Company registration number SC645958 (Scotland)

Charity registration number SC049721 (Scotland)

SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2025

SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Burgess A Blackadder J Hunter D Sandison L Williamson S Kay	
Country of incorporation	United Kingdom (Scotland)	SC645958
Charity registration	Scotland	SC049721
Independent examiner	Thyme Tax & Accountancy Ltd 36 Angusfield Avenue Aberdeen United Kingdom AB15 6AQ	
Bankers	Virgin Money 3 Broad Street Kirkwall KW15 1DH	

SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

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SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 NOVEMBER 2025

The Trustees present their annual report and financial statements for the year ended 30 November 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 Companies Act 2006 the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Objectives and activities

To advance the wellbeing and development of the community of Scalloway.

To advance the enhancement and conservation of the local environment, culture, and heritage in Scalloway.

To advance the education of the public in matters relevant to the community of Scalloway

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

The Directors of SCDC are pleased to report another year of steady progress across a wide programme of community projects. During 2025, the organisation continued to advance key priorities for Scalloway, including the Caravan Park at Asta, the Waterfront and Town Centre project, heritage interpretation, community transport, flexible working space, district heating feasibility, active travel routes, and potential community shared ownership linked to the Mossy Hill windfarm.

Scalloway Caravan Park completed a successful third full season, with strong bookings, particularly following the introduction of Booking.com for wigwams. Site improvements continued, including safety fencing, planting, grey waste upgrades, and work to address issues with wigwam doors and cladding. The Board is also considering future development, including the possible addition of another wigwam, and are grateful to the warden team for their excellent support to visitors.

The Scalloway Waterfront and Town Centre project made significant progress, with funding secured through six routes to take the first phase to full design and consent stage. Ironside Farrar is being appointed following tendering, and further community consultation will shape the final designs before consent applications and future capital funding are pursued.
Heritage work also moved forward in partnership with Scalloway Museum and Scalloway Community Council. Funding has supported design and planning for new interpretation boards in the village and at Asta, with a further delivery phase dependent on Heritage Lottery funding.

Community transport work with partners across Shetland and Orkney has focused on local transport needs, particularly links between Tingwall, Whiteness, Weisdale and Scalloway services such as the Health Centre, pool, shops and college. Consultation has informed a draft strategy, with the final strategy due after the project concludes in October 2025.

SCDC continues to explore a flexible office and working space for community groups and local businesses. Although the earlier Scottish Land Fund bid was unsuccessful, Community Development Fund support enabled architectural options to be developed, and further funding opportunities are being pursued to support a business case and community engagement.

The feasibility of a Scalloway district heating scheme is also progressing. The proposed scheme, could link UHI Shetland, Scalloway school campus and surrounding buildings, with possible future branches to homes. Funding has been secured in part, and the Board hopes to tender for the next phase in early 2026.

Discussions with Statkraft continue on a possible community shared ownership opportunity for Mossy Hill windfarm, in partnership with neighbouring community councils. Legal advice has supported the preparation of a Memorandum of Understanding, although options remain at an early stage and depend on the windfarm timetable, currently indicating possible progress in 2028/29.

The Directors remain committed to active travel proposals, including potential paths linking the Caravan Park to the village, through Tingwall Valley, and along East Voe.

Overall, 2025 has been a productive year despite funding challenges and setbacks. SCDC remains open to new ideas, partnerships and priorities, and welcomes new Members and Directors, especially younger people who can help shape the future of Scalloway.

Financial review

Deficit

The charity incurs a deficit in operations due to grant funding only being received for specific purposes. Deficits are now being funded from the charity’s own funds until grants are received.

In future income from the Scalloway Caravan Park will contribute to the running costs of SCDC.

Reserves policy

Restricted Funds

The largest restricted fund operated by the SCDC is the fund for the construction of the Scalloway Caravan Park, formerly SCARF. Other funds are the ReCreate Scalloway which promoted a community dialogue on the role and future of the village, producing documents that help guide the future development. Community engagement Scotland fund and Heritage Trail fund.

Structure, governance and management

The Charity is a company limited by guarantee.

