

REGISTERED COMPANY NUMBER: SC220037 (Scotland) REGISTERED CHARITY NUMBER: SC032184

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
FOR
GAIRLOCH & LOCH EWE ACTION FORUM**

Azets Audit Services
Chartered Accountants
Statutory Auditor
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

GAIRLOCH & LOCH EWE ACTION FORUM

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GAIRLOCH & LOCH EWE ACTION FORUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their report and financial statements for the year ended 31 December 2025. The Trustees' Report complies with and includes the requirements of a Directors' Report in accordance with the Companies Act 2006.

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 charitable company'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" (FRS 102).

OBJECTIVES AND ACTIVITIES

Objectives and aims

- To relieve poverty among the residents of the Community;
- To manage community land and associated assets for the benefit of the Community and the public in general as an important part of the protection and sustainable development of Scotland's natural environment, where "sustainable development" means development which meets the needs of the present without compromising the ability of future generations to meet their own needs;
- To promote, for the public benefit, rural regeneration, following principles of sustainable development (where "sustainable development" means development which meets the needs of the present without compromising the ability of future generations to meet their own needs), in areas of social and economic deprivation within the Community by all or any of the following means;
- The provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:
 - (i) in setting up their own business, or
 - (ii) to existing businesses;
- The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- The provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- The maintenance, improvement or provision of public amenities;
- The preservation of buildings or sites of historic or architectural importance;
- The provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- The protection or conservation of the environment; and
- To advance the education within the Community generally and specifically about its environment, culture and/or history.

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

GAIRLOCH & LOCH EWE ACTION FORUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

STRATEGIC REPORT

Achievements and performance

Charitable activities

The principal activities of the charitable company are based on empowering local people to make a difference to local lives and the wider local community through participatory community action and community ownership of assets and services. This has included the management and operation of The GALE Centre and Shieling which include a community shop, pub, tourist information service, café, social meeting, exhibition and events space. In addition to managing The GALE Centre and Shieling, the company provides public toilet facilities in Aultbea, provides support and employment services to other community organisations, holds local events, provides volunteering opportunities including supported volunteering for people with additional support needs as well as creating year round paid employment and income generating opportunities for people in the local community.

All the activities of the company focus on building a strong and resilient community in the Gairloch and Loch Ewe area, making it a better place for people of all abilities to live, work and thrive.

The GALE Centre

The GALE Centre is a community owned and managed hub in the centre of Gairloch. The aim of the Centre is to provide a social and economic hub for the area, showcasing local places of interest, art, craft and produce with a view to creating employment and income opportunities which contribute to community wealth building.

The Centre is an important social hub for local people with over 3,000 visits from local people in 2025. During 2025 it was open all year round, seven days a week throughout the whole year including public holidays. It is the only local space that is open every day where people can go and sit inside, relax, meet other local people and use wifi and toilet facilities without having to pay anything. As such it has become an important means for our community to promote social inclusion and combat loneliness.

Community Café

Located within The GALE Centre the café aims to provide an affordable social meeting space for local people and a hospitable and welcoming environment for visitors to the area. It also aims to increase the use and awareness of local produce, create economic opportunities for local people and create training and employment opportunities including supported employment and volunteering.

During 2025 20 local bakers from across the Gairloch and Loch Ewe area received a regular income from supplying the café – a total of £28,771 was paid to these suppliers during the year.

The Pay what You Can option that was introduced in 2023 continued throughout the winter of 2025 with the aim of helping support local people struggling to cope with financial pressures around the rising cost of living. The project aimed to tackle the growing issue of loneliness and isolation exacerbated by the winter closure of many local social spaces and the prohibitive costs associated with going out socially. Between January and March the project provided a warm space to socialise and relax, free of charge, 7 days a week and serviced 74 toasties, 57 bowls of soup, 15 baked potatoes, 6 ice creams, 198 hot drinks, 43 cold drinks and 55 cakes, traybakes or scones either free or subsidised to local people in need.

Tourist Information Service

GALE provides a tourist information service from The GALE Centre, online via the galeactionforum.co.uk website and via telephone, email and postal enquiries from potential visitors to the area. Over 25,000 visitors used The GALE Centre in 2025.

