

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

**Report of the Trustees and
Audited Consolidated Financial Statements For Year Ended 30 June 2021
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

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For The Year Ended 30 June 2021**

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Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2021

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 2021. 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 – The renovations of ‘Bayview’ the former harbour master’s house at Gill Pier, Westray began in November 2020 thanks to £380,000 of funding awarded to Westray Development Trust by the Scottish Government as part of the Islands Housing Fund. The renovations will see the property converted into 4 x 1-2-bedroom flats which will be available for affordable rent. In 2021 the Trustees agreed to work with Drever & Heddle, a local Orcadian lettings agent, to manage the properties when completed. The project is on schedule for completion at the end of October 2021.

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 strawberries as well as chilli peppers. 2x gardeners are currently employed on the project.

Bargain Box – The community fundraising shop reopened in September 2020 when COVID-19 restrictions allowed. Fundraising was divided between 21 different Westray community groups. Plans are underway to build an extension onto the current Westray Development Trust office in order to incorporate the office and shop in the same building. At this stage planning permission has been achieved and the building warrant application will shortly be submitted.

Westray Development Trust

Report of the Trustees For The Year Ended 30 June 2021

Significant activities (Continued)

Hofn Youth Centre – The Hofn Youth Centre was temporarily closed as a youth centre this year due to COVID-19. Instead the facility was able to continue to benefit the community by acting as a temporary extension to the Bargain Box, functioning as an additional store and on occasion hosting a pop-up shop.

Home Help Service - The Trust continues to provide its Home Help Service which offers cleaning services to those who need extra support. The project currently employs 1 person.

Defibrillator Network –The 6th and final defibrillator of the Westray Development Trust defibrillator network was installed in the red telephone kiosk located at Midbea, Westside, Westray, Orkney.

Community Quarry -. This project has made some progress this year in engaging interest from contractors. However due to staffing shortages at the Development Trust contracting out the completion of the feasibility study for the community quarry is being investigated.

Learning Centre Project – This project, which was previously subcontracted, was returned to in-house management. At this stage the project is under review for an expected relaunch in 2022.

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.

Community Grants are 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 2021

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 allows 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 were 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 2021

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. A Loan of £60,000 was approved to help a couple start up their own bistro.

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. The Trust website has undergone complete redevelopment this year making it far more user friendly and online forms are now available to make applying for funding easier.

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 £565,000. 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 four 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 fourth loan made to a couple opening their own bistro on the island expands the options for places to eat on the island, benefitting locals and visitors, while also providing employment.

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 over £750,000 into this fund which now has a value of £1,202,466.32 as at 30 June 2021. 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 2021

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 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC201004 (Scotland)

Registered Charity number
SC029471

Registered office

Unit 1
Quarry Road
Westray
Orkney
KW17 2DF

Trustees

Mr D H Leslie
Mr A G Seatter
Mr L T Pottinger - Chairman
Mrs H Bain
Mrs A Burgher
Mrs G McEwen
Ms C Drake
Mr D Stephenson
Mr S Drever

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 2021

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, approved by order of the board of trustees, as the company directors, on 30 September 2021 and signed on the board's behalf by:



L T Pottinger - 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 2021 which comprise the Group and Parent charitable Company 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 30 June 2021 and of the group's and charitable company's incoming resources and application of resources, including the group's and charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 group and 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

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

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

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 group's or charitable company's 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.

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 group and charitable company 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of entity trustees and staff to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

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

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.