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

M Burgess

A Blackadder

J Hunter

D Sandison

L Williamson

S Kay

Membership

Membership is open to anyone aged 16 and over who is supportive of the aims of the organisation, regardless of where they are resident. Ordinary membership is restricted to Scalloway residents, while associate members and co-opted directors may be non-residents.

The Trustees report was approved by the Board of Trustees.

J Hunter

Trustee

27 August 2026

SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

I report on the financial statements of the Charity for the year ended 30 November 2025, which are set out on pages 5 to 15.

Respective responsibilities of Trustees and examiner

The Charity's Trustees, who are also the directors of Scalloway Community Development Company Ltd for the purposes of company law, 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 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.

Independent examiner's statement

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

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

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

Martin R Watt FCCA
Thyme Tax & Accountancy Ltd
36 Angusfield Avenue
Aberdeen
Aberdeenshire
AB15 6AQ
United Kingdom

Dated: 27 August 2026

SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 NOVEMBER 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	**3**	-	57,173	57,173	100	89,001	89,101
Charitable activities	**4**	59,764	9,116	68,880	50,958	2,674	53,632
Total income		59,764	66,289	126,053	51,058	91,675	142,733
Expenditure on:							
Charitable activities	**5**	52,968	69,423	122,391	36,830	48,402	85,232
Total expenditure		52,968	69,423	122,391	36,830	48,402	85,232
Net income/(expenditure)		6,796	(3,134)	3,662	14,228	43,273	57,501
Transfers between funds		17,721	(17,721)	-	(15,003)	15,003	-
Net movement in funds	**7**	24,517	(20,855)	3,662	(775)	58,276	57,501
Reconciliation of funds:							
Fund balances at 1 December 2024		(77,437)	837,620	760,183	(76,662)	779,344	702,682
Fund balances at 30 November 2025		(52,920)	816,765	763,845	(77,437)	837,620	760,183

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

SCALLOWAY COMMUNITY DEVELOPMENT COMPANY LTD

BALANCE SHEET

AS AT 30 NOVEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**11**		724,447		742,005
Current assets					
Debtors	**12**	14,040		4,035	
Cash at bank and in hand		42,417		34,409	
		56,457		38,444	
Creditors: amounts falling due within one year	**13**	(17,059)		(20,266)	
Net current assets			39,398		18,178
Total assets less current liabilities			763,845		760,183
The funds of the Charity					
Restricted income funds	**14**		816,765		837,620
Unrestricted funds	**15**		(52,920)		(77,437)
			763,845		760,183

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 November 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 27 August 2026

J Hunter
Trustee

1 Accounting policies

Charity information

Scalloway Community Development Company Ltd is a private company limited by guarantee incorporated in Scotland. The registered office is .

1.1 Basis of preparation

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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:

Asset under construction	Not depreciated until assets brought into use
Plant and equipment	25% SL

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 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.

1.9 Financial instruments

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

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

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

1 Accounting policies **(Continued)**

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 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	-	-	-	100	-	100
Grants	-	57,173	57,173	-	89,001	89,001
	-	57,173	57,173	100	89,001	89,101
Grants						
Shetland Islands Council	-	9,240	9,240	-	49,276	49,276
Highlands & Islands Enterprise	-	44,693	44,693	-	39,725	39,725
Energy Saving Trust	-	3,240	3,240	-	-	-
	-	57,173	57,173	-	89,001	89,001

4 Charitable activities

	2025 £	2024 £
Pitch hire	59,762	49,978
Other income	9,118	3,654
	68,880	53,632
Analysis by fund		
Unrestricted funds	59,764	50,958
Restricted funds	9,116	2,674
	68,880	53,632

5 Expenditure on charitable activities

	2025	2024
	£	£
Direct costs		
Staff costs	18,457	34,421
Depreciation and impairment	18,268	18,268
Project costs	12,241	3,186
Adverts	523	402
Development worker costs	39,329	7,560
Bank charges	209	203
Subscriptions	799	638
Utilities	6,872	9,063
Sundries	734	1,262
Booking charge	4,546	2,656
Insurance	1,431	1,148
Repairs	15,178	5,775
	118,587	84,582
Share of support and governance costs (see note 6)		
Governance	3,804	650
	122,391	85,232
Analysis by fund		
Unrestricted funds	52,968	36,830
Restricted funds	69,423	48,402
	122,391	85,232