The main aim of the service is to improve the visitor's experience by showcasing the activities, products, services and amenities the area has to offer and helping visitors make the most of the opportunities available. In doing this GALE's objective is to strengthen the local economy by promoting local business and trade, reducing the seasonality of the local economy, creating direct and indirect employment and creating opportunities for doing business in the Gairloch and Loch Ewe area.

Gift Shop

GALE provides an outlet for local producers and artists to sell their work. During 2025, 30 local people sold their work at The GALE Centre taking home a total of £12,471 in sales income.

GAIRLOCH & LOCH EWE ACTION FORUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

STRATEGIC REPORT

Achievements and performance

Charitable activities (continued)

Aultbea Public Toilet Facilities

GALE continued to provide public toilet facilities in Aultbea having done so continuously since 1997. Throughout the year GALE continued to campaign to raise awareness of the importance of toilet provision and the challenges of funding this. A fundraising and awareness raising event was held in November to mark World Toilet Day.

Events

GALE holds and hosts various events in the local community to further its aims of strengthening the community and building local resilience.

The annual Christmas Tree Festival took place in The GALE Centre and proved a hugely popular opportunity for the local community to come together. The Christmas Tree Festival aims to celebrate and raise awareness of the work of local charities and community groups as well as raising funds for these local good causes. 5 local charities participated in the 2025 Christmas tree festival with a total of £91 raised for these local causes.

Volunteering Programme

GALE's Volunteering Programme supports a team of around 30 regular volunteers each year. Training and support is offered to volunteers including expenses reimbursed, transport provided and formal training arranged. During 2025, 40 people volunteered over 3,000 hours to the work of GALE.

The aim of the Volunteering Programme is to enable the Gairloch and Loch Ewe area to become a more inclusive community by removing barriers to active citizenship and supporting all sectors of society to participate and contribute towards the enhancement of their local community. With that in mind GALE published a research study in 2024 into barriers to participation and active citizenship experienced by people with additional support needs. In 2025 participants of the 2024 research reunited for a one day workshop to review the outcomes and recommendations of the research and continue to share best practice and foster ongoing collaborative actions.

Project Management and Employment Services

GALE has over 30 years' experience in the field of community development and delivering successful and sustainable community projects. GALE is keen to use this experience to help grow the Development Trust movement, build the capacity of other community groups and thereby help to strengthen the local voluntary sector which in turn contributes towards GALE's goal of building a more resilient community.

During 2025 GALE continued to serve on the Board of the Development Trust Association Scotland, and provided one to one support to member Development Trusts.

In the Gairloch and Loch Ewe community GALE worked in partnership and supported 10 local charities and provided project management, financial and employment services to the Wester Ross Biosphere and Gairloch Aid and Mobility Support (GAMS).

Health and Wellbeing Services

A number of activities to help improve the health and wellbeing of local residents were delivered throughout the year. These included the provision of a befriending project in partnership with Highland Hospice and the development of a hospital discharge service for local residents coming home from a hospital stay but with little family support available to them.

The Shielling

In pursuit of its aim to see more local assets and services in community ownership GALE purchased the Shielling in April 2024 with the aim of turning it into a multi-use community hub to complement The GALE Centre next door. A full time Project Development Manager was appointed in September 2024 and a series of pilot projects started. These pilot projects were further developed throughout 2025 and include a zero waste shop, community bakery (including a young bakers club), pub, social meeting space and a programme of year round events.

Everyday IT Peer Support

IT drop in sessions were held in The GALE Centre with the aim of reducing digital exclusion and using IT to improve independence and resilience of local people.

GAIRLOCH & LOCH EWE ACTION FORUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

STRATEGIC REPORT

Achievements and performance

Charitable activities (continued)

Community Action Plan

GALE published the Gairloch and Loch Ewe Community Action Plan (CAP) in 2023 following extensive local consultation using the Planning for Real technique. The CAP has since been used to inform local community action, support local funding applications and inform plans and strategies such as the Local Place Plans and GALE's own strategic plan.

A review of the CAP was carried out in 2025 providing an update on progress made towards its implementation and outlining plans for next steps and further review. The intention is to maintain the CAP as a living document and relevant plan for our area.