Alan Long
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

30 September 2021

Westray Development Trust

**Consolidated Statement of Financial Activities
(Incorporating a Consolidated Income and Expenditure Account)
For The Year Ended 30 June 2021**

	Notes	Unrestricted funds £	Restricted funds £	30.6.21 Total funds £	30.06.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Grants	2	22,507	3,115	25,622	2,933
Charitable activities					
Grants Received for Charitable Activities	5	5,000	219,714	224,714	10,267
Incoming resources from charitable activities		2,906	-	2,906	4,499
Other trading activities	3	584,068	-	584,068	680,664
Investment income	4	7,100	-	7,100	11,676
Other income		-	-	-	-
Total incoming resources		<u>621,581</u>	<u>222,829</u>	<u>844,410</u>	<u>710,039</u>
EXPENDITURE ON					
Raising funds					
Electricity generation costs		116,556	-	116,556	126,988
Investment management costs		1,008	-	1,008	1,395
		117,564	-	117,564	12,8383
Charitable activities					
Activities for the benefit of the community	6	224,506	8,927	233,433	322,799
Governance costs		13,065	-	13,065	13,204
Other		1,480	-	1,480	3,018
Taxation (Subsidiary)		6,265	-	6,265	(5,222)
Total expenditure		<u>362,880</u>	<u>8,927</u>	<u>371,807</u>	<u>462,182</u>
Net gains on investments		170,124	-	170,124	282,342
NET INCOME		428,825	213,902	642,727	530,199
Transfers between funds	18	84,281	(84,281)	-	-
Net movement in funds		513,106	129,621	642,727	530,199
RECONCILIATION OF FUNDS					
Total funds brought forward		3,820,240	583,045	4,403,285	3,873,086
TOTAL FUNDS CARRIED FORWARD		<u>4,333,346</u>	<u>712,666</u>	<u>5,046,012</u>	<u>4,403,285</u>

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 2021

	Notes	Unrestricted funds £	Restricted funds £	30.6.21 Total funds £	30.06.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Grants	2	22,507	3,115	25,622	2,933
Charitable activities					
Grants Received for Charitable Activities	5	5,000	219,714	224,714	10,267
Incoming resources from charitable activities		2,906	-	2,906	4,499
Other trading activities	3	2,588	-	2,588	26,072
Investment income	4	574,219	-	574,219	488,687
Other income		5,827	-	5,827	5,827
Total incoming resources		<u>613,047</u>	<u>222,829</u>	<u>835,876</u>	<u>538,285</u>
EXPENDITURE ON					
Raising funds					
Electricity generation costs		7,419	-	7,419	4,379
Investment management costs		1,008	-	1,008	1,395
		8,427	-	8,427	5,774
Charitable activities					
Activities for the benefit of the community	6	223,888	8,927	232,815	322,798
Governance costs		10,543	-	10,543	10,420
Other		1,298	-	1,298	1,386
Taxation (Subsidiary)		-	-	-	-
Total expenditure		<u>244,156</u>	<u>8,927</u>	<u>253,083</u>	<u>340,378</u>
Net gains on investments		170,124	-	170,124	282,342
NET INCOME		539,015	213,902	752,917	480,250
Transfers between funds	18	84,281	(84,281)	-	-
Net movement in funds		623,296	129,621	752,917	480,250
RECONCILIATION OF FUNDS					
Total funds brought forward		2,907,533	583,045	3,490,578	3,010,329
TOTAL FUNDS CARRIED FORWARD		<u>3,530,829</u>	<u>712,666</u>	<u>4,243,495</u>	<u>3,490,578</u>

