6,795	-	-	-
Other trading activities	5	7,913	-	7,913	34,465	-	34,465
Investments	6	794,886	-	794,886	267,181	-	267,181
Total income		811,462	182,030	993,492	301,911	131,558	433,469
Expenditure on:							
Raising funds	7	1,182	-	1,182	41,297	10,000	51,297
Charitable activities	8	146,691	152,191	298,882	46,134	153,099	199,233
Other expenditure	11	-	-	-	20,384	-	20,384
Total expenditure		147,873	152,191	300,064	107,815	163,099	270,914
Net income		663,589	29,839	693,428	194,096	(31,541)	162,555
Transfers between funds	23	636,607	(636,607)	-	(891)	891	-
Net movement in funds		1,300,196	(606,768)	693,428	193,205	(30,650)	162,555
Reconciliation of funds:							
Fund balances at 1 September 2024		416,446	1,123,786	1,540,232	223,241	1,154,436	1,377,677
Fund balances at 31 August 2025		1,716,642	517,018	2,233,660	416,446	1,123,786	1,540,232

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

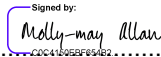
STRONSAY DEVELOPMENT TRUST**CONSOLIDATED BALANCE SHEET****AS AT 31 AUGUST 2025**

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	16		1,807,778		1,743,096
Current assets					
Debtors	19	143,716		310,284	
Cash at bank and in hand		2,100,048		1,553,231	
		<u>2,243,764</u>		<u>1,863,515</u>	
Creditors: amounts falling due within one year	20	<u>(268,358)</u>		<u>(270,521)</u>	
Net current assets			1,975,406		1,592,994
Total assets less current liabilities			3,783,184		3,336,090
Creditors: amounts falling due after more than one year	21		(83,785)		(216,176)
Provisions for liabilities	22		<u>(187,191)</u>		<u>(115,149)</u>
Net assets			<u>3,512,208</u>		<u>3,004,765</u>
Income funds					
Funds retained within subsidiary			1,278,548		1,464,533
Restricted funds	23		517,018		1,123,786
Unrestricted funds			<u>1,716,642</u>		<u>416,446</u>
			<u>3,512,208</u>		<u>3,004,765</u>

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

5/27/2026

The accounts were approved by the Trustees on

Signed by:


M Allan
Director

Company Registration No. SC271553

STRONSAY DEVELOPMENT TRUST**BALANCE SHEET****AS AT 31 AUGUST 2025**

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		1,263,001		1,194,927
Investments	17		100		100
			<u>1,263,101</u>		<u>1,195,027</u>
Current assets					
Debtors	19	61,357		153,028	
Cash at bank and in hand		931,382		220,275	
		<u>992,739</u>		<u>373,303</u>	
Creditors: amounts falling due within one year	20	(22,180)		(28,098)	
		<u></u>		<u></u>	
Net current assets			<u>970,559</u>		<u>345,205</u>
Total assets less current liabilities			<u>2,233,660</u>		<u>1,540,232</u>
The funds of the charity					
Restricted income funds	23		517,018		1,123,786
Unrestricted funds	24		1,716,642		416,446
			<u>2,233,660</u>		<u>1,540,232</u>

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

5/27/2026

The financial statements were approved by the trustees on

Signed by:

Molly-may Allan

M Allan

Trustee

Company registration number SC271553 (Scotland)

STRONSAY DEVELOPMENT TRUST**CONSOLIDATED STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 AUGUST 2025**

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	30	810,027		899,176	
Taxes paid		(15,122)		(56,586)	
Interest paid		(12,916)		(18,819)	
Net cash generated from operating activities		781,989		823,771	
Investing activities					
Purchase of tangible fixed assets		(107,988)		(143,240)	
Net payments on other loans		-		(20,384)	
Interest received		5,669		1,013	
Net cash used in investing activities		(102,319)		(162,611)	
Financing activities					
Repayment of bank loans		(132,853)		(124,501)	
Net cash used in financing activities		(132,853)		(124,501)	
Net increase in cash and cash equivalents		546,817		536,659	
Cash and cash equivalents at beginning of year		1,553,231		1,016,572	
Cash and cash equivalents at end of year		2,100,048		1,553,231	