Decarbonising Home Energy

2025 saw the establishment of the Highland Energy Community Partnership, a collaborative project aiming to decarbonise home energy across Ross and Cromarty. GALE is delivering this project over five years alongside Change Works, Transition Black Isle and fellow development trusts Lochbroom and Ullapool Community Trust, Coigach Development Company, Garve and District Community Development and Contin Development Trust. The Partnership's aim is to support more sustainable and affordable home energy in Ross and Cromarty as a means of contributing towards Scotland's net zero targets. A network of Home Energy Officers is employed across the partner organisations to implement the project activities.

Financial review

Financial position

During the year the charity incurred a deficit of £78,196 (2024 - surplus £323,952). The result is stated after a non-cash depreciation charge of £31,461 (2024 - £21,705). The total funds of the charity at the year-end amounted to £1,076,701 (2024 - £1,154,897). The total funds of the charity consists of restricted and unrestricted funds.

Restricted funds represent funds received for specific charitable objectives. Total restricted funds at the reporting date amount to £428,301 (2024 - £450,406).

Unrestricted funds represent funds to be used at the charity's discretion. No restrictions have been placed on these funds by the donors. Total unrestricted funds amount to £648,400 (2024 - £704,491) and included within this are designated funds which are ring fenced by the trustees for certain purposes.

A breakdown and details of total funds can be found in note 19.

Reserves policy

The trustees recognise the importance of maintaining free unrestricted funds which have not been designated for a specific purpose at a level to ensure that, in the event of a 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. The free unrestricted funds are £51,298 at the year end and efforts will be made to increase this the over next period.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is governed by a memorandum and articles of association and was constituted as a company limited by guarantee and not having a share capital on 11 June 2001.

Recruitment and appointment of new trustees

Gairloch and Loch Ewe Action Forum follows OSCR best practice in relation to recruitment and appointment of new trustees.

Trustees/directors are recruited annually from the charitable company membership and appointed by ordinary resolution at each AGM. Any member of the company may apply to the current board or recommend the appointment of a fellow member to become a trustee/director of the charitable company.

GAIRLOCH & LOCH EWE ACTION FORUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

Organisational structure

The Managing Director is responsible for making day-to-day operational decisions and recommendations to the Board regarding the strategic management of the charitable company. The remainder of the Board consists of volunteer trustees/directors.

The charitable company is limited by guarantee and therefore no trustee/director has any beneficial interest in it.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC220037 (Scotland)

Registered Charity number

SC032184

Registered office

The Gale Centre
Achtercairn
Gairloch
Wester Ross
IV21 2BH

Trustees

G H Butler
L A Close
Dr K E Gearing
C Jones (resigned 30/12/2025)
M Leng
J E Miles (resigned 24/07/2026)
J A Struthers (resigned 1/4/2025)
Prof A Templeton

Company Secretary

J E Miles (resigned 24/07/2026) (Currently vacant)

Auditors

Azets Audit Services
Chartered Accountant
Statutory Auditor
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

GAIRLOCH & LOCH EWE ACTION FORUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Gairloch & Loch Ewe Action Forum for the purposes of company law) are responsible for preparing the Report of the Trustees 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. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Azets Audit Services will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16/19/26..... and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'M Leng', with a long horizontal flourish extending to the right.

M Leng - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF GAIRLOCH & LOCH EWE ACTION FORUM

Opinion

We have audited the financial statements of Gairloch & Loch Ewe Action Forum (the 'charitable company') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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 Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirement that are relevant to our audit of the financial statement in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
GAIRLOCH & LOCH EWE ACTION FORUM**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF GAIRLOCH & LOCH EWE ACTION FORUM

Our responsibilities for the audit of the financial statements

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of 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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
GAIRLOCH & LOCH EWE ACTION FORUM**

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 the trustees those matters we are required to state to them in an auditors' 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

William Vernal

William Vernal CA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountant
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 16/9/26