The notes form part of these consolidated financial statements

Westray Development Trust

**Balance Sheet
At 30 June 2021**

	Notes	Group 30.06.21 £	Group 30.06.20 £	Charity 30.06.21 £	Charity 30.06.20 £
FIXED ASSETS					
Tangible assets	13	1,488,669	1,272,955	933,135	650,504
Investments	8	1,204,466	1,034,342	1,204,566	1,034,442
		<u>2,693,135</u>	<u>2,307,297</u>	<u>2,137,701</u>	<u>1,684,946</u>
CURRENT ASSETS					
Debtors: amounts falling due within one year	14	145,182	282,762	43,422	74,669
Debtors: amounts falling due after more than one year	14	348,800	363,263	342,085	356,548
Cash at bank and in hand		<u>2,027,930</u>	<u>1,603,156</u>	<u>1,797,129</u>	<u>1,424,531</u>
		2,521,912	2,249,181	2,182,636	1,855,748
CREDITORS					
Amounts falling due within one year	15	<u>(105,535)</u>	<u>(77,193)</u>	<u>(76,842)</u>	<u>(50,116)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>2,416,377</u>	<u>2,171,988</u>	<u>2,105,794</u>	<u>1,805,632</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,109,512	4,479,285	4,243,495	3,490,578
PROVISION FOR LIABILITIES	16	63,500	76,000	-	-
NET ASSETS	17	<u>5,046,012</u>	<u>4,403,285</u>	<u>4,243,495</u>	<u>3,490,578</u>
FUNDS					
Unrestricted funds	18				
General Funds		1,818,590	1,329,820	1,016,073	417,114
Designated Funds		2,514,756	2,490,420	2,514,756	2,490,420
Restricted funds		712,666	583,045	712,666	583,044
		<u>5,046,012</u>	<u>4,403,285</u>	<u>4,243,495</u>	<u>3,490,578</u>

The notes form part of these consolidated financial statements

Westray Development Trust

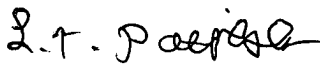
Balance Sheet – continued
At 30 June 2021

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 30 September 2021 and were signed on its behalf by:



L T Pottinger - Trustee

Westray Development Trust**Consolidated Cash Flow Statement
For The Year Ended 30 June 2021**

	30.06.21 £	30.06.20 £
Cash flows from operating activities:		
Cash generated from operations – see below	718,800	226,514
Finance costs	<u>-</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>718,800</u>	<u>226,514</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(301,116)	(192,227)
Sale of tangible fixed assets	-	-
Interest received	7,090	11,676
Dividends received	<u>-</u>	<u>-</u>
Net cash provided by (used in) investing activities	<u>(294,026)</u>	<u>(180,551)</u>
Change in cash and cash equivalents in the reporting period	424,774	45,963
Cash and cash equivalents at the beginning of the reporting period	<u>1,603,156</u>	<u>1,557,193</u>
Cash and cash equivalents at the end of the reporting period	<u><u>2,027,930</u></u>	<u><u>1,603,156</u></u>

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.06.21 £	30.06.20 £
Net income for the reporting period (as per the statement of financial activities)	642,727	530,199
Adjustments for:		
Depreciation charges	85,402	85,550
Deferred Taxation	(12,500)	(5,222)
Interest received	(7,090)	(11,676)
Revaluation of investments	(170,124)	(282,342)
Dividends received	-	-
Increase / Decrease in debtors	152,043	(63,506)
Decrease/Increase in Creditors	<u>28,342</u>	<u>(26,489)</u>
Net cash provided by (used in) operating activities	<u>718,800</u>	<u>226,514</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 2021**

	30.06.21	30.06.20
	£	£
Cash flows from operating activities:		
Cash generated from operations – see below	99,495	(187,795)
Finance costs	-	-
Net cash provided by (used in) operating activities	<u>99,495</u>	<u>(187,795)</u>
Cash flows from investing activities:		
Purchase of tangible fixed assets	(301,116)	(192,227)
Sale of tangible fixed assets	-	-
Investment income received	<u>574,219</u>	<u>488,687</u>
Net cash provided by (used in) investing activities	<u>273,103</u>	<u>296,460</u>
Change in cash and cash equivalents in the reporting period	372,598	108,664
Cash and cash equivalents at the beginning of the reporting period	<u>1,424,531</u>	<u>1,315,867</u>
Cash and cash equivalents at the end of the reporting period	<u>1,797,129</u>	<u>1,424,531</u>

