Charity registration number SC016350 (Scotland)

FETLAR COMMUNITY ASSOCIATION

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2025

FETLAR COMMUNITY ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number (Scotland)	SC016350
Principal address	The Glebe Fetlar Shetland United Kingdom ZE2 9DJ
Independent examiner	Thyme Tax & Accountancy Limited 36 Angusfield Avenue Aberdeen Aberdeenshire United Kingdom AB15 6AQ

FETLAR COMMUNITY ASSOCIATION

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FETLAR COMMUNITY ASSOCIATION

TRUSTEES REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2025

The Trustees present their annual report and financial statements for the year ended 28 February 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 governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

FCA's objectives and aims are to help facilitate the functioning and well-being of all residents of the island of Fetlar through engaging in appropriate supportive endeavours as bring the most benefit to the population. FCA's principal activity is to manage and maintain the local community hall, the hub for most community activities, which it does through organising social and recreational activities/facilities for residents and beyond to promote and foster community spirit and development. A significant secondary activity is now the oversight and practical running of the polycrubs under the auspices of Fetlar Community Growing Project.

Volunteers

The charity is run by a volunteer committee, who for the purposes of charity law act as trustees. The committee hold the legal and financial responsibility for the charity as a whole.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

F.C.A's most significant achievement during this financial year has been to complete the replacement and upgrading of the hall roof. Grant funding was obtained from: Crown Estate Coastal Communities Fund, Shetland Community Benefit Fund, Highlands and Islands Enterprise, Cooke Aquaculture and the National Lottery Awards for All fund. An interim loan was obtained from Shetland Charitable Trust to ensure the cash-flow during the project.

The Community Hall has continued to be used by a number of community groups, for meetings, meals and various recreational activities. It has served as a community warm hub and as a venue for various representatives of Shetland Islands Council to communicate with island residents. It's Saturday bar evenings continue to be popular with both residents and visitors and the 5 monthly Sunday Teas during the summer have become increasingly popular. It has also been used for training for our First Responders, clinics offered by our visiting M.P. and M.S.P. and regular meetings of Fetlar Community Council.

The polycrubs of Fetlar Community Growing Project, run by FCA, continue to be a great success.

F.C.A. continues to operate and update the Fetlar.org website. This is proving to be of particular use to tourists and other visitors and is a point of information for local residents regarding what is open, what special events are happening and the status of our local transport links.

Fetlar Hall has been able to host two small cruise ships during this financial year. This has been of benefit both to the hall, the island museum and the local shop & café. We hope to increase these visits in the coming years.

Financial review

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

The balance held as unrestricted funds at 28 February 2025 was £37,256 of which £36,534 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets and investments.

The trustees continue to improve our high-quality hall facility, as evidenced by the refurbishment works carried out over the last two years. We look forward to welcoming the widest possible range of local residents and visitors to the island into our revamped facilities in this next year through an increased range of outside bookings, local meals, Sunday teas, cruise-ship visits etc.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

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

[redacted]

Recruitment and appointment of new trustees

Membership of the committee is open to anyone who is resident on the island of Fetlar, Shetland. Appointment of the charity's committee takes place at the Annual General Meeting**.**

Organisational structure

The Association continues to abide by its policies concerning:

1. Child and adult Protection (Policies and Procedures)
2. Code of Conduct for Groups Working with Children
3. Equal Opportunities
4. Data Protection

The Trustees report was approved by the Board of Trustees.

[redacted]

10 November 2025

FETLAR COMMUNITY ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FETLAR COMMUNITY ASSOCIATION

I report on the financial statements of the Charity for the year ended 28 February 2025, which are set out on pages 4 to 14.

Respective responsibilities of Trustees and examiner

The Charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's Trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

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

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

have not been met or

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

[redacted]

Thyme Tax & Accountancy Limited
36 Angusfield Avenue
Aberdeen
Aberdeenshire
AB15 6AQ
United Kingdom

Dated: 10 November 2025

FETLAR COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	**3**	1,090	146,840	147,930	556	1,788	2,344
Other trading activities	**4**	8,589	-	8,589	10,402	-	10,402
Other income	**5**	12,687	-	12,687	6,898	-	6,898
Total income		22,366	146,840	169,206	17,856	1,788	19,644
Expenditure on:							
Charitable activities	**6**	18,582	1,554	20,136	25,026	403	25,429
Total expenditure		18,582	1,554	20,136	25,026	403	25,429
Net income/(expenditure)		3,784	145,286	149,070	(7,170)	1,385	(5,785)
Transfers between funds		7,988	(7,988)	-	1,442	(1,442)	-
Net movement in funds		11,772	137,298	149,070	(5,728)	(57)	(5,785)
Reconciliation of funds:							
Fund balances at 29 February 2024		25,484	197,175	222,659	31,212	197,232	228,444
Fund balances at 28 February 2025		37,256	334,473	371,729	25,484	197,175	222,659