GAIRLOCH & LOCH EWE ACTION FORUM

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	Unrestricted fund £	Designated funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	16,992	-	-	16,992	20,932
Charitable activities						
Charitable activities	4	367,000	5,368	121,786	494,154	832,369
Investment income	3	<u>7,151</u>	<u>-</u>	<u>-</u>	<u>7,151</u>	<u>8,623</u>
Total		<u>391,143</u>	<u>5,368</u>	<u>121,786</u>	<u>518,297</u>	<u>861,924</u>
EXPENDITURE ON Charitable activities	5	<u>437,952</u>	<u>25,272</u>	<u>133,269</u>	<u>596,493</u>	<u>537,972</u>
NET INCOME/(EXPENDITURE)						
Transfers between funds	19	(46,809) <u>31,461</u>	(19,904) <u>(20,839)</u>	(11,483) <u>(10,622)</u>	(78,196) <u>-</u>	323,952 <u>-</u>
Net movement in funds		(15,348)	(40,743)	(22,105)	(78,196)	323,952
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>66,646</u>	<u>637,845</u>	<u>450,406</u>	<u>1,154,897</u>	<u>830,945</u>
TOTAL FUNDS CARRIED FORWARD		<u>51,298</u>	<u>597,102</u>	<u>428,301</u>	<u>1,076,701</u>	<u>1,154,897</u>

The notes form part of these financial statements

GAIRLOCH & LOCH EWE ACTION FORUM

BALANCE SHEET 31 DECEMBER 2025

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	11	891,826	922,200
CURRENT ASSETS			
Stocks	12	85,239	80,742
Debtors	13	1,565	1,907
Cash in hand		<u>173,140</u>	<u>232,005</u>
		259,944	314,654
CREDITORS			
Amounts falling due within one year	14	<u>(48,677)</u>	<u>(49,155)</u>
NET CURRENT ASSETS		<u>211,267</u>	<u>265,499</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,103,093	1,187,699
CREDITORS			
Amounts falling due after more than one year	15	<u>(26,392)</u>	<u>(32,802)</u>
NET ASSETS		<u>1,076,701</u>	<u>1,154,897</u>
FUNDS	19		
Unrestricted funds		648,398	704,491
Restricted funds		<u>428,303</u>	<u>450,406</u>
TOTAL FUNDS		<u>1,076,701</u>	<u>1,154,897</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16/9/26 and were signed on its behalf by:

M Leng - Trustee

G H Butler - Trustee

The notes form part of these financial statements

GAIRLOCH & LOCH EWE ACTION FORUM

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(56,725)	348,673
Interest paid		<u>(2,166)</u>	<u>(1,007)</u>
Net cash provided by/(used in) operating activities		<u>(58,891)</u>	<u>347,666</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(1,087)	(416,119)
Interest received		<u>7,151</u>	<u>8,623</u>
Net cash (used in)/provided by investing activities		<u>6,064</u>	<u>(407,496)</u>
 Cash flows from financing activities			
New loans in year		-	41,250
Loan repayments in year		<u>(6,037)</u>	<u>(2,411)</u>
Net cash provided by financing activities		<u>(6,037)</u>	<u>38,839</u>
Change in cash and cash equivalents in the reporting period		(58,865)	(20,991)
 Cash and cash equivalents at the beginning of the reporting period		<u>232,005</u>	<u>252,996</u>
 Cash and cash equivalents at the end of the reporting period		<u>173,140</u>	<u>232,005</u>

The notes form part of these financial statements

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(78,196)	323,952
Adjustments for:		
Depreciation charges	31,461	21,705
Interest received	(7,151)	(8,623)
Interest paid	2,166	1,007
Increase in stocks	(4,497)	(498)
Decrease/(increase) in debtors	343	506
Increase/(decrease) in creditors	<u>(851)</u>	<u>10,624</u>
Net cash provided by/(used in) operations	<u>(56,725)</u>	<u>348,673</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/25 £	Cash flow £	At 31/12/25 £
Net cash			
Cash at bank and in hand	<u>232,005</u>	<u>(58,865)</u>	<u>173,140</u>
	<u>232,005</u>	<u>(58,865)</u>	<u>173,140</u>
Debt			
Debts falling due within 1 year	(6,037)	(373)	(6,410)
Debts falling due after 1 year	<u>(32,802)</u>	<u>6,410</u>	<u>(26,392)</u>
	<u>(38,839)</u>	<u>6,037</u>	<u>(32,802)</u>
Total	<u>193,166</u>	<u>(52,828)</u>	<u>140,338</u>

The notes form part of these financial statements

GAIRLOCH & LOCH EWE ACTION FORUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Gairloch & Loch Ewe Action Forum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. There were no significant areas of adjustment and with respect to the next reporting period, no significant areas of uncertainty.

