

REGISTERED COMPANY NUMBER: SC201004 (Scotland)
REGISTERED CHARITY NUMBER: SC029471

**Report of the Trustees and
Audited Consolidated Financial Statements For Year Ended 30 June 2020
for
Westray Development Trust and Subsidiary**

The Long Partnership
Chartered Accountants
Registered Auditors
1 Castle Street
Kirkwall
Orkney
KW15 1HD
01856 878600

Westray Development Trust

Contents of the Financial Statements For The Year Ended 30 June 2020

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 9
Consolidated Statement of Financial Activities	10
Statement of Financial Activities for the Charitable Company	11
Balance Sheet	12 to 13
Consolidated Cash Flow Statement	14
Cash Flow Statement – Charitable Company	15
Notes to the Financial Statements	16 to 27
Detailed Statement of Financial Activities	28 to 29

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which the charity is established are:

- To provide in the interests of social welfare, facilities for recreation and other leisure time occupation available to the public at large in Westray with a view to improving their conditions of life;
- To advance education and in particular to promote opportunities for learning for the benefit of the general public;
- To protect and/or preserve the environment for the benefit of the general public;
- To provide or assist in the provision of housing for people in necessitous circumstances within Westray;
- To relieve poverty particularly among the residents of the island of Westray;
- To advance the arts, heritage, culture and science;
- To relieve those in need by reason of age, ill-health, disability, financial hardship or other disadvantage (includes relief given by the provision of accommodation and care);
- To regenerate the community of Westray by the maintenance or improvement of the physical, social and economic infrastructure;
- To promote, establish, operate and/or support other schemes and projects of a charitable nature for the benefit of the community of Westray.

In furtherance of these objects the company has the power to promote community enterprises and companies whose activities may further one or more of the above objects or may generate income to support the activities of Westray Development Trust.

OBJECTIVES AND ACTIVITIES

Significant activities

Bayview Housing Project – With the support of grant funding from the Scottish Land Fund, Westray Development Trust purchased the former Harbour Master's House, Bayview, at Gill Pier, Westray. Bringing the property into community ownership. A funding application is underway to the Scottish Government's Rural and Island Housing Fund for funding towards the renovation of Bayview into 4 x 1-2 bedroom flats. These will be available for affordable rent.

Community Garden Project – The garden project continues to successfully grow a range of fruit and vegetables in as environmentally sustainable a way as possible, supplying the Westray community with fresh locally grown produce. This year the range of produce has expanded to include more fruit such as strawberries and raspberries as well as bedding plants. 2 gardeners are currently employed on the project.

Bargain Box – The community fundraising shop which opened its doors in August 2018, despite being forced to temporarily close in March 2020 due to the COVID-19 crisis, still had a successful year supporting 10 different Westray community groups. Plans are underway to construct an extension to the current Westray Development Trust office building which would allow the Bargain Box and Trust Office to be housed together. Planning permission has been achieved at this stage.

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2020

Significant activities (Continued)

Hofn Youth Centre – The Hofn Youth Centre continued to provide a safe haven for Westray’s young people to spend time with friends outside of their homes and school. The youth centre was temporarily closed in March 2020 due to the COVID-19 crisis and was still closed at the end of the financial year. 4 youth workers are currently employed by the Trust for the Hofn. The Hofn (meaning haven) was opened in 2000 to give the young folk of the island somewhere to congregate; previously the meeting place was the public toilets in the middle of the village and before that it was the Chip Shop.

Home Help Service - The Trust continues to provide its home help scheme which offers cleaning and cooking services to those who may be in need of extra support. This has seen seven individuals benefitting from the service since it was set up in April 2016 and currently employs 1 person.

Defibrillator Network – This project, with support from the Community HeartBeat Trust, saw Westray Development Trust install 5 public access defibrillators across Westray. Previously there had been only one public access defibrillator on the island located at the Westray Healthy Living Centre in Pierowall. The new defibrillators were installed with permission of land owners at Westray Airfield, Gill Pier Ferry Terminal Waiting Rooms, Westray Parish Kirk, Peter Miller’s Shop and Rapness Ferry Terminal Waiting Rooms. The 6th and final defibrillator will be installed in the red telephone kiosk located at Midbea. At the end of the financial year the kiosk had been adopted from BT and renovations were underway.

Community Quarry - The Trust has invested significant funds in the quarry project with the appointment of Dalgleish Associates to carry out the legal work including screening and planning applications. This project was paused due to staffing changes and low interest from external contractors. It is hoped that a feasibility report can be prepared in 2021.

Westray Development Trust continues to support learning and education on the island by providing funding for a learning centre coordinator post and by also providing education and training grants to individuals.

Westray Community Wind Turbine Fund – Grant Making

The Board of WDT have the ultimate responsibility of ensuring the assets of the charity are used to their full potential and for the benefit of the community of Westray. The Board can choose to delegate authority to sub groups as it sees fit.

The Project Evaluation Group (PEG) is made up of two WDT Board members, one community council representative, one director from Westray Renewable Energy Ltd and two elected members of the community. The PEG has the authority to assess applications which fall under the Community Grants (CG) and Local Investment Budget (LIB) schemes and make recommendations to the Board on whether the application should be approved and the level of funding it should receive.

The assessment is carried out using a scoring matrix in which each application is given a score of between minus 1 and 3 for six criteria: external funding, fit with WDT charitable objectives, need, impact, achievability, and cost. The application is then dealt with in one of three ways depending on the total score; less than 5 and it is rejected, between 6 and 11 and the application is referred back to the applicant for more information and a score of between 11 and 18 means that it is passed on to the WDT Board for funding consideration.

Last year the Community Grants and Development Grants were rolled into one. Community Grants are now for one-off projects that have a direct short or long-term benefit to the community of Westray and that further the charitable objectives of the Trust and that fit well with the key themes of the WDT plan. Grants will be up to a maximum of £50,000.