STRONSAY DEVELOPMENT TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	30		18,071		32,670
Investing activities					
Purchase of tangible fixed assets		(107,988)		(139,854)	
Net payments on other loans		-		(20,384)	
Repayment of loans		6,138		5,769	
Investment income received		794,886		267,181	
Net cash generated from investing activities			693,036		112,712
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			711,107		145,382
Cash and cash equivalents at beginning of year			220,275		74,893
Cash and cash equivalents at end of year			931,382		220,275

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

Stronsay Development Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Unit 1, Wood's Yard, Stronsay, Orkney, KW17 2AR.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

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.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants, including grants for the purchase of fixed assets, are recognised in full in the SOFA in the year in which they are receivable. Grants relating to future accounting periods are deferred.

Donations of post-tax profits received from the charity's subsidiary, Stronsay Renewable Energy Limited, are recognised as investment income in accordance with published accounting guidance.

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is included in resources expended on an accruals basis.

Costs of raising funds comprise the costs associated with attracting voluntary income, the costs of fundraising events, and the running costs incurred by non-charitable subsidiaries.

Charitable expenditure comprises those costs incurred in the delivery of the charity's activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

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:

Freehold land and buildings	2% straight line basis
Plant and equipment	25% reducing balance basis; 5% straight line basis
Fixtures and fittings	10% straight line basis
Motor vehicles	20% reducing balance basis

Freehold land and assets in the course of construction are not depreciated.

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 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at cost less provisions for impairment.

Investments in subsidiaries are classed as fixed asset investments. A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 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).

1.9 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.

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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.

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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in or in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

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

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.12 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.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.14 Group accounts

The consolidated financial statements include the results of the company and its subsidiary, Stronsay Renewable Energy Limited, drawn up to 31 August each year.

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 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	1,868	-	1,868	265	-	265
Grants	-	182,030	182,030	-	131,558	131,558
	<u>1,868</u>	<u>182,030</u>	<u>183,898</u>	<u>265</u>	<u>131,558</u>	<u>131,823</u>

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

3 Income from donations and legacies

(Continued)

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Grants						
HiTrans - Island Wheels	-	30,716	30,716	-	-	-
EST - Plugged in Communities (various in PY)	-	5,220	5,220	-	45,742	45,742
OIC - various	-	71,444	71,444	-	-	-
NILPS - various	-	10,400	10,400	-	29,833	29,833
Scottish Government CLLD - various projects	-	41,153	41,153	-	-	-
HIE - Development Officer	-	12,601	12,601	-	13,111	13,111
VAO - Wellbeing Coordinator	-	9,002	9,002	-	26,489	26,489
Other	-	1,494	1,494	-	16,383	16,383
	-	182,030	182,030	-	131,558	131,558

Grant income under EST - various, includes three grants, for: Whitehall settlement scheme, red phone box maintenance, and Heritage Centre maintenance.

Grant income under OIC - various, includes the following grants: £37,126 for Beechwood House renovation, £14,083 for Community Transport Grant Scheme (2024/25 and 2025/26), £8,835 for Heritage Centre feasibility study; £8,400 for community development office; and £3,000 from the Island Costs Crisis fund.

Scottish Government CLLD includes grants towards the following projects: £9,838 for Community Capacity Building project, £9,929 towards a winter conference, £9,456 for the Togetherness project, £8,775 towards a Heritage Centre feasibility study, and £3,155 towards Youth Vision Summit.