Accounting judgements & Sources of estimation uncertainty

In preparing these financial statements, the trustees have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

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.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Other income represents those items not falling into any other heading.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

GAIRLOCH & LOCH EWE ACTION FORUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES - continued

Expenditure

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated to expenditure on charitable activities.

Tangible fixed assets

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

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

Freehold property	2% straight line
Fixtures, fittings & equipment	20% straight line

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 are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme which is managed by the Creative Pension Trust.

Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

GAIRLOCH & LOCH EWE ACTION FORUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES - continued

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 transactions 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, 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.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	<u>16,992</u>	<u>20,932</u>

3. INVESTMENT INCOME

	2025	2024
	£	£
Deposit account interest	<u>7,151</u>	<u>8,623</u>

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

4. INCOME FROM CHARITABLE ACTIVITIES

		2025	2024
	Activity	£	£
Grants	Charitable activities	115,326	474,712
Income from various projects	Charitable activities	<u>378,828</u>	<u>357,657</u>
		<u>494,154</u>	<u>832,369</u>

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

	2025	2024
	£	£
Scottish Government - Volunteering support fund	-	11,250
Highland Community regeneration fund	2,563	-
Volunteer Development Fund	4	-
Gardening Project	123	-
Befriending	20	-
Website shop	51	-
Hydro Fund - Solar	36,518	-
Hydro Fund - Housing	38,758	-
Aultbea stories (Ideas fund)	16	-
Highland Hospice fund	4,325	2,417
H & I Enterprise - DRSG	9,623	14,309
CAF lottery/energy project	23,325	-
Community Ownership fund	-	128,189
Foundation Scotland	-	13,750
Plunkett Foundation	-	1,630
Scottish Land fund	-	292,827
WCIT	<u>10,340</u>	<u>10,340</u>
	<u>115,326</u>	<u>474,712</u>

5. CHARITABLE ACTIVITIES COSTS

	2025	2024
	£	£
Employees costs (note 9)	356,834	318,748
Depreciation and improvement	31,461	21,705
Shop and cafe costs	160,968	158,394
Other costs on charitable activities	12,089	6,532
Loan interest charges	2,166	1,007
Support costs (note 6)	<u>32,975</u>	<u>31,586</u>
	<u>596,493</u>	<u>537,972</u>

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable activities	<u>21,534</u>	<u>11,441</u>	<u>32,975</u>

7. NET INCOME/(EXPENDITURE)

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

	2025 £	2024 £
Auditors' remuneration	8,750	5,000
Depreciation - owned assets	31,461	21,705
	<u> </u>	<u> </u>

8. TRUSTEES' REMUNERATION AND BENEFITS

One trustee received remuneration of £47,771 in respect of services to the charity, (2024 - one trustee received £46,172 for services to the charity). None of the trustees receive remuneration for their duties as trustees (2024 - £nil).

Trustees' expenses

During the year, five trustees were reimbursed for expenditure of £1,968 incurred in their duties as trustees (2024 - three trustees were reimbursed £432).

9. STAFF COSTS

	2025 £	2024 £
Wages and salaries	327,653	300,179
Social security costs	24,461	14,308
Other pension costs	<u>4,720</u>	<u>4,261</u>
	<u>356,834</u>	<u>318,748</u>

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

	2025	2024
Average number of staff	<u>22</u>	<u>20</u>

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

The trustees consider the key management personnel to be the Managing Director and the GALE Centre Manager. During the year their employee benefits total £71,988 (2024 - £68,749).