The Local Investment Budget is for projects that don’t fit within the Community Grant scheme because of, amongst other reasons, the nature of the project or the amount of funding required. Applications to this scheme would generally be assessed by the PEG and presented to the membership at the AGM for approval. However, this is not always possible and so the Board of WDT uses its discretion in these instances.

The Board of WDT delegate authority for the Education and Training Grants (ETG) and the Entertainment Grant (EG) schemes to the Staff Team.

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2020

Significant activities (Continued)

To assist in the aim of 'advancing education and in particular to promote opportunities for learning for the benefit of the general public', the ETG scheme was established. Westray residents can apply for 50% of the course costs up to a maximum of £500 per year.

The Board recognise that the cost of travelling to the island (and freight costs) could be seen as prohibitive if the group who wishes to put on an event would have to make a full cost recovery. Therefore it set up the EG and any group can apply for funding of up to a maximum of £700 per event which can be used for any cost directly associated with holding the event, such as travel and accommodation costs, catering or room hire. If the event being held is to raise funds for charities off the island, this must be stated in the application to the Trust; members of the community of Westray must have benefitted personally from these charities. Because the criteria for both of these funds is straightforward it is possible to give a quick decision on funding and the staff team aim to give the applicant a decision within 10 days of receipt of application. The Board are kept informed of funding awarded by way of a written report at each monthly Board meeting.

The WDT Loan scheme has been relaunched this year allowing businesses to apply for a competitive loan from WDT to further their Westray based business. Companies wishing to apply must have a clear business plan and WDT will require a form of security on the loan.

Volunteers

The Trust is very involved in the community and is dependent on voluntary help from members, trustees and others. Without these volunteers the Trust could not undertake the majority of its activities.

ACHIEVEMENT AND PERFORMANCE

The Trust looks to continually build on its past achievements and to learn from activities which have not had the same level of success and then to bring about any changes necessary. The best measure of performance is how the Trust is considered by the residents of Westray and how projects have contributed to the vision set by the community that led to the formation of WDT. It is always worth quoting this as a reminder of the central reason for the existence of the Trust, whether it continues to have the correct focus and as a yardstick of how successful it continues to be:

"To develop the economic, social and cultural sustainability of our community by harnessing the quality of our resources, people and island environment."

The larger projects which the trust was involved in, in its earlier days can be seen through the island.

Kalisgarth Care Centre was opened in 2005 to enable those who require residential care to remain on their home island. The centre is one of the major employers on the island with over a dozen full, part and relief positions.

The Hofn (meaning haven) was opened in 2000 to give the young folk of the island somewhere to congregate; previously the meeting place was the public toilets in the middle of the village and before that it was the chippy.

Six years of countless meetings in the 2000s led to the erection and commissioning of the community wind turbine in 2009 which is a major achievement and is what has ensured that the Trust is still going strong today. The income generated by the turbine is far greater than anticipated and that has brought along a whole new set of challenges. Whilst it may have looked like WDT didn't seem to be doing much for a good few years after the turbine was installed, a huge amount of work was going on behind the scenes trying to put in place processes and procedures for using the money and for enabling others to use the money for their activities and purposes. These processes and procedures are under constant review as new challenges and legislation come along - it is probable that there will never be 'final' processes because of the nature of the organisation (and island) - nothing stays the same.

The funding received in connection with the turbine project also included funding for several side projects. Tackling fuel poverty was seen as a must for the Trust and this project culminated in several properties receiving ground source heat pumps, free of charge. A major re-development of the golf course also came off the back of this funding. Perhaps the least successful projects was the production of bio-diesel and the zero-waste project but lessons were learnt from all of these projects, good and bad.

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2020

ACHIEVEMENT AND PERFORMANCE (Continued)

In the last year or so, WDT has become more active in looking at its own projects. There is the continuing work on the quarry and housing projects which are major projects so it's worth taking our time and getting it right.

WDT doesn't only provide grant funding, it also has three active loans at present, to members of the community. One to two young brothers who refurbished a crab fishing boat and the other two are to two couples who took over running local shops. Total loan funding paid out is £389,000 and will provide a return (including capital) of approximately £500,000 over 25 years. Apart from the initial assessment which is carried out by the financial sub-group, loan management is carried out by Developing Strathclyde Limited. This year a Loan of £60,000 was approved to help a couple start up their own bistro but due to Covid 19 this has put the project behind and full payment of this loan will be forwarded to them in due course.

Feedback on performance from the residents of Westray is important to the Trust. Minutes of Board meetings have been made available to Westray residents via the Trust website. To further improve ease of access to information on the ongoing work of the Trust, a monthly report is included in the 'Auk Talk' newsletter produced by Westray Heritage Trust and WDT also has a Facebook and Instagram page. The Annual General Meeting of WDT provides members with the opportunity for formal assessment of performance and accountability.

Reserves policy

Westray Development Trust operates two types of Reserve. A General Reserve is divided into a General Fund used to fund day to day operations and Designated Funds which is money set aside for particular purposes by the Board. The other type of reserve is a Restricted Reserve comprising grants and other funds received for a specific purpose or project and where the receipt is subject to conditions on how and for what the money can be applied.

Donations were received in the year from Westray Renewable Energy Ltd amounting to £470,000. Other donations and grant income were reduced this year but included further funds for the development of Bayview and also Covid support from the Government.

The income from the trading subsidiary, which is the profits from the income generated from the community owned wind turbine, is far greater than was ever anticipated. Actual funds earned far exceed the original estimates and, in this year, the donation from WRE was the highest to date.

Westray has always been an island where fundraising activities have played a major part in the social calendar whether it be jumble sales or coffee afternoons and the Trust recognises that it doesn't want to intrude on that area by offering 'money for nothing'. It also recognises that the turbine has a relatively short life expectancy and there may not be another project that would be able to generate an income to the level that is being generated at the moment. So, in order to retain the fundraising abilities of the island and to avoid a grant dependant culture, the Trust limits its grants budget each year to £150,000 thus leaving a substantial excess for investment.