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.06.21	30.06.20
	£	£
Net income for the reporting period (as per the statement of financial activities)	752,917	480,250
Adjustments for:		
Depreciation charges	18,485	18,632
Deferred Taxation	-	-
Investment income received	(574,219)	(488,687)
Revaluation of investments	(170,124)	(282,342)
Increase / Decrease in debtors	45,710	44,816
Decrease/Increase in Creditors	<u>26,726</u>	<u>39,536</u>
Net cash provided by (used in) operating activities	<u>99,495</u>	<u>(187,795)</u>

Westray Development Trust

Notes to the consolidated financial statements - continued For The Year Ended 30 June 2021

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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 2021

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 2021**

2. GRANTS RECEIVED INCLUDE:

	30.6.21	30.6.20
	£	£
OIC – Covid Support	19,250	-
HIE - Supporting Communities Grant	3,257	2933
Job Retention Scheme	<u>3,115</u>	<u>-</u>
	<u>25,622</u>	<u>2,933</u>

3. OTHER TRADING ACTIVITIES – Charitable Company

	30.6.21	30.6.20
	£	£
Electricity & ROCS	2,588	3,888
Sundry Income	<u>-</u>	<u>22,184</u>
	<u>2,588</u>	<u>26,072</u>

OTHER TRADING ACTIVITIES – Group

	30.6.21	30.6.20
	£	£
Electricity & ROCS	584,068	658,480
Sundry Income	<u>-</u>	<u>22,184</u>
	<u>584,068</u>	<u>680,664</u>

4. INVESTMENT INCOME – Charitable Company

	30.6.21	30.6.20
	£	£
Rents received	1,810	2,400
Gift aid payment - Subsidiary	565,000	470,000
Deposit account interest, dividends etc	811	3,325
Interest on loans receivable	6,214	8,182
Interest on loan to subsidiary	<u>384</u>	<u>4,780</u>
	<u>574,219</u>	<u>488,687</u>

INVESTMENT INCOME – Group

	30.6.21	30.6.20
	£	£
Deposit account interest, dividends etc	876	3,494
Interest on loans receivable	6,214	8,182
Other	<u>10</u>	<u>-</u>
	<u>7,100</u>	<u>11,676</u>

5. INCOME FROM CHARITABLE ACTIVITIES - Company

	30.6.21	30.6.20
	£	£
Bargain Box	148	331
Home Help Services	405	520
Hofn Centre Hires	-	271
Growing Project Sales	2,353	3,377
Grants	<u>224,714</u>	<u>10,267</u>
	<u>227,620</u>	<u>14,766</u>

Westray Development Trust
Notes to the consolidated financial statements – continued
For The Year Ended 30 June 2021

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

	30.6.21	30.6.20
	£	£
OIC	3,375	2,812
HIE	1,260	-
Westray Community Council	5,000	-
Scottish Government	215,079	5,100
Other	-	184
	<u>224,714</u>	<u>10,267</u>

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

	Consolidated	Charitable Company
	£	£
Charitable activities:		
Direct costs	1,526	1,526
Grants awarded	94,825	94,825
Support cost:		
Management	117,567	116,949
Depreciation	14,487	14,487
Information technology	5,028	5,028
	<u>233,433</u>	<u>232,815</u>
Total		

7. NET INCOME/(EXPENDITURE)

Net resources of the charity are stated after charging:

	30.06.21	30.06.20
	£	£
Auditors' remuneration	4,855	4,187
Non-audit accountancy services	4,465	5,000
Depreciation - owned assets		
Turbines (included in cost of electricity generation)	3,998	3,998
Other assets (included in overheads)	14,487	14,634

Net resources of the group are stated after charging:

	30.06.21	30.06.20
	£	£
Auditors' remuneration	4,855	4,272
Non-audit accountancy services	6,987	7,784
Depreciation:		
Turbines (included in cost of electricity generation)	70,915	70,917
Other assets (included in overheads)	14,487	14,634

Westray Development Trust

Notes to the Financial Statements - continued For The Year Ended 30 June 2021

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 July 2020	100	1,034,342	1,034,442
Revaluations (see note below)	<u>-</u>	<u>170,124</u>	<u>170,124</u>
At 30 June 2021	<u>100</u>	<u>1,204,466</u>	<u>1,204,566</u>
NET BOOK VALUE			
At 30 June 2021	<u>100</u>	<u>1,204,466</u>	<u>1,204,566</u>
At 30 June 2020	<u>100</u>	<u>1,034,342</u>	<u>1,034,442</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 bid price as at 30 June 2021.