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Services provided under contract	6,795	-

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

5 Income from other trading activities - group

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Hotel and other trading	7,913	34,465
Electricity sales	917,384	1,021,042
	<u>925,297</u>	<u>1,055,507</u>
Other trading activities	<u>925,297</u>	<u>1,055,507</u>

Income from other trading activities - charity

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Hotel and other trading	7,913	34,465
	<u>7,913</u>	<u>34,465</u>

6 Investments - group

	2025 £	2024 £
Interest receivable	5,669	1,013
	<u>5,669</u>	<u>1,013</u>

Investments - charity

	2025 £	2024 £
Rental income	1,406	-
Income from unlisted investments	791,700	265,000
Interest receivable	1,780	2,181
	<u>794,886</u>	<u>267,181</u>

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

7 Expenditure on raising funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Trading costs						
Other trading activities	1,182	-	1,182	27,841	-	27,841
Staff costs	-	-	-	13,456	10,000	23,456
	<u>1,182</u>	<u>-</u>	<u>1,182</u>	<u>41,297</u>	<u>10,000</u>	<u>51,297</u>

The accounts of the group include operating expenditure of the subsidiary company, Stronsay Renewable Energy Limited, of £267,513 (2024: £265,557).

8 Expenditure on charitable activities

	Community benefit 2025 £	Community benefit 2024 £
Direct costs		
Staff costs	57,825	43,530
Depreciation and impairment	39,914	29,534
Other costs	196,891	125,135
	<u>294,630</u>	<u>198,199</u>
Grant funding of activities (see note 10)	4,252	1,034
	<u>298,882</u>	<u>199,233</u>
Analysis by fund		
Unrestricted funds	146,691	46,134
Restricted funds	152,191	153,099
	<u>298,882</u>	<u>199,233</u>

9 Trustees

Two of the trustees (or businesses they own) received remuneration or benefits from the charity during the year: L Mcquaid received £1,396 for transport services provided to the charity (during their term as trustee); and I Stevenson received £420 for services provided to the charity.

Persons connected with trustees received as follows: sibling of K Kent received employment income of £nil (2024: £3,146).

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

10 Grants payable

	Community benefit 2025 £	Community benefit 2024 £
Grants to institutions:		
Stronsay Community Council - container purchase	3,307	-
Other	-	1,034
	<u>3,307</u>	<u>1,034</u>
Grants to individuals	945	-
	<u>4,252</u>	<u>1,034</u>

Grants to individuals includes grants awarded to two individuals from the charity's Community Grants Scheme.

11 Other expenditure

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Impairment loss in respect of loan debtors	-	20,384
	<u>-</u>	<u>20,384</u>

Other expenditure includes an impairment charge of £nil (2024: £20,384) in respect of loans advanced to Stronsay Hotel and Pub Limited during the year.

12 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2025 £	2024 £
For audit services		
Audit of the financial statements of the charity	7,980	7,200
Audit of the financial statements of the charity's subsidiaries	5,200	5,000
	<u>13,180</u>	<u>12,200</u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes. The group charge relates to the subsidiary corporation and deferred tax charges.

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

14 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Charity employees	5	5
Subsidiary employees	6	6
Total	11	11

Employment costs

	2025 £	2024 £
Wages and salaries - charity only	57,825	66,986
Wages and salaries - subsidiary	15,892	22,875
	73,717	89,861

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

15 Other recognised gains and losses - group only

	Total	Total
	2025 £	2024 £
Cash flow hedge (loss)/gain	(6,333)	(20,715)
Tax relating to other gains/losses	1,583	5,179
	(4,750)	(15,536)

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

16 Tangible fixed assets - group

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2024	1,174,291	1,600,368	40,829	-	2,815,488
Additions	23,262	105,047	18,882	45,797	192,988
	<u>1,197,553</u>	<u>1,705,415</u>	<u>59,711</u>	<u>45,797</u>	<u>3,008,476</u>
Depreciation and impairment					
At 1 September 2024	23,605	1,007,958	40,829	-	1,072,392
Depreciation charged in the year	18,635	102,507	1,058	6,106	128,306
	<u>42,240</u>	<u>1,110,465</u>	<u>41,887</u>	<u>6,106</u>	<u>1,200,698</u>
Carrying amount					
At 31 August 2025	<u>1,155,313</u>	<u>594,950</u>	<u>17,824</u>	<u>39,691</u>	<u>1,807,778</u>
At 31 August 2024	<u>1,150,686</u>	<u>489,903</u>	<u>-</u>	<u>-</u>	<u>1,743,096</u>