Investment takes two forms within WDT; the first is investing in vital local businesses by way of loans. At present, WDT has three live loans. The first was to two brothers who wished to refurbish a crab fishing boat and set up in business together. It was recognised that not only would this keep potentially two young families on the island but would also provide raw product to the local crab processing factory thereby helping to retain another vital local business. The other two loans were given to two local shops which were both at risk of closing due to retirement of the previous owners. This has safeguarded around half a dozen jobs as well as creating a few more because of expansion of one of the businesses.

The other form which investment takes within WDT is that of financial investment in CCLA's Ethical Investment Fund. WDT had built up a substantial reserve and it was realised that there needed to be some way found to make this money work rather than it just sit in a bank account doing nothing. WDT invested £750,000 into this fund which now has a value of £1,032,342 as at 30 June 2020. This will increase year on year as surplus funds are transferred and existing investments appreciate in value. It is anticipated that cash deposited with CCLA should earn around 4% per year in interest.

Concurrently, WDT and WRE are looking at an income generating project to replace the turbine. There are a couple of ways that the funds held in CCLA can be used; one is that they can be kept there and earn interest which can be used for the day to day running of WDT. The other is that they can be used to fund the next income generating project, whatever that may be.

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT GOVERNING INSTRUMENT AND ADMINISTRATIVE STATUS

Westray Development Trust is a company limited by guarantee, governed by its Articles of Association. The company is registered in Scotland, company number SC201004. It is a registered charity with the Office of the Scottish Charity Regulator (OSCR).

The directors have taken advantage of the special exemption conferred by section 60 of the Companies Act 2006 applicable to companies limited by guarantee, allowing them to dispense with the requirement of using the word Limited, or the abbreviated Ltd, after the company name.

Recruitment and appointment of new trustees

Directors must be members but may not be employees of the Trust.

The board of the Trust consists of between 6 and 15 directors.

Directors are nominated and are required to get the support of 50% or more of the voting membership at an AGM provided that they have first been nominated and seconded. In addition, the Board may appoint directors at other times to fill a vacancy. At each AGM one third or 3 - whichever the greatest - shall retire but are eligible for re-election.

The Chairman, Vice-Chairman, Treasurer, Secretary and such other office bearers as the Board considers appropriate for the next 12 months are appointed from among the directors immediately following the AGM.

Organisational structure

The structure of the company comprises:

- (a) The MEMBERS - who have the right to attend the annual general meeting (and any other general meeting) and have important powers under the articles of association and the Act; in particular, the members elect people to serve as directors and take decisions in relation to changes to the articles themselves.
- (b) the DIRECTORS - who hold regular meetings during the period between annual general meetings, and generally control and supervise activities of the company; in particular, the directors are responsible for monitoring the financial position of the company.

Membership is open to any person aged 18 years or over who;

- (a) Is ordinarily a resident on the island of Westray.
- (b) Supports the objects and activities of the company.

Members of the Company may become paid employees of the Company, but shall not be entitled to vote on matters directly affecting their employment and will not be eligible to stand for election as a Director.

Any person who wishes to become a member must sign, and lodge with the company, a written application for membership; the company shall supply a form for applying for membership to any person upon request. The directors shall consider each application for membership at the first directors' meeting which is held after the receipt of the application; the directors shall, within a reasonable time after the meeting, notify the applicant of their decision on the application.

Related parties

Westray Development Trust has one wholly owned subsidiary.

Westray Renewable Energy Limited is a company operating a wind turbine in Westray. Profits from the company are subject to Corporation Tax, just like any other trading company. The tax is being eliminated by careful planning of Charitable Donations to Westray Development Trust and claiming just enough capital allowances on the cost of the equipment.

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC201004 (Scotland)

Registered Charity number

SC029471

Registered office

Unit 1
Quarry Road
Westray
Orkney
KW17 2DF

Trustees

D H Leslie	
J P M Bews	(resigned 10.9.19)
W Turnbull	(resigned 5.11.19)
A G Seatter - Chairman	
L T Pottinger	
Mrs H Bain	
Mrs A Burgher	
Mrs G McEwen	
J Barnett	(resigned 9.7.19)

Company Secretary

Mrs A Burgher

Auditors

The Long Partnership
Chartered Accountants
Registered Auditors
1 Castle Street
Kirkwall
Orkney
KW15 1HD

Bankers

Triodos Bank BV
Deanery Road
Bristol
BS1 5AS

Solicitors

Lows Orkney
5 Broad Street
Kirkwall
KW15 1DH

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Westray Development Trust 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 which 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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

Auditors for the coming year will be proposed for approval at the Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 8 December 2020 and signed on the board's behalf by:



A G Seatter - Trustee

Report of the Independent Auditors to the Trustees of Westray Development Trust

Opinion

We have audited the consolidated financial statements of Westray Development Trust (the 'charitable company') and its subsidiary for the year ended 30 June 2020 which comprise the Statements of Financial Activities, the Balance Sheet, the Cash Flow Statements, both for the group and the charitable company, 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 30 June 2020 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company or its subsidiary has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of Westray Development Trust

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 of the charitable company and of the group, 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 and the group 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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.

Use of our report

This report is made solely 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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of The Long Partnership

Chartered Accountants

Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

1 Castle Street

Kirkwall

Orkney

KW15 1HD

31 March 2021

Westray Development Trust

Consolidated Statement of Financial Activities
(Incorporating a Consolidated Income and Expenditure Account)
For The Year Ended 30 June 2020

