Tayvallich Initiative Ltd
(A company limited by guarantee)

Report and Financial Statements

Year ending 31 December 2025

Charity number: SC052450
Company number: SC747516

Tayvallich Initiative Ltd

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Tayvallich Initiative Ltd

Report of the trustees for the year ending 31 December 2025

The trustees are pleased to present their directors' report together with the financial statements of the charity for the year ending 31 December 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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).

Tayvallich Initiative Ltd

Report of the trustees for the year ending 31 December 2025

Our purposes and activities

The Company, Tayvallich Initiative Ltd (TI), has been formed for the public benefit of the Community of Tayvallich as defined by specific postcode units, with the Purposes listed in the Articles of Association, to be exercised following the principles of sustainable development. The Company's Purposes are:

- To provide or advance the accessibility of recreational facilities, and/or organising recreational activities, which will be available to members of the Community and public at large with the object of improving the conditions of life of the Community.
- Advancement of citizenship or Community development, including rural or urban regeneration.
- To advance educational opportunities in the Community relating to environment, culture, heritage and/or history.
- To advance environmental protection or improvement including preservation, sustainable development and conservation of the natural environment, the maintenance, improvement or provision of environmental amenities for the Community and/or the preservation of buildings or sites of architectural, historic or other importance to the Community.
- To advance the provision (by the Company or by others) of housing in the Community for those who are in conditions of need and/or the provision (by the Company or others) of land within the Community on which housing for those in conditions of need will be constructed (by the Company or others), provided that this Purpose shall not extend to relieving any local authorities or other bodies of a statutory duty to provide such housing.

The vision that shapes our activities is community ownership for affordable housing, local jobs, sustaining land and community.

Our vision is to protect and enhance what makes Tayvallich and the surrounding area unique: its rich natural heritage, the community's resilience, and the strong connection between its people and the land and sea. Reversing depopulation and maintaining and developing employment in the area are key concerns, while also maintaining the area's natural richness and responding and adapting to the climate and biodiversity emergencies.

TI endeavours to encourage all within our community who wish to take part in our activities to become a Member of Tayvallich Initiative, to participate in community consultations and drop-in sessions, to volunteer for land-based projects and other projects, to participate in Community Steering Group meetings, to participate as a member of one or more of the Working Groups and/or to become a Board member. All levels of activity and engagement are encouraged, and updates and event announcements are provided via email updates to the community email group, via social media, and via the community notice board.

Achievements and performance

Housing

The Company intends to develop plans for housing for affordable rent or for sale with a rural housing burden attached to attract young people to stay and work locally, in turn supporting the primary school, bus service, pub, shop and church. Progress has been quite slow in the last year in setting up a connection with Communities Housing Trust (CHT) to explore the detailed feasibility of the land at Polldearg. CHT ran a tender process for the design team and applied to Argyll and Bute Council's Strategic Housing Fund for funding support. TI Housing Working Group and CHT have progressed with a Heads of Terms Agreement for CHT's work.

TI became a Rural Housing Body in late 2024, enabling TI to administer Rural Housing Burdens (RHBs) in the area. In 2025 a number of RHBs were established at Tayvallich, mainly due to property sales by Highlands Rewilding Ltd.

Tayvallich Initiative Ltd

Report of the trustees for the year ending 31 December 2025

Land

In 2025 we continued developing opportunities for access and inclusion on community-owned land with support from the Esmée Fairbairn Foundation (EFF) and other support. The broader areas of community-owned land are being evaluated for sensitive management and nature restoration. The award from Esmée Fairbairn Foundation for an Access and Inclusion Project continued through 2025. The core activity is the Community Land Ranger role for 2 days/week over 2 years. Over the year the rangers ran a number of events with volunteers and work parties. There also has been grazing of various areas of TI land to help manage the land.

Other land work has been Rhododendron ponticum clearance and treatment. The bulk of this has been carried out by ACT (Argyll and the Isles Coast and Countryside Trust), who have a region-wide project that includes stands of rhododendron on TI land. TI was also successful with an award from Highlands and Islands Environment Foundations (HIEF) for further work, enabling a Rhododendron Technician to be appointed to work with the Rangers and a group of volunteers. There are also opportunities for community growing and tree planting on the Mary MacDougall legacy land.

