REGISTERED COMPANY NUMBER: SC265141 (Scotland)
REGISTERED CHARITY NUMBER: 035413

Report of the Trustees and

Unaudited Financial Statements for the Year Ended 31st March 2026

for

Auchencairn Initiative

Farries Kirk & McVean
Dumfries Enterprise Park
Heathhall
Dumfries
DUMFRIESSHIRE
DG1 3SJ

Auchencairn Initiative

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Auchencairn Initiative

Report of the Trustees
for the Year Ended 31st March 2026

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2026. The trustees have adopted the provisions of 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

Objectives

The company's principal objective is to promote and aid economic, physical, social and environmental regeneration of Auchencairn and the surrounding area for its inhabitants and visitors.

Auchencairn Initiative

Report of the Trustees
for the Year Ended 31st March 2026

ACHIEVEMENTS AND PERFORMANCE

Review of Developments, Activities and Achievements

The directors are pleased to state that the Initiative continues to progress in the furtherance of its Aims. They are always cognisant of their responsibility to maintain and develop where appropriate the existing assets of the village which have been built up and developed over the years since the formation of the Initiative in 2002. They are also happy to sustain a mutually supportive and constructive relationship with the Community Council to the benefit of both groups and the village.

The current assets are:

Heughan House

Auchencairn Community Store and Cafe

The Link Park with Community Garden and Allotments

The Bird Hide

The Boredom Buster Play Park

The year at Heughan House was dominated by difficulties with the renewed heat pump which began to fail in the autumn of 2025. This left the flat, and for a period the nursery, with limited or no heating and hot water through the winter. Directors gave much time to monitoring the system and to pursuing the fault through the installer, the manufacturer and the warranty companies while also making supplementary heating available to tenants. A number of smaller repairs to the flat were also completed, several of them by directors themselves or by local tradespeople willing to turn out at short notice and to charge modestly. In the early part of 2025 the then tenant vacated the flat which presented an opportunity for limited refurbishment. The flat was fully re-decorated and a new kitchen fitted in July 2025. A new tenant moved in at the start of August.

Work has begun on the next stage of the development of Heughan House and in particular of the Store which has clearly become a hub of the community. With the support of South of Scotland Enterprise, and the generous assistance of Ruth Burns in preparing the application, the Initiative and the Community Store Steering Group are working together towards a funding bid aimed at providing a new shop and flat frontage, a redesigned kitchen and stronger, attractive signage. The bid will have sustainability, accessibility and viability at its heart. It will also include essential exterior works designed to ensure the building's integrity in the longer-term. Cost estimates are now being prepared.

Now completing its fourth year of operation the Community Store remains at the centre of village life. During the year it was nominated for a Countryside Alliance 'Rural Oscar' - an award that celebrates outstanding rural businesses, organisations and community champions across the UK. Trading conditions have been more challenging than in previous years and the Steering Group has responded with a well-considered plan of action. A new card payment facility has been secured and work has continued on the recovery of VAT. The staff and volunteers remain a key part of the Store's success and we are fortunate to have such a well-focused, hard-working and dedicated team.

The renovation of the Hugh Paton Path has been the most visible achievement of the year. In collaboration with the Core Path Team from Dumfries and Galloway Council (who controlled and resourced the contract) a new and improved boardwalk has been constructed across the Bay. The quality of the materials used and the workmanship shown have been widely admired. A key task for the incoming year will be an effort to secure regular and effective maintenance for the footpath in collaboration with the Core Path Team.

The Link Park, Community Garden continue to be well-used. They benefit from a small and dedicated team of volunteers whose leader deserves recognition for having again been successful in securing funding for the garden. The allotments are of more concern, however, as take-up of allotment plots has fallen. A recruitment drive is under way.

The Initiative has continued to work closely with Auchencairn Community Council (ACC) and Auchencairn Climate Transition (ACT). With input from the Initiative the Local Place Plan has now been lodged by ACC with Dumfries and Galloway Council, joint planning for community resilience is in hand, and letters of support were provided for ACT's community transport, e-bike and Climate Hub applications. A shared communications board is to be installed beside the Store, with posts and installation kindly offered at no cost.

It will be clear from the account above that the present five Initiative Directors have this year dealt with a wide range of work. Five is a small number to manage the Initiative's business. In this past year the challenges of both personal business commitments and illness have put significant pressure on Directors and we pay tribute to Chris Sankey who stepped in to give much-needed short-term help with financial matters towards the end of the year. The Directors would be delighted to hear from members of the community who have its interests at heart and who would like to give valuable service to the village through the Initiative. Please come and discuss the opportunity with us. The Initiative needs you!