	Notes	Unrestricted funds £	Restricted funds £	30.6.20 Total funds £	30.06.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,933	-	2,933	90
Charitable activities					
Grants Received for Charitable Activities	5	184	10,083	10,267	155,042
Incoming resources from charitable activities		4,499	-	4,499	7,080
Other trading activities	3	657,968	22,696	680,664	612,232
Investment income	4	11,676	-	11,676	11,165
Other income		-	-	-	-
Total incoming resources		677,260	32,779	710,039	785,609
EXPENDITURE ON					
Raising funds					
Electricity generation costs		126,988	-	126,988	123,991
Investment management costs		1,395	-	1,395	-
		128,383	-	128,383	123,991
Charitable activities					
Activities for the benefit of the community	6	311,820	10,979	322,799	262,355
Governance costs		13,204	-	13,204	12,389
Other		3,018	-	3,018	10,539
Taxation (Subsidiary)		(5,222)	-	(5,222)	(3810)
Total expenditure		451,203	10,979	462,182	405,464
Net gains on investments		282,342	-	282,342	-
NET INCOME		508,399	21,800	530,199	380,145
Transfers between funds	19	721,974	(721,974)	-	-
Net movement in funds		1,230,373	(700,174)	530,199	380,145
RECONCILIATION OF FUNDS					
Total funds brought forward		2,589,867	1,283,219	3,873,086	3,492,941
TOTAL FUNDS CARRIED FORWARD		3,820,240	583,045	4,403,285	3,873,086

The notes form part of these consolidated financial statements

Westray Development Trust

Statement of Financial Activities for the Charitable Company. (Incorporating an Income and Expenditure Account) For The Year Ended 30 June 2020

	Notes	Unrestricted funds £	Restricted funds £	30.6.20 Total funds £	30.06.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,933	-	2,933	90
Charitable activities					
Grants Received for Charitable Activities	5	184	10,083	10,267	155,042
Incoming resources from charitable activities		4,499	-	4,499	7,080
Other trading activities	3	3,376	22,696	26,072	3,370
Investment income	4	488,687	-	488,687	393,402
Other income		<u>5,827</u>	<u>-</u>	<u>5,827</u>	<u>5,827</u>
Total incoming resources		505,506	32,779	538,285	564,811
EXPENDITURE ON					
Raising funds					
Other trading activities	7	4,379	-	4,379	25,146
Investment management costs		<u>1,395</u>	<u>-</u>	<u>1,395</u>	<u>-</u>
		5,774	-	5,774	25,145
Charitable activities					
Activities for the benefit of the community	6	311,819	10,979	322,798	231,340
Governance		10,420	-	10,420	9,745
Other		<u>1,386</u>	<u>-</u>	<u>1,386</u>	<u>14,520</u>
Total expenditure		329,399	10,979	340,378	255,605
Net gains on investments		<u>282,342</u>	<u>-</u>	<u>282,342</u>	<u>-</u>
NET INCOME		458,449	21,800	480,249	280,750
Transfers between funds	19	<u>721,974</u>	<u>(721,974)</u>	<u>-</u>	<u>-</u>
Net movement in funds		1,180,423	(700,174)	480,249	284,061
RECONCILIATION OF FUNDS					
Total funds brought forward		1,727,111	1,283,218	3,010,329	2,726,268
TOTAL FUNDS CARRIED FORWARD		<u>2,907,534</u>	<u>583,044</u>	<u>3,490,578</u>	<u>3,010,329</u>

The notes form part of these consolidated financial statements

Westray Development Trust

**Balance Sheet
At 30 June 2020**

	Notes	Group 30.06.20 £	Group 30.06.19 £	Charity 30.06.20 £	Charity 30.06.19 £
FIXED ASSETS					
Tangible assets	14	1,272,955	1,166,278	650,504	476,909
Investments	9	1,034,342	752,000	1,034,442	752,100
		2,307,297	1,918,278	1,684,946	1,229,009
CURRENT ASSETS					
Debtors: amounts falling due within one year	15	282,762	255,290	74,669	122,627
Debtors: amounts falling due after more than one year	15	363,263	327,229	356,548	353,406
Cash at bank and in hand		1,603,156	1,557,193	1,424,531	1,315,867
		2,249,181	2,139,712	1,855,748	1,791,900
CREDITORS					
Amounts falling due within one year	16	77,193	103,682	(50,116)	(10,580)
NET CURRENT ASSETS/(LIABILITIES)		2,171,988	2,036,030	1,805,632	1,781,320
TOTAL ASSETS LESS CURRENT LIABILITIES		4,479,285	3,954,308	3,490,578	3,010,329
PROVISION FOR LIABILITIES	17	76,000	81,222	-	-
NET ASSETS	18	4,403,285	3,873,086	3,490,578	3,010,329
FUNDS					
Unrestricted funds	19				
General Funds		1,329,820	1,501,752	417,114	597,030
Designated Funds		2,490,420	1,088,116	2,490,420	1,130,081
Restricted funds		583,045	1,283,218	583,044	1,283,218
		4,403,285	3,873,086	3,490,578	3,010,329

The notes form part of these consolidated financial statements

Westray Development Trust

**Balance Sheet – continued
At 30 June 2020**

The Trustees have prepared group accounts in accordance with section 398 of Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005.

These consolidated financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies, and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The consolidated financial statements were approved by the Board of Trustees on 8 December 2020 and were signed on its behalf by:



A G Seatter - Trustee

Westray Development Trust

**Consolidated Cash Flow Statement
For The Year Ended 30 June 2020**

	30.06.20	30.06.19
	£	£
Cash flows from operating activities:		
Cash generated from operations – see below	226,514	283,792
Finance costs	<u>-</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>226,514</u>	<u>283,792</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(192,227)	(12,816)
Sale of tangible fixed assets	-	6,000
Interest received	11,676	11,085
Dividends received	<u>-</u>	<u>80</u>
Net cash provided by (used in) investing activities	<u>(180,551)</u>	<u>4,349</u>
Change in cash and cash equivalents in the reporting period	45,963	288,141
Cash and cash equivalents at the beginning of the reporting period	<u>1,557,193</u>	<u>1,269,052</u>
Cash and cash equivalents at the end of the reporting period	<u>1,603,156</u>	<u>1,557,193</u>