Renewables

Work on renewables progressed with exploration of options for solar and for wind. Following community consultation (neighbours' meeting, circulation of an information leaflet, meeting in hall) and a paper ballot in Tayvallich Hall in October that supported the proposal to apply for planning permission, the TI Renewables Working Group worked on these details to prepare an application to Argyll and Bute Council. This work is supported by the Community and Renewable Energy Scheme. Also, a group of community trusts and community councils is working together to take legal advice on what a shared community approach might look like for possible community share in renewable energy projects. This is early stage work to look at what options might be available so that a future TI Community Steering Group meeting can review and discuss opportunities.

There are also regular TI Board meetings, and TI has representation on the Tayvallich Estate Local Management Board, along with other Tayvallich community organisations (Tayvallich Community Hall, Tayvallich Bay Association and Tayvallich Community Company, plus representation from younger members of the community).

Financial review

During the period, the Charity was successful in attracting Government Grants of £74,625 (£118,170) as well as Donations of £1,281 (£1,446).

The core activities of the Charity have been funded so far mainly out of the Grant monies received.

Non-governmental funding is in place from Garfield Weston (£10,000) that will allow us to secure the Development Officer role into 2026. Additional funding for the Project Officer role will be sought in 2026, and until such time General Reserves will be used to cover the cost. Non-governmental philanthropic funding has been received from the Esmée Fairbairn Foundation (£32,959) and from HIEF (£15,331) that will secure the activity of our Community Land Rangers into 2026.

Rental income is being received for Taigh Eairdsidh, Turbiskill Farmhouse and Turbiskill Barn. Funding from Scottish Land Fund (SLF) was in place in 2025 to allow for repairs to the Turbiskill properties but going forwards such costs will be funded from our General Property Reserve. Rental incomes going forwards are expected to be able to meet the normal ongoing costs of the properties, with any surplus being then ring-fenced for future renovation work to these properties.

At the year-end we had £133,492 (£116,288) cash available to us, of which £25,000 is held in Designated Reserves. These ring-fenced amounts have been established that ensure we are able to meet our core financial obligations as they fall due across 2026 and beyond.

Investment powers and policy

- Cash in excess of 2 month rolling expected unfunded operational costs (as shown in Board approved Cashflow) will be kept in a flexible savings account. The Finance Manager will transfer money into the Current Account as required.
- Cash in excess of 1 years expected operational/project costs will be kept in a 1 year fixed interest account.
- Cash in excess of 2 years operational/project costs will be invested in low/medium risk investments as approved by the Board.

Reserves policy and going concern

Core Reserve

- An Unrestricted Core Reserve covering 1 years operational costs will be maintained at all times. This will ensure commitments can be met as they fall due, e.g.:
    - Insurance (trustee, buildings/contents, public liability, etc.)
    - Employment of any permanent staff
    - Regulatory/legal obligations
- As at 31/12/25 this Reserve is approved by the Board to be £15,000.

Property Reserve

- An Unrestricted Property Reserve has been created on the Balance Sheet.
- This will ensure commitments can be met as they fall due, e.g.:
    - Voids
    - Unfunded Property repairs
- All property will be carried on the Balance Sheet at Valuation. The Board has minute confirmation of individual Valuations, as advised by our Independent valuers. This will be revalidated and minuted every 3 years.
- As at 31/12/25 this Reserve is approved by the Board to be £10,000.

Unrestricted General Reserve

- Consists mainly of Land and Buildings (£587,458 out of a total of £642,777)

The trustees have reviewed the circumstances of the organisation and consider that adequate resources continue to be available to fund the activities of the Trust for the foreseeable future.

The trustees are of the view that the Trust is a going concern.

Future Plans

A Fundraising Working Group has been established to identify and pursue other funding and fundraising opportunities, as the Board has agreed that before any new significant activity is undertaken to progress the various aims of the Charity, external funding or donations must have been secured.

Tayvallich Initiative Ltd

Report of the trustees for the year ending 31 December 2025

Structure, Governance and Management

Governing Document

Tayvallich Initiative Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 17 October 2022. It is registered as a charity with the Scottish Charity Regulator Scottish Charity Number SC052450 (registered 31 March 2023).

Membership of the Company is open to Ordinary Members: those individuals aged 16 and over who:
a) are resident in the postcode units defining the Community (Schedule 3 to the A of A);
b) are entitled to vote at a local government election in a polling district that includes the Community or part of it; and
c) support the Purposes.

Associate Members: those individuals and organisations who:
a) are not entitled to vote at a local government election in a polling district that includes the Community or part of it, but may be considered by the Board to have a reasonable and constructive interest in the Community; and
b) support the Purposes.