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

FETLAR COMMUNITY ASSOCIATION

BALANCE SHEET

AS AT 28 FEBRUARY 2025

		2025		2024	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Tangible assets	**11**		332,774		176,659
Current assets					
Stocks	**12**	1,675		1,930	
Debtors	**13**	-		270	
Cash at bank and in hand		37,730		44,250	
		39,405		46,450	
Creditors: amounts falling due within one year	**14**	(450)		(450)	
Net current assets			38,955		46,000
Total assets less current liabilities			371,729		222,659
The funds of the Charity					
Restricted income funds	**15**		334,473		197,175
Unrestricted funds	**16**		37,256		25,484
			371,729		222,659

The financial statements were approved by the Trustees on 10 November 2025

[redacted]

1 Accounting policies

Charity information

Fetlar Community Association is a unincorporated charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) 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)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

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.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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	Not depreciated
Plant and equipment	10% on cost
Fixtures and fittings	25% reducing balance
Computers	25% reducing balance

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

1.7 Impairment of fixed assets

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

1.8 Stocks

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

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

1.9 Cash and cash equivalents

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

1 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity’s contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	1,090	-	1,090	556	-	556
Grants	-	146,840	146,840	-	1,788	1,788
	1,090	146,840	147,930	556	1,788	2,344

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising events	1,273	1,050
Hall hire	1,273	1,845
Bar takings	6,043	7,507
Other trading activities	8,589	10,402

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	12,687	6,898

6 Expenditure on charitable activities

	2025	2024
	£	£
Direct costs		
Depreciation and impairment	1,241	847
Purchases	2,961	6,399
Rates	626	575
Insurance	2,704	2,468
Light & heat	4,166	4,964
Office costs	742	428
Sundry	2,068	497
Repairs & improvements	696	369
Hall hire	-	308
Website	-	269
Cruise ship expenses	4,512	-
	19,716	17,124
Share of support and governance costs (see note 7)		
Governance	420	8,305
	20,136	25,429
Analysis by fund		
Unrestricted funds	18,582	25,026
Restricted funds	1,554	403
	20,136	25,429

7 Support costs allocated to activities

	2025	2024
	£	£
Governance costs	420	8,305

	2025	2024
Governance costs comprise:	£	£
Legal and professional	-	8,275
Independent examination	420	30
	420	8,305

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-

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

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 29 February 2024	174,247	29,212	12,396	2,976	218,831
Additions	155,158	-	2,200	-	157,358
At 28 February 2025	329,405	29,212	14,596	2,976	376,189
Depreciation and impairment					
At 29 February 2024	355	28,994	11,784	1,041	42,174
Depreciation charged in the year	-	54	703	484	1,241
At 28 February 2025	355	29,048	12,487	1,525	43,415
Carrying amount					
At 28 February 2025	329,050	164	2,109	1,451	332,774
At 28 February 2024	173,892	218	613	1,936	176,659

12 Stocks

	2025	2024
	£	£
Finished goods and goods for resale	1,675	1,930

13 Debtors

	2025	2024
Amounts falling due within one year:	**£**	**£**
Trade debtors	-	1
Prepayments and accrued income	-	269
	-	270

14 Creditors: amounts falling due within one year

	2025	2024
	£	**£**
Accruals and deferred income	450	450

15 Restricted funds

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

	At 29 February 2024	Incoming resources	Resources expended	Transfers	At 28 February 2025
	£	£	£	£	£
Hall Heating Fund	2,258	-	(299)	-	1,959
SSE Resilience Fund	4,710	-	-	(4,710)	-
Tourist Facilities Fund	171,011	-	-	-	171,011
Growing Project Fund	2,881	-	-	-	2,881
Website Project Fund	4,527	-	(269)	(3,796)	462
Lottery Fund	10,000	-	-	(10,000)	-
FCC Fund	1,788	-	(436)	-	1,352
Roof Fund	-	146,840	(550)	10,518	156,808
	197,175	146,840	(1,554)	(7,988)	334,473

15 Restricted funds **(Continued)**

Previous year:	At 28 February 2023	Incoming resources	Resources expended	Transfers	At 28 February 2024
	£	£	£	£	£
Hall Heating Fund	2,258	-	-	-	2,258
Auld Folks Dinner Fund	300	-	-	(300)	-
SSE Resilience Fund	4,710	-	-	-	4,710
Tourist Facilities Fund	171,011	-	-	-	171,011
Covid Fund	892	-	-	(892)	-
Growing Project Fund	2,881	-	-	-	2,881
Website Project Fund	4,930	-	(403)	-	4,527
Lottery Fund	10,000	-	-	-	10,000
Corra Foundation Fund	250	-	-	(250)	-
FCC Fund	-	1,788	-	-	1,788
	197,232	1,788	(403)	(1,442)	197,175

16 Unrestricted funds

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

	At 29 February 2024	Incoming resources	Resources expended	Transfers	At 28 February 2025
	£	£	£	£	£
General funds	25,484	22,366	(18,582)	7,988	37,256

Previous year:	At 28 February 2023	Incoming resources	Resources expended	Transfers	At 28 February 2024
	£	£	£	£	£
General funds	31,212	17,856	(25,026)	1,442	25,484

17 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 28 February 2025:			
Tangible assets	722	332,052	332,774
Current assets/(liabilities)	36,534	2,421	38,955
	37,256	334,473	371,729

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 28 February 2024:			
Tangible assets	4,262	172,397	176,659
Current assets/(liabilities)	21,222	24,778	46,000
	25,484	197,175	222,659

18 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).