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.06.20	30.06.19
	£	£
Net income for the reporting period (as per the statement of financial activities)	530,199	380,145
Adjustments for:		
Depreciation charges	85,550	81,437
Deferred Taxation	(5,222)	-
Interest received	(11,676)	(11,085)
Revaluation of investments	(282,342)	-
Dividends received	-	(80)
Increase / Decrease in debtors	(63,506)	(82,541)
Decrease/Increase in Creditors	<u>(26,489)</u>	<u>(84,084)</u>
Net cash provided by (used in) operating activities	<u>226,514</u>	<u>283,792</u>

The notes form part of these financial statements

Westray Development Trust

**Cash Flow Statement for the charitable company
For The Year Ended 30 June 2020**

	30.06.20	30.06.19
	£	£
Cash flows from operating activities:		
Cash generated from operations – see below	(187,796)	23,462
Finance costs	<u>-</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>(187,796)</u>	<u>23,462</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(192,227)	(12,815)
Sale of tangible fixed assets	-	6000
Investment income received	<u>488,687</u>	<u>393,402</u>
Net cash provided by (used in) investing activities	<u>296,460</u>	<u>386,587</u>
Change in cash and cash equivalents in the reporting period	108,664	410,049
Cash and cash equivalents at the beginning of the reporting period	<u>1,315,867</u>	<u>905,818</u>
Cash and cash equivalents at the end of the reporting period	<u><u>1,424,531</u></u>	<u><u>1,315,867</u></u>

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.06.20	30.06.19
	£	£
Net income for the reporting period (as per the statement of financial activities)	480,249	284,061
Adjustments for:		
Depreciation charges	18,632	14,522
Deferred Taxation	-	-
Investment income received	(488,687)	(393,402)
Revaluation of investments	(282,342)	-
Increase / Decrease in debtors	44,816	119,816
Decrease/Increase in Creditors	<u>39,536</u>	<u>(1,535)</u>
Net cash provided by (used in) operating activities	<u>(187,796)</u>	<u>23,462</u>

1. ACCOUNTING POLICIES

Accounting convention

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 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Westray Development Trust 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.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Westray Renewable Energy Limited on a line by line basis.

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.

Investment income comprises interest receivable on loaned funds and is included when receivable and the amount can be measured reliably by the charity; this is normally calculated in accordance with the relevant loan documentation.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income, the amount can be quantified with reasonable accuracy and any performance conditions attached to the items of income have been met.

Donations and donated assets are included in the Statement of Financial Activities when receivable. Donated assets are capitalised at a value equivalent to market value at the date of donation. Donated items for resale where realisation is uncertain are not attributed with a value.

Donations from Westray Renewable Energy Limited are received annually but as the Trust is not legally entitled to the income and the amount cannot be quantified with reasonable accuracy, the Trust recognises the donation upon receipt.

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.

Expenditure and irrecoverable VAT

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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 appropriate headings.

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

Westray Development Trust

Notes to the consolidated financial statements - continued For The Year Ended 30 June 2020

Tangible fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions are not capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property (Buildings)	2% on cost
Equipment	25% on reducing balance
Turbines	4% or 5% on cost

Investments in group companies held as fixed assets are valued at cost adjusted for impairment, where appropriate.

Other investments are valued at Market Value and any gain or loss on valuation posted to the Statement of Financial Activities.

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.

Concessionary Loans

Loans made in furtherance of the charity's objectives are treated as concessionary loans and valued at the amount advanced less any capital repayments received or receivable.

Cash at bank and in hand

Cash at bank and cash in hand includes cash held by the charity and bank deposits.

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.

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.

Deferred tax (Subsidiary)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Westray Development Trust

**Notes to the consolidated financial statements – continued
For The Year Ended 30 June 2020**

2. DONATIONS AND LEGACIES

	30.6.20	30.6.19
	£	£
Grants	2,933	-
Subscriptions	<u>-</u>	<u>90</u>
	<u>2,933</u>	<u>90</u>

3. OTHER TRADING ACTIVITIES – Charitable Company

	30.6.20	30.6.19
	£	£
Electricity & ROCS	3,888	3,370
Sundry Income	<u>22,184</u>	<u>-</u>
	<u>26,072</u>	<u>3,370</u>

OTHER TRADING ACTIVITIES – Group

	30.6.20	30.6.19
	£	£
Electricity & ROCS	658,480	612,232
Sundry Income	<u>22,184</u>	<u>-</u>
	<u>680,664</u>	<u>612,232</u>

4. INVESTMENT INCOME – Charitable Company

	30.6.20	30.6.19
	£	£
Rents received	2,400	2,400
Gift aid payment - Subsidiary	470,000	370,000
Deposit account interest, dividends etc	3,325	2,411
Interest on loans receivable	8,182	8,601
Interest on loan to subsidiary	<u>4,780</u>	<u>9,990</u>
	<u>488,687</u>	<u>393,402</u>

INVESTMENT INCOME – Group

	30.6.20	30.6.19
	£	£
Deposit account interest, dividends etc	3,494	2,564
Interest on loans receivable	<u>8,182</u>	<u>8,601</u>
	<u>11,676</u>	<u>11,165</u>

5. INCOME FROM CHARITABLE ACTIVITIES - Company

	30.6.20	30.6.19
	£	£
Bargain Box	331	1596
Home Help Services	520	891
Hofn Centre Hires	271	319
Growing Project Sales	3,377	4,274
Grants	10,267	155,042
	<u>14,766</u>	<u>162,122</u>

Westray Development Trust
Notes to the consolidated financial statements – continued
For The Year Ended 30 June 2020

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

	30.6.20	30.6.19
	£	£
OIC	2,812	-
Leader	2,171	8,156
Scottish Executive	-	3,886
Scottish Land Fund	5,100	142,500
Other	<u>184</u>	<u>500</u>
	<u>10,267</u>	<u>155,042</u>

6. CHARITABLE ACTIVITIES – Activities for the benefit of the community

	Consolidated	Charitable Company
	£	£
Charitable activities:		
Direct costs	929	929
Grants awarded	146,370	146,370
Support cost:		
Management	157,778	157,778
Depreciation	14,634	14,634
Information technology	<u>3,088</u>	<u>3,088</u>
Total	<u>322,799</u>	<u>322,799</u>