Junior Members: those individuals who:
a) are aged between 12 and 15 and
b) support the Purposes.

We currently have: 105 Ordinary members signed up (out of approx 114 households and approx 220 eligible adults) and 12 Associate members (including Tayvallich Primary School).

Appointment of trustees

As set out in the Articles of Association the chair of the trustees is nominated by the Board of Trustees.

The Company must have not less than 3, and not more than 10 Directors, of which not more than 7 must be Elected Directors. At the second and each subsequent AGM one third of the Elected Directors (Article 33.2) shall retire from office. These Directors may be re-elected for a second term of office, but no Director can serve more than two consecutive terms of office without at least one year out of office before being eligible again (Article 33.4). The trustees have the power to co-opt up to three further Board members to provide specialist knowledge and skills.

All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

Trustee induction and training

New trustees undergo orientation to brief them on: their legal obligations under charity and company law, the Scottish Charity Regulator's guidance on trustee duties, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During this induction they meet key personnel and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Tayvallich Initiative Ltd

Report of the trustees for the year ending 31 December 2025

Organisation

The Board of Trustees, which can have up to 10 members, administers the charity, with a Chair, Finance Director and Secretary elected from within its membership. The Board meets regularly (usually every 4–8 weeks) and there are Working Groups, as sub-committees, covering Land, Housing, Renewables, Communications, Fundraising, Recruitment & HR, and Cultural & Natural Heritage, which meet as required.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a connected party must be disclosed to the full Board of Trustees. In the current year no such related party transactions were reported.

In 2025 Tayvallich Initiative continued worked with Highlands Rewilding Ltd, owners of neighbouring land, building on the wide-ranging Memorandum of Understanding. TI has representation on the Tayvallich Estate Local Management Board, along with other Tayvallich community organisations (Tayvallich Community Hall, Tayvallich Bay Association and Tayvallich Community Company). TI's Access and Inclusion Project offers scope to work with other local organisations and individuals. TI will apply for funding from various organisations as appropriate.

TI was invited to take part at the European Rural Parliament in October to participate in a workshop with the Scottish Land Commission on community benefits from nature. It was a good opportunity meet people from communities in all parts of Europe and to learn about their work with community-owned assets and land.

We acknowledge financial support from Scottish Land Fund (SLF), Esmée Fairbairn Foundation (EFF), Community and Renewable Energy Scheme (CARES), Highlands and Islands Environment Foundation (HIEF), Garfield Weston Foundation (GWF), UK Shared Prosperity Fund (Vibrant & Living Spaces), Argyll and Bute Council's Strategic Housing Fund.

Pay policy for senior staff

The directors consider the board of directors, the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses are disclosed in note 9 to the accounts.

There are no paid employees of the Company.

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that we face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular Board discussion on funding requirements before new initiatives are approved and active management of debtor and creditor balances to ensure sufficient working capital.

Tayvallich Initiative Ltd

Report of the trustees for the year ending 31 December 2025

Reference and administrative details

Charity number: SC052450
Company number: SC747516
Registered Office: Tayvallich Community Hall, Tayvallich, Lochgilphead, PA31 8PJ

Our advisers

Independent Examiners	Azets Audit Services	Titanium 1, King's Inch Place, Renfrew, Glasgow, PA4 8WF
Solicitors	Twin Deer Law	Torlundy, Fort William, PH33 6SQ

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the period and since the year end were as follows:

Key management personnel Tayvallich Initiative: Trustees' and Directors

	Appointed	**Resigned**
Founding trustees:		
I Gibson	17 Oct 2022	
P Hutchings	1 May 2023	
B Horsburgh	21 Mar 2023	
M Mellor	1 May 2023	
Trustee & Secretary:		
L Logue	21 Mar 2023	15 Sept 2025
S Lock	2 Nov 2025	
Co-opted trustees:		
K Horner	24 Jul 2023	
A Horner	24 Jul 2023	
Appointed trustee:		
C Osborne	4 March 2025	

Report of the trustees for the year ending 31 December 2025

Trustees' responsibilities in relation to the financial statements
The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Independent Examiner William Vernall offers himself to continue as independent examiner of the charity.

By order of the board of trustees

M Mellor (Chair)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TAYVALLICH INITIATIVE

I report on the accounts for the year ended 31 December 2025 set out on pages 11 to 22.