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Designated funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	20,784	85	63	20,932
Charitable activities				
Charitable activities	357,491	207	474,671	832,369
Investment income	<u>8,623</u>	<u>-</u>	<u>-</u>	<u>8,623</u>
Total	<u>386,898</u>	<u>292</u>	<u>474,734</u>	<u>861,924</u>
EXPENDITURE ON				
Charitable activities				
Charitable activities	<u>444,835</u>	<u>13,442</u>	<u>79,695</u>	<u>537,972</u>
NET INCOME/(EXPENDITURE)	(57,937)	(13,150)	395,039	323,952
Transfers between funds	<u>(28,168)</u>	<u>534,608</u>	<u>(506,440)</u>	<u>-</u>
Net movement in funds	(86,105)	521,458	(111,401)	323,952
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>152,751</u>	<u>116,387</u>	<u>561,807</u>	<u>830,945</u>
TOTAL FUNDS CARRIED FORWARD	<u>66,646</u>	<u>637,845</u>	<u>450,406</u>	<u>1,154,897</u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2025	1,071,469	49,071	1,120,540
Additions	-	1,087	1,087
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2025	<u>1,071,469</u>	<u>50,158</u>	<u>1,121,627</u>
DEPRECIATION			
At 1 January 2025	173,200	25,140	198,340
Charge for year	21,430	10,031	31,461
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2025	<u>194,630</u>	<u>35,171</u>	<u>229,801</u>
NET BOOK VALUE			
At 31 December 2025	<u>876,839</u>	<u>14,987</u>	<u>891,826</u>
At 31 December 2024	898,269	23,931	922,200

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

12. STOCKS

	2025	2024
	£	£
Stocks	<u>85,239</u>	<u>80,742</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	464	787
Prepayments and accrued income	<u>1,101</u>	<u>1,120</u>
	<u>1,565</u>	<u>1,907</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other loans (see note 16)	6,410	6,037
Trade creditors	15,390	9,949
Social security and other taxes	9,624	16,858
Other creditors	8,503	9,897
Accrued expenses	<u>8,750</u>	<u>6,414</u>
	<u>48,677</u>	<u>49,155</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Other loans (see note 16)	<u>26,392</u>	<u>32,802</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>6,410</u>	<u>6,037</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>26,392</u>	<u>28,111</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	-	4,691

GAIRLOCH & LOCH EWE ACTION FORUM
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025

17. SECURED DEBTS

Foundation Scotland has a floating charge over all property or undertaking of the company.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Designated funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Fixed assets	-	533,554	358,272	891,826	922,200
Current assets	126,367	63,548	70,029	259,944	314,654
Current liabilities	(48,677)	-	-	(48,677)	(49,155)
Long term liabilities	(26,392)	-	-	(26,392)	(32,802)
	<u>51,298</u>	<u>597,102</u>	<u>428,301</u>	<u>1,076,701</u>	<u>1,154,897</u>

19. MOVEMENT IN FUNDS

	At 1/1/25 £	Net movement in funds £	Transfers between funds £	At 31/12/25 £
<u>Unrestricted funds</u>				
General fund	66,646	(46,809)	15,503	35,340
Designated fixed asset fund	45,341	-	15,958	61,299
Building fund - The GALE Centre	493,094	-	(20,839)	472,255
Property and renovation fund	36,969	-	-	36,969
Volunteer development fund	28,595	(2,157)	-	26,438
Community action plan	22,096	(8,142)	-	13,954
Staffing costs	9,797	(9,797)	-	-
Volunteer reward scheme	975	-	-	975
Website shop	-	50	-	50
Befriending	-	20	-	20
Growing project	980	118	-	1,098
	<u>704,491</u>	<u>(66,713)</u>	<u>10,622</u>	<u>648,400</u>
<u>Restricted funds</u>				
Big Lottery	19,739	(19,739)	-	-
Highland Hospice fund	297	(297)	-	-
Volunteer support fund	8,487	(8,487)	-	-
Ideas fund	228	16	-	244
HIE DRSG	1,415	(1,415)	-	-
HC regeneration fund	-	(404)	-	(404)
Community Ownership fund	21,033	(21,033)	-	-
WCIT	7,154	(7,154)	-	-
Plunkett foundation	1,630	(1,630)	-	-
Community Ownership fund - capital	93,610	-	-	93,610
Foundation Scotland	13,750	(6,658)	-	7,092
CAF lottery/energy project	-	145	-	145
Hydro Fund – Solar	-	24,211	-	24,211
Hydro Fund - Housing	-	38,743	-	38,743
Scottish Land Fund	283,064	(7,780)	(10,622)	264,662
	<u>450,406</u>	<u>(11,483)</u>	<u>(10,622)</u>	<u>428,301</u>
TOTAL FUNDS	<u>1,154,897</u>	<u>(78,196)</u>	<u>-</u>	<u>1,076,701</u>