7. GRANTS AWARDED - Consolidated and Charitable Company

Grants awarded and payable for the year were as follows:

	30.06.20
	£
Education and training	13,974
Community Projects (external)	11,285
Supporting Local Events	1,694
Other Grants	78,318
Local Development Grants	40,249
Friends of Kalisgarth	850
	<u>146,370</u>

8. NET INCOME/(EXPENDITURE)

Net resources of the charity are stated after charging:

	30.06.20	30.06.19
	£	£
Auditors' remuneration	4,272	4,187
Non-audit accountancy services	5,000	5,000
Depreciation - owned assets	18,632	14,523

Net resources of the group are stated after charging:

	30.06.20	30.06.19
	£	£
Auditors' remuneration	4,272	4,458
Non-audit accountancy services	7,784	7,733
Depreciation:		
Turbines (included in cost of electricity generation)	70,917	70,901
Other assets (included in overheads)	14,634	10,866

Westray Development Trust

Notes to the Financial Statements - continued For The Year Ended 30 June 2020

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 July 2019	100	752,000	752,100
Revaluations (see note below)	-	282,342	282,342
At 30 June 2020	<u>100</u>	<u>1,034,342</u>	<u>1,034,442</u>
NET BOOK VALUE			
At 30 June 2020	<u>100</u>	<u>1,034,342</u>	<u>1,034,442</u>
At 30 June 2019	<u>100</u>	<u>752,000</u>	<u>752,100</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Westray Renewable Energy Limited (SC280113)

Registered office: Unit 1 Quarry Road, Westray, Orkney, KW17 2DF

Nature of business: Wind energy generation

Class of share:	% holding
Ordinary	100

Westray Processors

The unlisted investments represent 2000 Ordinary Shares in Westray Processors Limited, an Industrial and Provident Society registered in Scotland.

Other Investments

The other investment comprises Accumulation Units in a CIOF Ethical Investment Fund, valued at mid-market price as at 30 June 2020.

Westray Development Trust

Notes to the Financial Statements - continued For The Year Ended 30 June 2020

10. ACTIVITIES FOR GENERATING FUNDS – COMMERCIAL TRADING OPERATIONS

The wholly-owned trading subsidiary, Westray Renewable Energy Limited (WRE) is incorporated in the United Kingdom (company number SC280113) and pays all its profits to the charity under the gift aid scheme. WRE operates a wind turbine in Westray generating and selling electricity to the grid. A summary of the financial performance of the subsidiary alone is shown below:

	WRE Ltd	
	30.06.20	30.06.19
	£	£
Turnover	654,592	608,862
Cost of sales, administrative costs and interest	(139,862)	(146,587)
Donation to WDT	(470,000)	(370,000)
Taxation	5,222	3,810
Net profit/ (loss)	49,952	96,085
The assets and liabilities of the subsidiaries were:		
Fixed assets	622,452	689,368
Current assets	428,007	476,808
Current liabilities	(61,648)	(189,203)
Long term liabilities	(76,000)	(114,114)
Total net assets	912,811	862,859
Aggregate share capital and reserves	912,811	862,859

11. GOVERNANCE COSTS

	Group	Group	Charity	Charity
	30.06.20	30.06.19	30.06.20	30.06.19
	£	£	£	£
Auditors Remuneration	4,272	4,187	4,272	4,187
Non-Audit Accountancy Services	7,784	5,000	5,000	5,000
Other professional fees		2,644		
PI Insurance	1,148	558	1,148	558
	13,204	12,389	10,420	9,745

Westray Development Trust

Notes to the consolidated financial statements – continued For The Year Ended 30 June 2020

12. TRUSTEES' AND DIRECTORS REMUNERATION AND BENEFITS

	30.06.20	30.06.19
	£	£
Directors' remuneration for services provided (subsidiary only)	<u>6,000</u>	<u>6,000</u>

No trustee received remuneration as a trustee of Westray Development Trust.

No trustee received expenses in the year.

13. STAFF COSTS

	Group 30.06.20	Group 30.06.19	Charity 30.06.20	Charity 30.06.19
	£	£	£	£
Wages and Salaries (see note below)	114,175	109,431	108,175	103,431
Social security costs	3,597	7,037	3,597	7,037
Pensions	2,529	1,106	2,529	1,106
	<hr/> 120,301	<hr/> 117,574	<hr/> 114,301	<hr/> 111,574
Average number of employees	13	13	7	7

The wages paid by the subsidiary which are included above, relate to electricity production and are therefore included as a cost of production (2020: £6000, 2019: £6000).

No employees received remuneration exceeding £60,000 in this or the prior year.

Westray Development Trust

**Notes to the consolidated financial statements - continued
For The Year Ended 30 June 2020**

14. TANGIBLE FIXED ASSETS – Charitable Company

	Freehold property £	Equipment £	Turbines £	Totals £
COST				
At 1 July 2019	419,672	91,743	114,619	626,034
Additions	<u>187,926</u>	<u>4,301</u>	<u>-</u>	<u>192,227</u>
At 30 June 2020	<u>607,598</u>	<u>96,044</u>	<u>114,619</u>	<u>818,261</u>
DEPRECIATION				
At 1 July 2019	34,744	44,716	69,665	149,125
Charge for year	<u>7,827</u>	<u>6,807</u>	<u>3,998</u>	<u>18,632</u>
At 30 June 2020	<u>42,571</u>	<u>51,523</u>	<u>73,663</u>	<u>167,757</u>
NET BOOK VALUE				
At 30 June 2020	<u>565,027</u>	<u>44,521</u>	<u>40,956</u>	<u>650,504</u>
At 30 June 2019	<u>384,928</u>	<u>47,027</u>	<u>44,954</u>	<u>476,909</u>

Included in cost or valuation of land and buildings is freehold land of the charity of £236,905 (2019 - £236,905).