Respective responsibilities of trustees and examiner
The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

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

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

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

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

have not been met; or

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

William Vernall

William Vernall
The Institute of Chartered Accountants of Scotland

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

Date: 26/3/26

Tayvallich Initiative Ltd
Statement of Financial Activities (including income and expenditure account) for year ending 31 December 2025

	Note	Unrestricted Funds 2025	Restricted Funds 2025	Total Funds 2025	Unrestricted Funds 2024	Restricted Funds 2024	Total Funds 2024
					£	£	£
Income:							
Donations and legacies	3	1,282	132,915	134,197	80,941	115,675	196,616
Income from charitable activities:							
Investment income	5	19,446	–	19,446	19,279	–	19,279
Total income		**20,728**	**132,915**	**153,643**	**100,220**	**115,675**	**215,895**
Expenditure							
Expenditure on charitable activities	6	16,813	113,551	130,364	8,998	93,376	102,374
Total expenditure		16,813	113,551	130,364	8,998	93,376	102,374
Net income/ (expenditure) and net movement in funds for the year		**3,915**	**19,364**	**23,279**	**91,222**	**22,299**	**113,521**
Reconciliation of funds							
Total funds brought forward		663,861	461,745	1,125,606	572,639	439,446	1,012,085
Total funds carried forward		**667,776**	**481,109**	**1,148,885**	**663,861**	**461,745**	**1,125,606**

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

The notes form a part of these financial statements.

Tayvallich Initiative Ltd
Balance Sheet as at 31 December 2025

	Note	2025	2024
Fixed assets			
Tangible assets	14	100,000	100,000
Investment Properties	15	911,857	911,857
Total Fixed Assets		**1,011,857**	**1,011,857**
Current assets			
Debtors	16	9,353	9,121
Cash at bank and in hand		133,492	116,288
Total Current Assets		**142,845**	**125,409**
Liabilities			
Creditors falling due within one year	17	(5,817)	(11,660)
Net Current assets		**137,028**	**113,749**
Total assets less current liabilities		**1,148,885**	**1,125,606**
Creditors: falling due after more than 1 year	18	(–)	(–)
Net assets		**1,148,885**	**1,125,606**
The funds of the charity:	19		
Unrestricted income funds		642,776	638,861
Designated – Property Reserve Designated – Core Reserve Restricted income funds		10,000 15,000 481,109	10,000 15,000 461,745
Total charity funds		**1,148,885**	**1,125,606**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26/3/26

and were signed on its behalf by:

Martin Mellor – Chair

Kenneth Horner – Finance Director

The notes form part of these financial statements

Tayvallich Initiative Ltd
Statement of Cash Flows for year ending 31 December 2025

	Note	Charity 2025	Charity 2024
			£
Cash from operating activities Net cash from operations Acquisition of Tangible Fixed Assets Donation of Tangible Fixed Assets		**14,243** **-** **-**	**122,082** **(79,495)** **5,000**
Cash flows from investing activities		**14,243**	**47,587**
Interest income		**2,959**	**2,613**
Cash provided by (used in) investing activities		**2,959**	**2,613**
Cash flows from financing activities			
Repayment of borrowing		(–)	(–)
Cash used in financing activities		**(–)**	**(–)**
Increase (decrease) in cash and cash equivalents in the year		**17,202**	**50,200**
Cash and cash equivalents at the beginning of the year		116,288	66,088
Total cash and cash equivalents at the end of the year		**133,490**	**116,288**

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

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.

Tayvallich Initiative 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).

b) Preparation of the accounts on a going concern basis

The Trust reported a net cash inflow of £17,202 (£50,200) for the year. This was mainly due to rental income of £16,487 (£16,666). The Trustees have agreed a policy of only approving initiatives that are fully funded and have additionally provided for Designated Reserves of £25,000. The trustees are of the view that the charity is a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor’s intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material (see note 3).

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of Members is not recognized.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

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.

f) 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 Trust's work or for specific projects being undertaken by the Trust.

g) Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Operating leases

The charity has no operating leases

i) Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Asset Category	**Annual rate**
Land and Freehold buildings	0%

j) Investment properties

Investment properties are shown at their most recent valuation. Any aggregate surplus or deficit arising from changes in their fair value are recognised in the Statement of Financial Activities

k) Stock

The charity has no stock.

l) Debtors

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

m) 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.

n) 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 trade discounts due.

o) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity has no employees and has no pension provision.