16 Tangible fixed assets - charity

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2024	1,174,291	121,518	40,829	-	1,336,638
Additions	23,262	20,047	18,882	45,797	107,988
	<u>1,197,553</u>	<u>141,565</u>	<u>59,711</u>	<u>45,797</u>	<u>1,444,626</u>
Depreciation and impairment					
At 1 September 2024	23,605	77,277	40,829	-	141,711
Depreciation charged in the year	18,635	14,115	1,058	6,106	39,914
	<u>42,240</u>	<u>91,392</u>	<u>41,887</u>	<u>6,106</u>	<u>181,625</u>
Carrying amount					
At 31 August 2025	<u>1,155,313</u>	<u>50,173</u>	<u>17,824</u>	<u>39,691</u>	<u>1,263,001</u>
At 31 August 2024	<u>1,150,686</u>	<u>44,241</u>	<u>-</u>	<u>-</u>	<u>1,194,927</u>

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

17 Fixed asset investments - charity

	Other investments £
Cost or valuation	
At 1 September 2024 & 31 August 2025	100
Carrying amount	
At 31 August 2025	100
At 31 August 2024	100

	Notes	2025 £	2024 £
Other investments comprise:			
Investments in subsidiaries	25	100	100

18 Financial instruments - group

	2025 £	2024 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	4,423	10,756

19 Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Amounts falling due within one year:				
Trade debtors	1,909	1,350	1,909	1,350
Amounts due from subsidiary undertakings	-	-	6,600	6,138
Other debtors	134,447	295,895	35,182	121,928
Prepayments and accrued income	2,937	2,283	2,937	2,283
	139,293	299,528	46,628	131,699
Amounts falling due after more than one year:				
Amounts due from subsidiary undertakings	-	-	14,729	21,329
Other debtors	4,423	10,756	-	-
Total debtors	143,716	310,284	61,357	153,028

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

20 Creditors: amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank loans	132,853	132,853	-	-
Other taxation and social security	59,547	50,503	873	8,444
Trade creditors	309	168	222	90
Other creditors	75,649	86,997	21,085	19,564
	<u>268,358</u>	<u>270,521</u>	<u>22,180</u>	<u>28,098</u>

21 Creditors: amounts falling due after more than one year - group

	Notes	2025 £	2024 £
Bank loans		<u>83,785</u>	<u>216,176</u>

Stronsay Renewable Energy Limited (the subsidiary) entered into an interest swap arrangement as part of its term loan with Co-operative Bank PLC. Under the swap arrangement, the company pays interest at a fixed rate and receives interest at a variable rate connected to the SONIA.

The hedging instrument is a designated cash flow hedge which effectively removes the cash flow risk associated with the variable interest element of the term loan.

Bank loans payable by instalments due in over five years	<u>-</u>	<u>-</u>
--	----------	----------

22 Provisions for liabilities - group

	Notes	2025 £	2024 £
De-commissioning liability		100,000	15,000
Deferred tax liabilities		<u>87,191</u>	<u>100,149</u>
		<u>187,191</u>	<u>115,149</u>

A provision of £100,000 (2024: £15,000) has been raised for the anticipated cost to SREL of fulfilling its obligation to decommission the wind turbine at the end of its useful life.