TANGIBLE FIXED ASSETS – Group

	Freehold property £	Equipment £	Turbines £	Totals £
COST				
At 1 July 2019	419,672	91,743	1,452,944	1,964,359
Additions	<u>187,926</u>	<u>4,301</u>	<u>-</u>	<u>192,227</u>
At 30 June 2020	<u>607,598</u>	<u>96,044</u>	<u>1,452,944</u>	<u>2,156,586</u>
DEPRECIATION				
At 1 July 2019	34,744	44,716	718,621	798,081
Charge for year	<u>7,827</u>	<u>6,807</u>	<u>70,916</u>	<u>85,550</u>
At 30 June 2020	<u>42,571</u>	<u>51,523</u>	<u>789,537</u>	<u>883,631</u>
NET BOOK VALUE				
At 30 June 2020	<u>565,027</u>	<u>44,521</u>	<u>663,407</u>	<u>1,272,955</u>
At 30 June 2019	<u>384,928</u>	<u>47,027</u>	<u>734,323</u>	<u>1,166,278</u>

Included in turbines shown above is the Gallowhill wind turbine owned by Westray Renewable Energy Limited at a cost of £1,338,324 and depreciation to date of £715,872.

Westray Development Trust

Notes to the consolidated financial statements – continued
For The Year Ended 30 June 2020

15. DEBTORS

	Group 30.06.20	Group 30.06.19	Charity 30.06.20	Charity 30.06.19
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	13,949	31,708	-	
Amounts owed by group undertakings	-	-	32,892	95,048
Concessionary loans	19,139	17,601	19,139	17,601
Other debtors and prepayments	249,674	205,981	22,638	9,748
	<u>282,762</u>	<u>255,290</u>	<u>74,669</u>	<u>122,627</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-		-	32,892
Concessionary loans	356,548	320,514	356,548	320,514
Triodos Bank Bond	6,715	6,715	-	-
	<u>363,263</u>	<u>327,229</u>	<u>356,548</u>	<u>353,406</u>
Aggregate amounts	<u>646,025</u>	<u>582,519</u>	<u>431,217</u>	<u>476,033</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 30.06.20	Group 30.06.19	Charity 30.06.20	Charity 30.06.19
	£	£	£	£
Amount owing to Group Undertakings	-	-	827	827
Other creditors	77,193	41,097	49,289	9,753
Bank Loan (Secured)	-	62,585	-	-
	<u>77,193</u>	<u>103,682</u>	<u>50,116</u>	<u>10,580</u>

17. PROVISIONS FOR LIABILITIES

Deferred tax has been provided in the accounts of the trading subsidiary, Westray Renewable Energy Limited.

	30.06.20	30.06.19
	£	£
Deferred tax	<u>76,000</u>	<u>81,222</u>
Opening balance		81,222
Credited to Statement of Financial Activities		(5,222)
Closing balance		<u>76,000</u>

Westray Development Trust

Notes to the consolidated financial statements – continued
For The Year Ended 30 June 2020

18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	30.06.20 Total funds	30.06.19 Total funds
Fixed Assets	722,802	550,153	1,272,955	1,166,278
Investments	1,034,342	-	1,034,342	752,000
Current Assets	2,216,289	32,892	2,249,181	2,139,712
Current Liabilities	(77,193)	-	(77,193)	(103,682)
Amounts due after more than 1 year	(76,000)	-	(76,000)	(81,222)
	<u>3,820,240</u>	<u>583,045</u>	<u>4,403,285</u>	<u>3,873,086</u>

19. MOVEMENT IN CHARITABLE FUNDS - Charity

	At 1.7.19 £	Net movement in funds £	Transfers between funds £	At 30.6.20 £
Unrestricted funds				
General fund	597,029	165,520	(345,435)	417,114
Investment Budget	709,393	285,347	1,073,151	2,067,891
Loans budget	<u>420,689</u>	<u>7,582</u>	<u>(5,742)</u>	<u>422,529</u>
	1,727,111	458,449	721,974	2,907,534
Restricted funds				
Growing Project	42,691	4,440	(10,133)	36,998
House	119,803	17,360	50,763	187,926
Capital Funds	<u>1,120,724</u>	<u>-</u>	<u>(762,604)</u>	<u>358,120</u>
	<u>1,283,218</u>	<u>21,800</u>	<u>(721,974)</u>	<u>583,044</u>
TOTAL FUNDS	<u>3,010,329</u>	<u>480,249</u>	<u>-</u>	<u>3,490,578</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	494,918	(329,398)	-	165,520
Investment Budget	3,005	-	282,342	285,347
Loans budget	<u>7,583</u>	<u>(1)</u>	<u>-</u>	<u>7,582</u>
	505,506	(329,399)	282,342	458,449
Restricted funds				
Growing Project	4,983	(543)	-	4,440
House	<u>27,796</u>	<u>(10,436)</u>	<u>-</u>	<u>17,360</u>
	<u>32,779</u>	<u>(10,979)</u>	<u>-</u>	<u>21,800</u>
TOTAL FUNDS	<u>538,285</u>	<u>(340,378)</u>	<u>282,342</u>	<u>480,249</u>