2 Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

3 Income from donations and legacies

Donations	**2025** **£**	**2024** **£**
Donations, gifts and fundraising	1,282	1,446
Charitable activities	132,915	118,170
Legacy – Mary MacDougall Land	–	77,000
	134,197	**196,616**

The income from Donations and Legacies was £134,197 (£196,616) of which £1,282 (£80,941) was unrestricted and £132,915 (£115,675) restricted. The bulk of the restricted amounts received were to fund the work of the Development Manager, Project Officer and Land Rangers.

See note 12 for more information and to the amount and source of these grants.

The Trust benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

4 Income earned from other trading activities

The charity has no trading income

5 Investment income

	2025	**2024**
	£	**£**
Interest received	2,959	2,613
Rent received	16,487	16,666
	19,446	**19,279**

All of the interest income arises from money held in interest bearing deposit accounts.

6 Summary analysis of expenditure and related income for charitable activities

	2025 Total	2024 Total
	£	£
Donation of Land to Tayvallich Community Hall SCIO	–	(5000)
Development Manager & Project Officer costs	(52,535)	(58,569)
Land Ranger Costs	(31,526)	(9,339)
Independent Examination Costs	(2,100)	(2,400)
Other costs	(721)	(640)
Property Repairs	(15,782)	(11,565)
Service Charges during void period	–	(1,045)
Legal and Insurance expenses	(12,203)	(6,817)
Website development	–	(3,240)
Fencing/tools/plants/benches	(3,938)	(3,760)
Community Consultation	(6,332)	–
Renewables feasibility/ planning	(5,227)	–
Direct grant support	**113,551**	**93,376**
Net cost funded from other income	**(16,813)**	**(8,998)**

Expenditure on property activities was £26,700 (£19,625) of which £12,376 (£1,290) was unrestricted and £14,324 (£18,335) was restricted. The legal costs included £6,158 (–) relating to setting up Rural Housing Burdens on properties sold locally.

7 Analysis of governance and support costs

The Trust does not separately recognise the costs of its support functions, as these are provided by the volunteers. The costs which relate to the governance function relate to the Annual Audit, which for the year ended 31/12/25 are £2,100.

8 Net income/(expenditure) for the year

This is stated after charging:	2025	2024
	£	£
Independent Examiner's fees	2,100	2,400

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The charity currently has no employees.

The charity trustees were not paid or received any other benefits from employment with the Trust in the year. No charity trustee received payment for professional or other services supplied to the charity.

The following Trustees were reimbursed expenses during the year:

	£
A Horner	90

10 Staff Numbers

The charity has no employees

11 Related party transactions

The charity had no related party transactions.

12 Government Grants

Scottish Land Fund funding for the purchase and maintenance of Turbiskill Farm, land and buildings, as well as a Development Manager role – £565,608. This grant is drawn down as the charity incurs a valid expense, subject to a range of performance criteria, as opposed to an upfront payment. This has been fully utilised as at 31/12/25.

Argyll and the Islands Community Led Local Development Fund provided £3,832 towards the development of a Community Action Plan. This grant is drawn down as the charity incurs a valid expense, subject to a range of performance criteria, as opposed to an upfront payment. This has been fully utilised as at 31/12/25.

The Community and Renewable Energy Scheme has funded £11,532 for feasibility and design work for a proposed Solar Energy site on Tayvallich Initiative owned land. This grant is drawn down as the charity incurs a valid expense, subject to a range of performance criteria, as opposed to an upfront payment.

Argyll and Bute Council Supporting Communities Funding of £2,500 for community consultation. This has been fully utilised as at 31/12/25.

UK Shared Prosperity Fund, Vibrant & Living Spaces funding into 2025 of £10,045 for the purchase of fencing/tools/plants/benches for the charity-owned land. This grant is drawn down as the charity incurs a valid expense, subject to a range of performance criteria, as opposed to an upfront payment. This has been fully utilised as at 31/12/25.

13 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

Land and buildings Cnoc Leis	
	£
Cost:	
Brought down	100,000
Additions	
Disposals	–
As at 31 December 2025	**100,000**
Depreciation:	
Brought down	–
Charge for the year	–
As at 31 December 2025	–
Net book value	
Brought down	100,000
As at 31 December 2025	**100,000**

In Land and buildings there is £100,000 of land which is not depreciable.