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

23 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 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Enterprise Zone (Woods Yard)	400,422	-	(7,855)	-	392,567
Scottish Land Fund - land & buildings	353,439	-	-	(353,439)	-
Inspiring Scotland - Stronsay Health Matters	27,688	-	(6,945)	-	20,743
Various - hotel refurbishment	127,096	-	-	(127,096)	-
Scottish Government / OIC - Beachwood House	115,000	37,126	-	(152,126)	-
NILPS - Whitehall project	4,542	-	(4,700)	158	-
NILPS - various	26,450	10,400	(25,593)	(158)	11,099
HIE - CDO	11,368	12,601	(15,907)	-	8,062
VAO - wellbeing coordinator + wellness on our doorstep	10,713	9,002	(15,988)	381	4,108
Energy Saving Trust - Plugged-in Communities	45,742	-	(6,051)	-	39,691
OIC - CDO	-	8,400	(3,500)	-	4,900
Scottish Government CLLD - various projects	-	41,153	(41,785)	632	-
OIC - Heritage Centre feasibility	-	8,835	(8,835)	-	-
OIC - Cost Crisis	-	3,000	(2,751)	-	249
OIC - Community Transport	-	14,082	(7,690)	-	6,392
HiTrans - Island Wheels	-	30,716	(3,376)	-	27,340
Other	1,326	6,715	(1,215)	(4,959)	1,867
	<u>1,123,786</u>	<u>182,030</u>	<u>(152,191)</u>	<u>(636,607)</u>	<u>517,018</u>

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

23 Restricted funds

(Continued)

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Enterprise Zone (Woods Yard)	408,277	-	(7,855)	-	400,422
Scottish Land Fund - land & buildings	358,191	-	(4,752)	-	353,439
Inspiring Scotland - Stronsay Health Matters	33,691	-	(6,003)	-	27,688
Various - hotel refurbishment	134,282	-	(7,186)	-	127,096
Scottish Government - Beachwood House	115,000	-	-	-	115,000
NILPS - Whitehall project	61,687	(158)	(56,987)	-	4,542
NILPS - various	20,192	29,991	(24,624)	891	26,450
British Science Association - natural wellbeing	11,282	-	(11,282)	-	-
HIE - CDO	10,508	13,111	(12,251)	-	11,368
VAO - wellbeing coordinator	-	26,489	(15,776)	-	10,713
Energy Saving Trust - Plugged- in Communities	-	45,742	-	-	45,742
Other	1,326	16,383	(16,383)	-	1,326
	<u>1,154,436</u>	<u>131,558</u>	<u>(163,099)</u>	<u>891</u>	<u>1,123,786</u>

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

23 Restricted funds

(Continued)

Enterprise Zone (Woods Yard): funding received for the purchase and development of land and buildings.

Scottish Land Fund - Land and buildings: funding received to purchase the Stronsay Hotel and Pub and Beachwood House. Balances transferred to unrestricted funds for capital expenditure which has no continuing restrictions.

Inspiring Scotland - Stronsay Health Matters: grant received to fund sports facilities and equipment, such as changing facilities.

Various - hotel refurbishment: grants received from Scottish Government, HIE, and OIC for the refurbishment of the Stronsay Hotel and Pub. Balances transferred to unrestricted funds for capital expenditure which has no continuing restrictions.

Scottish Government / OIC - Beachwood House: funding received for the refurbishment of Beachwood House, for the provision of a property for an affordable rent. Balances transferred to unrestricted funds for capital expenditure which has no continuing restrictions.

NILPS - Whitehall project: grant received from NILPS for a conservation project relating to the upturned lifeboat, sea wash toilet and harbour office.

NILPS - various: grants received NILPS to fund several projects, including, developing a heritage trail and centre, the restoration of a phonebox and research projects.

HIE - CDO: grant funding for a community development officer.

VAO - wellbeing coordinator: grant funding to support the wellbeing coordinator role, and the Wellness on our Doorstep project.

EST - Plugged-in Communities: funding to purchase a zero-emissions vehicle for community transport.

OIC - CDO: grant funding for a community development officer.

Scottish Government CLLD - various: funding received for various projects, such as the Heritage Centre feasibility studies, Togetherness project, and Winter Conference project.

OIC - Heritage Centre feasibility: funding received for the feasibility study project for the Heritage Centre.