Westray Development Trust

Notes to the Financial Statements - continued For The Year Ended 30 June 2021

9. 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 a selling electricity to the grid. A summary of the financial performance of the subsidiary alone is shown below:

	WRE Ltd	
	30.06.21	30.06.20
	£	£
Turnover	581,480	654,592
Cost of sales, administrative costs and interest	(120,404)	(139,862)
Donation to WDT	(565,000)	(470,000)
Taxation	(6,265)	5,222
Net profit/ (loss)	(110,189)	49,952
The assets and liabilities of the subsidiaries were:		
Fixed assets	555,535	622,452
Current assets	340,104	428,007
Current liabilities	(29,517)	(61,648)
Long term liabilities	(63,500)	(76,000)
Total net assets	802,622	912,811
Aggregate share capital and reserves	802,622	912,811

10. GOVERNANCE COSTS

	Group	Group	Charity	Charity
	30.06.21	30.06.20	30.06.21	30.06.20
	£	£	£	£
Auditors Remuneration	4,855	4,272	4,855	4,272
Non-Audit Accountancy Services	6,987	7,784	4,465	5,000
PI Insurance	1,223	1,148	1,223	1,148
	13,065	13,204	10,543	10,420

Westray Development Trust

**Notes to the consolidated financial statements – continued
For The Year Ended 30 June 2021**

11. 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.

12. STAFF COSTS

	Group 30.06.21	Group 30.06.20	Charity 30.06.21	Charity 30.06.20
	£	£	£	£
Wages and Salaries (see note below)	97,152	114,175	91,152	108,175
Social security costs	3,786	3,597	3,786	3,597
Pensions	2,385	2,529	2,385	2,529
	<u>103,323</u>	<u>120,301</u>	<u>97,323</u>	<u>114,301</u>
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 (2021: £6,000, 2020: £6,000).

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 2021**

13. TANGIBLE FIXED ASSETS – Charitable Company

	Freehold property £	Equipment £	Turbines £	Totals £
COST				
At 1 July 2020	607,598	96,044	114,619	818,261
Additions	<u>299,886</u>	<u>1,230</u>	<u>-</u>	<u>301,116</u>
At 30 June 2021	<u>907,484</u>	<u>97,274</u>	<u>114,619</u>	<u>1,119,377</u>
DEPRECIATION				
At 1 July 2020	42,571	51,523	73,663	167,757
Charge for year	<u>7,971</u>	<u>6,516</u>	<u>3,998</u>	<u>18,485</u>
At 30 June 2021	<u>50,542</u>	<u>58,039</u>	<u>77,661</u>	<u>186,242</u>
NET BOOK VALUE				
At 30 June 2021	<u>856,942</u>	<u>39,235</u>	<u>36,958</u>	<u>933,135</u>
At 30 June 2020	<u>565,027</u>	<u>44,521</u>	<u>40,956</u>	<u>650,504</u>

Included in cost or valuation of land and buildings is freehold land of the charity of £236,905 (2020 - £236,905).