6 Support costs allocated to activities

	2025	2024
	£	£
Governance costs	3,804	650

	2025	2024
Governance costs comprise:	£	£
Audit fees	1,104	-
Legal and professional	2,700	650
	3,804	650

7 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	1,104	-
Depreciation of owned tangible fixed assets	18,268	18,268

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	2024
	Number	Number
	1	1

Employment costs	2025	2024
	£	£
Wages and salaries	16,922	34,421
Social security costs	1,535	-
	18,457	34,421

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

	Asset under construction	Plant and equipment	Total
	£	£	£
Cost			
At 1 December 2024	747,473	15,361	762,834
At 30 November 2025	747,473	15,361	762,834
Depreciation and impairment			
At 1 December 2024	14,949	5,170	20,119
Depreciation charged in the year	14,949	3,319	18,268
At 30 November 2025	29,898	8,489	38,387
Carrying amount			
At 30 November 2025	717,575	6,872	724,447
At 30 November 2024	732,524	9,481	742,005

12 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	1,677	2,100
Other debtors	386	88
Prepayments and accrued income	11,977	1,847
	14,040	4,035

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	2,855	2,422
Trade creditors	2,559	11,724
Accruals and deferred income	11,645	6,120
	17,059	20,266

14 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.

		Movement in funds				Movement in funds			
	Balance at 1 December 2023	Incoming resources	Resources expended	Transfers	Balance at 1 December 2024	Incoming resources	Resources expended	Transfers	Balance at 30 November 2025
	£	£	£	£	£	£	£	£	£
SCARF Fund	751,922	68,899	(17,886)	3,000	805,935	-	(17,855)	-	788,080
ReCreate Scalloway Fund	23,371	4,776	-	-	28,147	-	-	-	28,147
Developworker Fund	1	12,326	(27,330)	15,003	-	57,049	(39,328)	(17,721)	-
Corra Fund	1,050	-	(1,050)	-	-	-	-	-	-
Shetland Community Benefit Fund	3,000	-	-	-	3,000	-	(3,000)	-	-
Community Energy Scotland	-	2,674	(2,136)	-	538	-	-	-	538
Community Business Hub	-	3,000	-	(3,000)	-	-	-	-	-
Herritage Trail Fund	-	-	-	-	-	9,240	(9,240)	-	-
	779,344	91,675	(48,402)	15,003	837,620	66,289	(69,423)	(17,721)	816,765

SCARF Fund - development of Scalloway caravan park
Supporting Community Fund - providing financial assistance to needy families in Scalloway
Recreate Scalloway Fund - promoting community dialogue on the role and future of the village, producing documents that help guide the future development of Scalloway
Town Centre Fund - improvements to the Scalloway environment
Development Fund - employment of development worker
Friendship Agreement Fund - event for visitors representing the Oygarden Kommune in west Norway

15 Unrestricted funds

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

	At 1 December 2024	Incoming resources	Resources expended	Transfers	At 30 November 2025
	£	£	£	£	£
SCP Fund	15,818	59,764	(48,609)	-	26,973
General funds	(93,255)	-	(4,359)	17,721	(79,893)
	(77,437)	59,764	(52,968)	17,721	(52,920)

Previous year:	At 1 December 2023	Incoming resources	Resources expended	Transfers	At 30 November 2024
	£	£	£	£	£
General funds	(76,662)	51,058	(36,830)	(15,003)	(77,437)

16 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 30 November 2025:			
Tangible assets	19,777	704,670	724,447
Current assets/(liabilities)	(72,697)	112,095	39,398
	(52,920)	816,765	763,845

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 30 November 2024:			
Tangible assets	20,221	721,784	742,005
Current assets/(liabilities)	(97,658)	115,836	18,178
	(77,437)	837,620	760,183

17 Related party transactions

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