FINANCIAL REVIEW

Reserves policy

Under the requirements of charity law the trustees are obliged to define the charity's policy for holding reserves. The intention in establishing this reserves policy is to ensure the continuation of the charity's activities. The policy will enable the charity to meet its legal objectives, provide confidence to supporters and donors seeking to give financial support to a prudently controlled charity and to ensure that the reserves are at a level sufficient to discharge all of the charity's financial obligations in the event that it should cease operations. A large proportion of the charity's reserves are held in a bank account and fixed assets. The reserves which the charity is required to maintain are those needed to fund ongoing monthly costs and emergency repairs. To this end the trustees have decided that the charity should seek to have unrestricted reserves which are not invested in fixed assets of a sum estimated at £8,000. At 31 March 2026 the free reserves, which amount to £37,941 meet the reserve policy.

We have adhered to the reserves policy set during the previous financial year and continue to monitor and maintain our general accounts on a monthly basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC265141 (Scotland)

Registered Charity number
035413

Registered office
Heughan House
Main Street
Auchencairn
Castle Douglas
DUMFRIESSHIRE
DG7 1QU

Trustees
D A Anderson (resigned 7.4.25)
A E Williams CBE (resigned 7.4.25)
S Pallinder
M Scott (resigned 16.3.26)
J Tollan
L S Kennington
D J Foreman
D Burke

Company Secretary
D Burke

Independent Examiner
Rodney Palmer, BA, CA
Farries Kirk & McVean
Dumfries Enterprise Park
Heathhall
Dumfries
DUMFRIESSHIRE
DG1 3SJ

Approved by order of the board of trustees on 2nd October 2026 and signed on its behalf by:



D J Foreman - Trustee

Independent Examiner's Report to the Trustees of Auchencairn Initiative

I report on the accounts for the year ended 31st March 2026 set out on pages five to thirteen.

Respective responsibilities of trustees and examiner
The charity's 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 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) 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 the independent examiner's report
My examination was 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 seeking explanations from you as 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 :

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

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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



Rodney Palmer, BA, CA
The Institute of Chartered Accountants of Scotland

Farries Kirk & McVean
Dumfries Enterprise Park
Heathhall
Dumfries
DUMFRIESSHIRE
DG1 3SJ

2nd October 2026

Auchencairn Initiative

Statement of Financial Activities for the Year Ended 31st March 2026

	Notes	Unrestricted funds £	Restricted funds £	2026 Total funds £	2025 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,470	1,026	2,496	51,519
Other trading activities	3	300,499	-	300,499	275,300
Investment income	4	7,734	-	7,734	9,455
Total		309,703	1,026	310,729	336,274
EXPENDITURE ON					
Raising funds		287,101	-	287,101	233,476
Charitable activities					
Charitable activity		62,109	923	63,032	106,294
Governance costs		1,300	-	1,300	1,200
Total		350,510	923	351,433	340,970
NET INCOME/(EXPENDITURE)		(40,807)	103	(40,704)	(4,696)
Transfers between funds	14	(79)	79	-	-
Net movement in funds		(40,886)	182	(40,704)	(4,696)
RECONCILIATION OF FUNDS					
Total funds brought forward		298,424	74	298,498	303,194
TOTAL FUNDS CARRIED FORWARD		257,538	256	257,794	298,498

The notes form part of these financial statements

Auchencairn Initiative

Balance Sheet
31st March 2026

	Notes	Unrestricted funds £	Restricted funds £	2026 Total funds £	2025 Total funds £
FIXED ASSETS					
Tangible assets	9	211,291	-	211,291	246,616
CURRENT ASSETS					
Stocks	10	16,457	-	16,457	19,668
Debtors	11	113	-	113	578
Cash at bank and in hand		37,941	256	38,197	39,165
		54,511	256	54,767	59,411
CREDITORS					
Amounts falling due within one year	12	(8,264)	-	(8,264)	(7,529)
NET CURRENT ASSETS		46,247	256	46,503	51,882
TOTAL ASSETS LESS CURRENT LIABILITIES		257,538	256	257,794	298,498
NET ASSETS		257,538	256	257,794	298,498
FUNDS	14				
Unrestricted funds				257,538	298,424
Restricted funds				256	74
TOTAL FUNDS				257,794	298,498

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2026.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2026 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 2nd October 2026 and were signed on its behalf by:

D J Foreman - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Property	-	5% on cost
Equipment	-	15% on reducing balance

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Cash and bank
Cash and bank comprises cash on hand and call deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors
Trade debtors are amounts due from customers for the sale of services in the ordinary course of business.