TANGIBLE FIXED ASSETS – Group

	Freehold property £	Equipment £	Turbines £	Totals £
COST				
At 1 July 2020	607,598	96,044	1,452,944	2,156,586
Additions	<u>299,886</u>	<u>1,230</u>	<u>-</u>	<u>301,116</u>
At 30 June 2021	<u>907,484</u>	<u>97,274</u>	<u>1,452,944</u>	<u>2,457,702</u>
DEPRECIATION				
At 1 July 2020	42,571	51,523	789,537	883,631
Charge for year	<u>7,971</u>	<u>6,516</u>	<u>70,915</u>	<u>85,402</u>
At 30 June 2021	<u>50,542</u>	<u>58,039</u>	<u>860,452</u>	<u>969,033</u>
NET BOOK VALUE				
At 30 June 2021	<u>856,942</u>	<u>39,235</u>	<u>592,492</u>	<u>1,488,669</u>
At 30 June 2020	<u>565,027</u>	<u>44,521</u>	<u>663,407</u>	<u>1,272,955</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 2021

14. DEBTORS

	Group 30.06.21	Group 30.06.20	Charity 30.06.21	Charity 30.06.20
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	-	13,949	-	-
Amounts owed by group undertakings	-	-	-	32,892
Concessionary loans	21,374	19,139	21,374	19,139
Other debtors and prepayments	123,808	249,674	22,048	22,638
	<u>145,182</u>	<u>282,762</u>	<u>43,422</u>	<u>74,669</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	-	-
Concessionary loans	342,085	356,548	342,085	356,548
Triodos Bank Bond	6,715	6,715	-	-
	<u>348,800</u>	<u>363,263</u>	<u>342,085</u>	<u>356,548</u>
Aggregate amounts	<u>493,982</u>	<u>646,025</u>	<u>385,507</u>	<u>431,217</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 30.06.21	Group 30.06.20	Charity 30.06.21	Charity 30.06.20
	£	£	£	£
Amount owing to Group Undertakings	-	-	827	827
Other creditors	105,535	77,193	76,015	49,289
	<u>105,535</u>	<u>77,193</u>	<u>76,842</u>	<u>50,116</u>

16. PROVISIONS FOR LIABILITIES

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

	30.06.21	30.06.20
	£	£
Deferred tax	<u>63,500</u>	<u>76,000</u>
		Deferred Tax
		£
Opening balance		76,000
Credited to Statement of Financial Activities		(12,500)
Closing balance		<u>63,500</u>

Westray Development Trust

Notes to the consolidated financial statements – continued
For The Year Ended 30 June 2021

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	30.06.21 Total funds	30.06.20 Total funds
Fixed Assets	694,196	794,473	1,488,669	1,272,955
Investments	1,204,466	-	1,204,466	1,034,342
Current Assets	2,544,003	(22,091)	2,521,912	2,249,181
Current Liabilities	(45,819)	(59,716)	(105,535)	(77,193)
Amounts due after more than 1 year	(63,500)	-	(63,500)	(76,000)
	<u>4,333,346</u>	<u>712,666</u>	<u>5,046,012</u>	<u>4,403,285</u>

18. MOVEMENT IN CHARITABLE FUNDS - Charity

	At 1.7.20 £	Net movement in funds £	Transfers between funds £	At 30.6.21 £
Unrestricted funds				
General fund	417,113	362,319	236,642	1,016,074
Investment Budget	2,067,891	170,482	(220,000)	2,018,373
Loans budget	<u>422,529</u>	<u>6,214</u>	<u>67,639</u>	<u>496,382</u>
	2,907,533	539,015	84,281	3,530,829
Restricted funds				
Growing Project	36,998	-	(2,846)	34,152
House	187,927	215,079	(45,426)	357,580
Capital Funds	358,120	-	(37,186)	320,934
Website	-	(1,077)	1,077	-
Defibrillator	<u> </u>	<u>(100)</u>	<u>100</u>	<u> </u>
	<u>583,045</u>	<u>213,902</u>	<u>(84,281)</u>	<u>712,666</u>
TOTAL FUNDS	<u>3,490,578</u>	<u>752,917</u>	<u>-</u>	<u>4,243,495</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	606,475	(244,156)	-	362,319
Investment Budget	358	-	170,124	170,482
Loans budget	<u>6,214</u>	<u>-</u>	<u>-</u>	<u>6,214</u>
	613,047	(244,156)	170,124	539,015
Restricted funds				
House	215,079	-	-	215,079
Job Retention Scheme	3,115	(3,115)	-	-
Website	1,260	(2,337)	-	(1,077)
Defibrillator	<u>3,375</u>	<u>(3,475)</u>	<u>-</u>	<u>(100)</u>
	<u>222,829</u>	<u>(8,927)</u>	<u>-</u>	<u>213,902</u>
TOTAL FUNDS	<u>835,876</u>	<u>(253,083)</u>	<u>170,124</u>	<u>752,917</u>