OIC - Cost Crisis: grant funding for community transport to a weekly warm spaces hub and delivering meals to those who cannot physically attend.

OIC - Orkney Community Transport: funding received for transport services.

HiTrans - Island Wheels: grant funding received to empower active travel and inclusion through the purchase of three weather proof bike shelters and six e-bikes.

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

24 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 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
General funds	416,446	811,462	(147,873)	636,607	1,716,642
Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
General funds	223,241	301,911	(107,815)	(891)	416,446

25 Subsidiaries

Details of the charity's subsidiaries at 31 August 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Stronsay Renewable Energy Scotland Ltd		Renewable Energy	Ordinary Shares	100.00	

26 Analysis of changes in net funds

The charity had no material debt during the year.

27 Analysis of net assets between funds - group

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Tangible assets	1,332,301	475,477	1,807,778
Current assets/(liabilities)	1,933,865	41,541	1,975,406
Long term liabilities	(83,785)	-	(83,785)
Provisions	(187,191)	-	(187,191)
	2,995,190	517,018	3,512,208

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

27 Analysis of net assets between funds - group

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Tangible assets	725,966	1,017,130	1,743,096
Current assets/(liabilities)	1,486,338	106,656	1,592,994
Long term liabilities	(216,176)	-	(216,176)
Provisions	(115,149)	-	(115,149)
	<u>1,880,979</u>	<u>1,123,786</u>	<u>3,004,765</u>

Analysis of net assets between funds - charity

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Tangible assets	787,524	475,477	1,263,001
Investments	100	-	100
Current assets/(liabilities)	929,018	41,541	970,559
	<u>1,716,642</u>	<u>517,018</u>	<u>2,233,660</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Tangible assets	177,797	1,017,130	1,194,927
Investments	100	-	100
Current assets/(liabilities)	238,549	106,656	345,205
	<u>416,446</u>	<u>1,123,786</u>	<u>1,540,232</u>

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

28 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Stronsay Renewable Energy Limited	
	2025	2024
	£	£
Distributions receivable	791,700	265,000
Interest receivable	1,780	2,181
	<u>793,480</u>	<u>267,181</u>

The charity owns 1 community anchor share of £1 in Stronsay Hotel and Pub Limited (the society) (RS008870), a registered society. Three of the charity trustees are also members and directors of the society.

During the prior year, the society took on responsibility for the operation of the Stronsay Hotel and Pub, which was operated by the charity previously. The charity advanced loans totalling £nil (2024: £81,583) to the society during the year and received repayments totalling £nil (2024: £61,199). The net amount outstanding at the year end of £nil (2024: £20,384) has been impaired in these financial statements under other expenditure. The trustees considered the financial position of the society, which cancelled its registration, in reviewing the recoverability of the loan.

29 Non-audit services provided by auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.

STRONSAY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

30	Cash generated from operations - group	2025 £	2024 £
	Surplus for the year	512,193	661,030
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5,669)	(1,013)
	Impairment loss in respect of loan debtors	-	20,384
	(Gain)/loss on disposal of tangible fixed assets	-	651
	Taxation charged	41,889	(9,158)
	Finance costs	12,916	18,819
	Depreciation and impairment of tangible fixed assets	128,306	103,420
	Movements in working capital:		
	Decrease in debtors	160,235	69,910
	(Decrease)/increase in creditors	(39,843)	35,133
	Cash generated from operations	<u>810,027</u>	<u>899,176</u>
	Cash generated by operations - charity		
	Surplus for the year	693,428	162,555
	Adjustments for:		
	Investment income recognised in statement of financial activities	(794,886)	(267,181)
	Impairment loss in respect of loan debtors	-	20,384
	Depreciation and impairment of tangible fixed assets	39,914	29,534
	Movements in working capital:		
	Decrease in debtors	85,533	96,927
	(Decrease) in creditors	(5,918)	(9,549)
	Cash generated from operations	<u>18,071</u>	<u>32,670</u>