Trade debtors are recognised initially at the transaction price and represent the full value of the services charged to customers, including any amounts charged on for third parties.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

1. ACCOUNTING POLICIES - continued

Financial instruments
Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date they are presented as non current liabilities.

2. DONATIONS AND LEGACIES

	2026	2025
	£	£
Donations	2,496	549
Gift aid	-	2,537
Grants	-	48,433
	2,496	51,519

Grants received, included in the above, are as follows:

	2026	2025
	£	£
Other grants	-	48,433

3. OTHER TRADING ACTIVITIES

	2026	2025
	£	£
Other income	18	19
Sales	300,481	275,281
	300,499	275,300

4. INVESTMENT INCOME

	2026	2025
	£	£
Rents received	7,606	9,313
Deposit account interest	128	142
	7,734	9,455

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2026	2025
	£	£
Depreciation - owned assets	35,968	36,234

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2026 nor for the year ended 31st March 2025.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2026 nor for the year ended 31st March 2025.

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2026	2025
Shop Assistants	8	6

No employees received emoluments in excess of £60,000.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,086	48,433	51,519
Other trading activities	275,300	-	275,300
Investment income	9,455	-	9,455
Total	287,841	48,433	336,274
EXPENDITURE ON			
Raising funds	233,476	-	233,476
Charitable activities			
Charitable activity	57,861	48,433	106,294
Governance costs	1,200	-	1,200
Total	292,537	48,433	340,970
NET INCOME/(EXPENDITURE)	(4,696)	-	(4,696)
RECONCILIATION OF FUNDS			
Total funds brought forward	303,120	74	303,194
TOTAL FUNDS CARRIED FORWARD	298,424	74	298,498

9. TANGIBLE FIXED ASSETS

	Land	Property	Equipment	Computer equipment	Totals
	£	£	£	£	£
COST					
At 1st April 2025	30,000	694,516	56,258	508	781,282
Additions	-	-	643	-	643
At 31st March 2026	30,000	694,516	56,901	508	781,925
DEPRECIATION					
At 1st April 2025	-	487,710	46,758	198	534,666
Charge for year	-	34,500	1,423	45	35,968
At 31st March 2026	-	522,210	48,181	243	570,634
NET BOOK VALUE					
At 31st March 2026	30,000	172,306	8,720	265	211,291
At 31st March 2025	30,000	206,806	9,500	310	246,616

10. STOCKS

	2026	2025
	£	£
Stocks	16,457	19,668

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026	2025
	£	£
Trade debtors	113	578

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026	2025
	£	£
Other loans (see note 13)	-	2,860
Trade creditors	5,971	1,572
VAT	993	1,897
Accrued expenses	1,300	1,200
	8,264	7,529

13. LOANS

An analysis of the maturity of loans is given below:

	2026	2025
	£	£
Amounts falling due within one year on demand:		
Other loans	-	2,860

14. MOVEMENT IN FUNDS

	At 1.4.25 £	Net movement in funds £	Transfers between funds £	At 31.3.26 £
Unrestricted funds				
General fund	298,424	(40,807)	(9,338)	248,279
Asset Replacement Fund	-	-	4,000	4,000
Store Improvement Fund	-	-	1,959	1,959
Solar System Replacement Fund	-	-	1,300	1,300
Auchencairn Provisional Fund	-	-	2,000	2,000
	298,424	(40,807)	(79)	257,538
Restricted funds				
Link Park Project	-	103	-	103
Regionwide Community Fund	74	-	(74)	-
Defibrillator Fund	-	-	153	153
	74	103	79	256
TOTAL FUNDS	298,498	(40,704)	-	257,794

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	309,703	(350,510)	(40,807)
Restricted funds			
Link Park Project	1,026	(923)	103
TOTAL FUNDS	310,729	(351,433)	(40,704)

Comparatives for movement in funds

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds	303,120	(4,696)	298,424
Restricted funds			
Regionwide Community Fund	74	-	74
TOTAL FUNDS	303,194	(4,696)	298,498