Westray Development Trust

**Notes to the consolidated financial statements - continued
For The Year Ended 30 June 2021**

18. MOVEMENT IN CHARITABLE FUNDS – Charity (Continued)

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

	At 1.7.19 £	Net movement in funds £	Transfers between funds £	At 30.6.21 £
Unrestricted funds				
General fund	597,029	527,838	(108,793)	1,016,074
Investment Budget	709,393	455,829	853,151	2,018,373
Loans budget	<u>420,689</u>	<u>13,796</u>	<u>61,897</u>	<u>496,382</u>
	1,727,111	997,463	806,255	3,530,829
Restricted funds				
Growing Project	42,691	4,440	(12,979)	34,152
House	119,803	232,440	5,337	357,580
Capital Funds	1,120,724	-	(799,790)	320,934
Job Retention Scheme				
Website		(1,077)	1,077	
Defibrillator		<u>(100)</u>	<u>100</u>	
	<u>1,283,218</u>	<u>235,703</u>	<u>(806,255)</u>	<u>712,666</u>
TOTAL FUNDS	<u><u>3,010,329</u></u>	<u><u>1,233,166</u></u>	<u><u>-</u></u>	<u><u>4,243,495</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	1,101,393	(573,555)	-	527,838
Investment Budget	3,363	-	452,466	455,829
Loans budget	<u>13,797</u>	<u>(1)</u>	<u>-</u>	<u>13,796</u>
	1,118,553	(573,556)	452,466	997,463
Restricted funds				
Growing Project	4,983	(543)	-	4,440
House	24,2875	(10,435)	-	232,440
Job Retention Scheme	6,230	(6,230)	-	-
Website	1,260	(2,337)	-	(1,077)
Defibrillator	3,375	(3,475)	-	(100)
	<u>258,723</u>	<u>(23,020)</u>	<u>-</u>	<u>235,703</u>
TOTAL FUNDS	<u><u>1,377,276</u></u>	<u><u>(596,576)</u></u>	<u><u>452,466</u></u>	<u><u>1,233,166</u></u>

Westray Development Trust

Notes to the consolidated financial statements - continued For The Year Ended 30 June 2021

18. 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	<p>1. Investment fund is the value of moneys set aside for investing for the long term to cushion the effects of the cessation of the community wind farm and permit local development to continue.</p> <p>2. The loans fund is a revolving fund set aside for the provision of loans to preserve local businesses and to assist their development.</p>
Capital fund	This is the value of funds represented by the tangible fixed assets used by the charity on an ongoing basis.
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.
Job Retention Scheme	Job Retention Scheme funds received and applied in making furlough payments.
Website	Funding received and applied towards the cost of the charity’s website.
Defibrillator	Funding received and applied towards the establishment of a defibrillator station in the old telephone box.

19. 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.

20. RELATED PARTY DISCLOSURES

Westray Development Trust has one wholly owned subsidiary, Westray Renewable Energy Limited, which operates the community wind farm and generally pays its entire profits to Westray Development Trust each year. The Trust had loaned funds to 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 was unsecured and interest was charged at a commercial rate. This loan has now been repaid. 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.

21. 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.

Westray Development Trust

**Notes to the consolidated financial statements - continued
For The Year Ended 30 June 2021**

22. 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.