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	391,143	(437,952)	(46,809)
Volunteer development fund	5,174	(7,330)	(2156)
Community action plan	-	(8,141)	(8,141)
Staffing costs	-	(9,796)	(9,796)
Website shop Postage and Packaging	51	-	51
 Befriending	 20	 -	 20
Growing project	123	(5)	118
	396,511	(463,224)	(66,713)
Restricted funds			
Big Lottery	-	(19,739)	(19,739)
Highland Hospice fund	4,325	(4,622)	(297)
Volunteer support fund	-	(8,487)	(8,487)
Ideas fund	16	-	16
HIE DRSG	9,623	(11,038)	(1,415)
HC Regeneration Fund	2,563	(2,967)	(404)
CAF lottery/energy project	23,325	(23,180)	145
Community Ownership fund	-	(21,033)	(21,033)
WCIT	-	(7,154)	(7,154)
Plunkett foundation	-	(1,630)	(1,630)
Scottish Land Fund (res)	6,658	(14,438)	(7,780)
Hydro Fund – Solar	36,518	(12,307)	24,211
Hydro Fund - Housing	38,758	(16)	38,743
Foundation Scotland	-	(6,658)	(6,658)
	121,786	(133,269)	(11,483)
TOTAL FUNDS	<u>518,297</u>	<u>(596,493)</u>	<u>(78,196)</u>

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/24 £	Net movement in funds £	Transfers between funds £	At 31/12/24 £
Unrestricted funds				
General fund	152,751	(57,937)	(28,168)	66,646
Designated fixed asset fund	4,470	-	40,871	45,341
Building fund – The GALE Centre	-	(13,346)	506,440	493,094
Property and renovation fund	36,969	-	-	36,969
Volunteer development fund	28,580	15	-	28,595
Community action plan	22,121	(26)	-	22,095
Staffing costs	22,500	-	(12,703)	9,797
Volunteer reward scheme	975	-	-	975
Growing project	772	207	-	979
	269,138	(71,087)	506,440	704,491
Restricted funds				
Building fund	506,440	-	(506,440)	-
Big Lottery	24,072	(4,333)	-	19,739
WCIT	-	7,154	-	7,154
Highland Hospice fund	506	(210)	-	296
Plunkett Foundation	-	1,630	-	1,630
Community Ownership fund	-	21,033	-	21,033
Community Ownership Fund -capital	-	93,610	-	93,610
Foundation Scotland	-	13,750	-	13,750
Scottish Land Fund	-	283,064	-	283,064
Volunteer support fund	7,021	1,466	-	8,487
Ideas fund	499	(271)	-	228
HIE DRSG	6,584	(5,169)	-	1,415
Mental health and well-being fund	2,115	(2,115)	-	-
HC regeneration fund	14,570	(14,570)	-	-
	561,807	395,039	(506,440)	450,406
TOTAL FUNDS	<u>830,945</u>	<u>323,952</u>	<u>-</u>	<u>1,154,897</u>

GAIRLOCH & LOCH EWE ACTION FORUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2025

19. 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			
General fund	386,898	(444,835)	(57,937)
Building fund – The Gale centre	-	(13,346)	(13,346)
Community action plan	-	(26)	(26)
Volunteer development fund	85	(70)	15
Growing project	207	-	207
	<u>387,190</u>	<u>(458,277)</u>	<u>(71,087)</u>
Restricted funds			
Big Lottery	-	(4,333)	(4,333)
Highland Hospice fund	2,480	(2,690)	(210)
Volunteer support fund	11,250	(9,784)	1,466
Ideas fund	60	(331)	(271)
HIE DRSG	14,309	(19,478)	(5,169)
Mental health and well-being fund	-	(2,115)	(2,115)
Community Ownership Fund	34,579	(13,546)	21,033
Community Ownership Fund – capital	93,610	-	93,610
Plunkett Foundation	1,630	-	1,630
WCIT	10,340	(3,186)	7,154
HC regeneration fund	-	(14,570)	(14,570)
Foundation Scotland	13,750	-	13,750
Scottish Land Fund	<u>292,726</u>	<u>(9,662)</u>	<u>283,064</u>
	<u>474,734</u>	<u>(79,695)</u>	<u>395,039</u>
TOTAL FUNDS	<u>861,924</u>	<u>(537,972)</u>	<u>323,952</u>