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds	287,841	(292,537)	(4,696)
Restricted funds			
Double Glazing Heughan House	14,305	(14,305)	-
Solar Panels Heughan House	31,095	(31,095)	-
Garden Anniversary Celebration	500	(500)	-
Community Garden Access Project	2,533	(2,533)	-
	48,433	(48,433)	-
TOTAL FUNDS	336,274	(340,970)	(4,696)

Designated Funds

Store Asset Replacement Fund
The Trustees have designated £4000 from the general unrestricted reserves to the Store Asset Replacement Fund. This money is set aside mainly for the replacement of higher value essential assets within the Community Store and Cafe. The fund may be used for the replacement of fixtures and fittings (examples: shelving, kitchen fitments, counter tops, flooring); white goods (fridges, freezers, oven, dishwasher); cafe furnishings; or the replacement of any other asset deemed appropriate by the Trustees. This fund may also be used to supplement grant funding during major projects undertaken by the Trustees. The Trustees review this designation annually to match anticipated annual expenditure.

Store Improvement Fund
The Trustees have designated £1959 from the general unrestricted reserves to the Store Improvement Fund. This money is set aside for improvements within the Community Store and Cafe which have been approved by the Trustees. It is anticipated that the fund will be used to purchase items which will improve the premises and facilities for both customers and staff. This fund may also be used to supplement grant funding during major projects undertaken by the Trustees. The Trustees review this designation annually to match anticipated annual expenditure.

Initiative Provisional Fund
The Trustees have designated £2000 from the general unrestricted reserves to the Initiative Provisional Fund. Auchencairn Initiative is responsible for the improvement and maintenance of Heughan House and other community assets. The Initiative Provisional Fund has been created as an additional financial reserve which may be used to boost Initiative finances during capital expenditure projects. Trustees review this designation annually to match anticipated annual expenditure.

Solar Replacement Fund
The Trustees have designated £1950 from the general unrestricted reserves to the Solar Replacement Fund. The fund is increased by transfer of £130 from general unrestricted reserves monthly. The fund was created to replace existing solar panels, which were installed at Heughan House in March 2025 at an approximate cost of £25,000. It is anticipated that the existing panels will last for 25 - 30 years and that the fund will be used to cover the cost of ongoing repairs or to replace the panels when they reach the end of their useful life. In addition the fund may be used to cover the cost of removal and return of the panels during roofing renovation and repair. Trustees review this designation annually.

RESTRICTED FUNDS

Regionwide Community Fund
Funding provided to pay for shop storage, shop training and development activities.

Double Glazing Heughan House
Funding provided to pay for Double Glazing at Heughan House.

Solar Panels Heughan House
Funding provided to pay for Solar Panels at Heughan House.

Garden Anniversary Celebration
Funding provided for community galas and events.

14. MOVEMENT IN FUNDS - continued

Community Garden Access Project
Funding provided to deliver the community garden improved access project.

Defibrillator Fund
Donations are received by the Initiative for the purchase, installation and ongoing maintenance of a Defibrillator at Heughan House. The machine has been purchased and is now included in the charity's fixed assets. An ongoing balance will remain within this restricted fund for the maintenance costs.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2026.

Auchencairn Initiative

Detailed Statement of Financial Activities for the Year Ended 31st March 2026

	2026 £	2025 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,496	549
Gift aid	-	2,537
Grants	-	48,433
	2,496	51,519
Other trading activities		
Other income	18	19
Sales	300,481	275,281
	300,499	275,300
Investment income		
Rents received	7,606	9,313
Deposit account interest	128	142
	7,734	9,455
Total incoming resources	310,729	336,274
EXPENDITURE		
Other trading activities		
Wages	86,695	70,476
Pensions	813	664
Purchases	199,593	162,336
	287,101	233,476
Charitable activities		
Rates and water	1,148	864
Insurance	1,618	1,540
Light and heat	4,357	6,164
Telephone	1,853	1,980
Postage and stationery	170	86
Donations	1,440	1,440
Sundries	761	1,287
Professional Fees	-	840
Repairs & Renewals	2,492	3,253
Property Maintenance	9,593	49,585
Depreciation of property	34,500	34,500
Depreciation of equipment	1,423	1,679
Computer equipment	45	55
	59,400	103,273
Support costs		
Finance		
Bank charges	3,632	3,021
Governance costs		
Accountancy	1,300	1,200

Auchencairn Initiative

Detailed Statement of Financial Activities for the Year Ended 31st March 2026

	2026 £	2025 £
Total resources expended	351,433	340,970
Net expenditure	(40,704)	(4,696)