Westray Development Trust

**Notes to the consolidated financial statements - continued
For The Year Ended 30 June 2020**

19. MOVEMENT IN CHARITABLE FUNDS – Charity (Continued)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.18 £	Net movement in funds £	Transfers between funds £	At 30.6.20 £
Unrestricted funds				
General fund	450,170	315,722	(348,778)	417,114
Investment Budget	707,062	287,678	1,073,151	2,067,891
Loans budget	<u>412,088</u>	<u>16,183</u>	<u>(5,742)</u>	<u>422,529</u>
	1,569,320	619,583	718,631	2,907,534
Restricted funds				
Growing Project	36,224	10,907	(10,133)	36,998
House	-	137,163	50,763	187,926
Capital Funds	1,120,724	-	(762,604)	358,120
Other	<u>-</u>	<u>(3343)</u>	<u>3343</u>	<u>-</u>
	<u>1,156,948</u>	<u>144,727</u>	<u>(718,631)</u>	<u>583,044</u>
TOTAL FUNDS	<u><u>2,726,268</u></u>	<u><u>764,310</u></u>	<u><u>-</u></u>	<u><u>3,490,578</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	898,767	(583,045)	-	315,722
Investment Budget	5,336	-	282,342	287,678
Loans budget	<u>16,184</u>	<u>(1)</u>	<u>-</u>	<u>16,183</u>
	920,287	(583,046)	282,342	619,583
Restricted funds				
Growing Project	17,413	(6,506)	-	10,907
House	170,296	(33,133)	-	137,163
Capital Funds	-	-	-	-
Other	<u>4,386</u>	<u>(7,729)</u>	<u>-</u>	<u>(3,343)</u>
	<u>192,095</u>	<u>(47,368)</u>	<u>-</u>	<u>144,727</u>
TOTAL FUNDS	<u><u>1,112,382</u></u>	<u><u>(630,414)</u></u>	<u><u>282,342</u></u>	<u><u>764,310</u></u>

Westray Development Trust

Notes to the consolidated financial statements - continued For The Year Ended 30 June 2020

19. MOVEMENT IN CHARITABLE FUNDS – Charity (Continued)

Name of fund	Description, nature and purpose of the fund
General fund	The “free reserves” after allowing for all designated funds.
Designated funds	1. Investment fund is the value of moneys set aside for investing for long term development. 2. The loans fund is a revolving fund set aside for loans made to assist local development and includes the returns on these loans.
Capital fund	This is the value of funds represented by the tangible fixed assets used by the charity on an ongoing basis along with funds committed to its subsidiary for the development of a wind turbine.
Growing Project	Funds for the development of community greenhouses for the growing and sale of locally grown vegetables.
House	This represents funds for the development of Bayview.
Fundraising shop	To set up and maintain a fund raising shop for the benefit of Westray based projects.

20. CONTINGENT LIABILITIES

Charity

Contingent liabilities exist in respect of grants received from various bodies which could become repayable if the conditions relating to the payment of these grants are not met. The directors are not aware of any breaches of conditions that might lead to a grant being repayable.

Contingent liabilities also exist in respect of grant applications approved by Westray Development Trust but where no claim had been made for payment of funds at the year end. The unclaimed amount is £35,781.

21. RELATED PARTY DISCLOSURES

Westray Development Trust loaned funds to a wholly owned subsidiary, Westray Renewable Energy Ltd under the terms of a loan agreement to provide financial assistance to develop a wind turbine on the island. The 10 year loan is unsecured and interest is being charged at a commercial rate. Amounts due to or from group undertakings at the balance sheet date are shown in notes 13 and 14.

During the year Westray Development Trust provided assistance to local organisations with connections to one or more Trustees. Westray Development Trust maintains a register of Trustees interests.

There are no other related party transactions requiring disclosure.

22. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

23. ULTIMATE CONTROLLING PARTY

Westray Development Trust is a company limited by guarantee, incorporated in Scotland, with no share capital. It is controlled by its members in accordance with the Memorandum and Articles of Association.

Westray Development Trust

Detailed Consolidated Statement of Financial Activities

For The Year Ended 30 June 2020

	Consolidated	Charitable Company
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	2,933	2,933
Other trading activities		
Electricity & ROCS	658,480	3,888
Sundry Income	<u>22,184</u>	<u>22,184</u>
	680,664	26,072
Investment income		
Deposit account interest, dividends etc	3,494	3,325
Interest on loans receivable	8,182	8,182
Interest on loan to subsidiary	-	4,780
Rent from subsidiary	-	2,400
Donation from subsidiary	<u>-</u>	<u>470,000</u>
	11,676	488,687
Charitable activities		
Grants received for charitable activities	10,267	10,267
Income earned from charitable activities:		
Growing Project Sales	3,377	3,377
Bargain Box Commission	331	331
Home Help Services	520	520
Hofn Centre Hires	271	271
Management charges to subsidiary	<u>-</u>	<u>5,827</u>
	4,499	10,326
Total incoming resources	710,039	538,285
EXPENDITURE		
Other trading activities		
Electricity generation	126,988	4,379
Investment management costs		
Loan administration charges	1,395	1,395
Charitable activities		
Direct costs incurred by charitable activities:		
Growing project purchases	616	616
Home Help Expenses	285	285
Hofn Centre Overheads	<u>28</u>	<u>28</u>
	929	929
Grants awarded	146,370	146,370

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Support costs		
Management		
Wages	108,175	108,175
Social security	3,597	3,597
Pensions	2,529	2,529
Hire of plant and machinery	286	286
Other operating leases	513	513
Rates and water	1,888	1,888
Insurance	2,459	2,459
Light and heat	9,368	9,368
Property repairs	2,052	2,052
Telephone	2,380	2,380
Postage and stationery	1,542	1,542
Sundries	498	498
Repairs & Maintenance	315	315
Office Equipment Maintenance	522	522
Legal fees	5,834	5,834
Consultancy fees	6,203	6,203
Travel and training	1,955	1,955
Hospitality	7,662	7,662
Depreciation - Freehold property	7,827	7,827
Depreciation - Equipment	6,807	6,807
	<u>172,412</u>	<u>172,412</u>
Information technology		
IT Support costs	1,524	1,524
Software updates and renewals	1,564	1,564
	<u>3,088</u>	<u>3,088</u>
Other		
Miscellaneous	1,378	1,268
Bank charges	287	118
Bank interest	1,353	-
	<u>3,018</u>	<u>1,386</u>
Governance costs		
Auditors' remuneration	4,272	4,272
Non-audit accountancy services	7,784	5,000
Management Liability Insurance	1,148	1,148
	<u>13,204</u>	<u>10,420</u>
Total resources expended	<u>467,404</u>	<u>340,378</u>
Deferred Tax (Subsidiary)	5,222	-
Net income before revaluations	247,857	197,907
Surplus on revaluation of investments	282,342	282,342
Net Income	<u><u>530,199</u></u>	<u><u>480,249</u></u>

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