DESCRIPTION OF FUNDS

Unrestricted funds

General fund: these are unrestricted funds not tied up in fixed assets and in effect are free reserves which can be used at the discretion of the trustees.

Designated funds

Designated fixed asset fund: represents the net book value of the charity's fixed assets, other than those funded by grants.

Building fund - the GALE Centre: grants received for the construction of the GALE Centre and released in line with its annual depreciation charge.

The property and renovation fund: designated towards future capital expenditure and renovation costs.

The volunteer development fund: to support the Volunteer Programme.

Community action plan: to maintain the Gairloch and Loch Ewe CAP, carrying out periodic reviews and updates

Staffing costs: funds put aside to support staff costs when needed.

GAIRLOCH & LOCH EWE ACTION FORUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2025

19. MOVEMENT IN FUNDS - continued

Designated funds (continued)

Volunteer reward scheme: represents funds to support GALE volunteers.

Befriending: funds to support a befriending service in the Gairloch and Loch Ewe area

Growing Project: for maintenance and development of the garden and produce areas at The GALE Centre and Shieling

Website shop - an online store run by GALE offering local Scottish gifts, clothing and zero waste refillery goods

Restricted funds

Building fund: Initially restricted for the construction of the GALE Centre and transferred to a designated fund which will be released to match its annual depreciation.

Big Lottery: funds received from The Big Lottery Fund to further develop The GALE Centre Project and the Volunteer Programme

Highland Hospice: funds to support a befriending service in the Gairloch and Loch Ewe area.

Volunteer Support fund: represents funding to support the delivery of a Volunteer Programme.

The Ideas fund: funding to deliver the Aultbea Stories project.

HIE DRSG: funds to support the employment of a Project Officer.

Mental health and well-being fund: funding to support community mental health and wellbeing activities.

HC Regeneration fund: funding to support social activities within the Shieling

Community Ownership fund: represents the element of the grant which can be used for the first year's operation of The Shieling

WCIT: to support the delivery of everyday IT support in the community to reduce digital exclusion.

Plunkett foundation: to support the establishment of a community owned pub.

Climate Action Fund /Energy Project – funds to support the delivery of Highland Energy Community Partnership project to decarbonise home energy in the Gairloch and Loch Ewe area.

Hydro – Solar – capital funding to support the installation of solar panels on the GALE Centre

Hydro – Housing – to support the employment of a Housing Officer to develop a 10 year housing strategy of mid Wester Ross

The Shieling capital grants

The capital element of the Community Ownership fund grant, along with the grants from Foundation Scotland and Scottish Land fund, were used to support the acquisition of The Shieling. These grants will be released proportionally in line with the annual depreciation of The Shieling.

Transfers between funds

The following transfer was made between funds:

- £20,839 was transferred from the Designated Building fund to Unrestricted funds to offset the depreciation charge on the Gale Centre property and fittings
- £10,622 was transferred from the Restricted Scottish Land Fund to offset the depreciation charge on the Shieling property and fittings

GAIRLOCH & LOCH EWE ACTION FORUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

20. EMPLOYEE BENEFIT OBLIGATIONS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounts to £4,720 (2024 - £4,261). Contributions totalling £927 (2024 - £1,183) were payable to the fund at the year end and are included in creditors.

21. RELATED PARTY DISCLOSURES

During the year J Miles, trustee of the charitable company during 2025, received £1,860 (2024 - £4,515) from the sale of produce to customers at The GALE Centre.

During the year K Gearing, trustee of the charitable company, received £374 (2024 - £380) from the sale of baking at The GALE Centre.