15 Investment Property

	Taigh Eairdsidh	Turbiskill Farmhouse	Turbiskill Land and Barn	Mary MacDougall Land	Total
	£	£	£	£	£
Cost:					
Brought down	407,962	315,399	109,000	79,496	911,857
Additions	–	–	–	–	–
As at 31 December 2025	**407,962**	**315,399**	**109,000**	**79,496**	**911,857**

16 Debtors

	2025	2024
	£	£
Prepayments and accrued income	9,353	9,121
	9,353	**9,121**

17 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	2,194	2,000
Other creditors and accruals	3,623	9.660
	5,817	**11,660**

18 Creditors: amounts falling due after more than one year

There are no amounts falling due after one year

19 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Funds 31 December 2024	Incoming resources	Resources expended	Transfers	Funds 31 December 2025
	£	£	£	£	£
General fund	638,861	20,728	(16,813)	–	642,776
Designated Core fund	**15,000**	–	–	–	**15,000**
Designated property fund	**10,000**	–	–	–	**10,000**
Total	**663,861**	**20,728**	**(16,813)**	–	**667,776**

Name of unrestricted fund	Description, nature and purposes of the fund
General fund:	The 'free reserves' after allowing for all designated funds. This mostly is made up of Land and Buildings.
Designated funds:	a) Designated core fund to cover any unfunded critical expenditure, e.g. legal/accounting costs. b) Property fund is to cover repair and maintenance costs for the owned properties.

Analysis of movements in restricted fund

	Funds 31 December 2024	Incoming resources	Resources expended	Funds 31 December 2025
	£	£	£	£
Property	427,366	61,628	(64,706)	424,288
Supporting Communities Fund	2,500	–	(2,500)	–
CLLD	–	3,832	(3,832)	–
CARES	–	5,227	(5,227)	–
Vibrant & living spaces fund	–	3,938	(3,938)	–
Garfield Weston	–	10,000	(1,787)	8,213
HIEF	–	15,331	(5,512)	9,819
Esmée Fairbairn Fund	31,879	32,959	(26,049)	38,789
Total	**461,745**	**132,915**	**(113,551)**	**481,109**

Name of restricted fund	Description, nature and purposes of the fund
Highlands and Island Environmental Foundation	To assist community skills development and stewardship of Rhododendron ponticum removal on the Tayvallich peninsula.
Argyll and the Islands Community Led Local Development Fund	To assist development of a Community Action Plan.
Community and Renewable Energy Scheme	To fund feasibility assessment and design work for a proposed Solar Energy site on Tayvallich Initiative owned land. This will reduce to zero in 2026.
Property Fund	To fund the acquisition and maintenance of the property the charity will use for its charitable purposes, as well to fund a Development Officer role who will support property development objectives. This funding will reduce to zero in 2026.
Supporting Communities Fund	Funding to support a community consultation.
Garfield Weston	Funding for the Development Manager role through into 2026.
Vibrant & Living Spaces Fund	Funding into 2025 for the purchase of Fencing/tools/plants/benches for the charity-owned land.
Esmée Fairbairn Fund	Funding to help build a community-focused and collaborative approach to improving the species and habitat health of the land which TI is in guardianship of and embed community ownership and understanding. This funding will reduce to zero in 2026.

20 Analysis of net assets between funds

	2025				2024			
	General Fund	Designated Funds	Restricted Funds	Total	General Fund	Designated Funds	Restricted Funds	Total
	£	£	£	£	£	£	£	£
Tangible fixed assets	587,458	-	424,399	**1,011,857**	587,458	–	424,398	**1,011,856**
Cash at bank and in hand	55,809	25,000	52,683	**133,492**	53,353	25,000	37,936	**116,289**
Other net current assets/(liabilities)	(491)	-	4,027	**3,536**	(1,950)	–	(589)	**(2,539)**
Creditors of more than one year	-	-	-	-	–	–	–	–
Total	**642,776**	**25,000**	**481,109**	**1,148,885**	**638,861**	**25,000**	**461,745**	**1,125,606**

Tayvallich Initiative Ltd
Notes on the accounts for the year ending 31 December 2025

21 Financial instruments

The charity has no Financial instruments.

22 Post-balance sheet events

The charity has no post balance sheet events to report.

23 Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net movement in funds	23,279	113,521
Add back depreciation charge	–	–
Deduct interest income shown in investing activities	(2,959)	(2,613)
Decrease (increase) in stock	–	–
Decrease (increase) in debtors	(234)	8,254
Increase (decrease) in creditors	(5,843)	2,920
Net cash used in operating activities	**14,243**	**122,082**