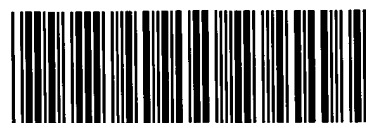


REGISTERED COMPANY NUMBER: SC264198 (Scotland)
REGISTERED CHARITY NUMBER: SC035316

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2023
for
SLEAT COMMUNITY TRUST
(Consolidated)

Mann Judd Gordon Ltd
Chartered Accountants
& Statutory Auditors
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

WEDNESDAY



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20/12/2023

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COMPANIES HOUSE

SLEAT COMMUNITY TRUST

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for the Year Ended 31 March 2023**

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SLEAT COMMUNITY TRUST

Report of the Trustees for the Year Ended 31 March 2023

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 31 March 2023. 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 2019).

This report relates to the operations of the charity and its wholly owned subsidiaries, Sleat Community Trading Company Limited (SCTCL) and Sleat Renewables Limited (SRL), which deliver specific elements of the charity's objectives, in order to clearly show the achievements of the organisation.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal objectives of the Trust are to promote for the benefit of the inhabitants of Sleat and environs the advancement of education, the relief of poverty, the development of industry and commerce and the provision of social and leisure facilities. The directors meet monthly as do the two trading subsidiaries. There are also several sub-groups each led by one of the directors pursuing particular areas of interest. These sub-groups report to the main board or its subsidiaries and are concerned with development of tourism, the environment and forest development. There are over 500 members, representing over 70% of the adult population of Sleat.

SLEAT COMMUNITY TRUST

Report of the Trustees for the Year Ended 31 March 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

Review of 2022/23 targets

At last year's AGM we identified a number of a number of targets which the Trust and its subsidiaries aimed to deliver within the 2022/23 financial year. We are pleased to report that these targets have largely been achieved as follows:-

- Skynet - To produce a financial framework for investment to maintain the current high levels of reliability. To monitor closely the threats and opportunities presented by the fibre roll-out.

ACHIEVED - The demand for Skynet Services has held up well, with the number of subscribers slightly increasing. Investments have been made to maintain the 99% reliability. Many thanks to our Skynet technician Calum Stiven.

- Visit Sleat - To survey business customers to assess whether VS is still a good fit for their needs.

ACHIEVED - Following a positive meeting between the Chair of the Trust and the VS volunteers, new publicity was produced and there is an offer on the table to install another flat screen information point in addition to Armadale Stores, this one to be at An Crùbh.

- To further develop the business model for Sleat Renewables, bidding for extra funding to increase mechanisation.

ACHIEVED - The funding bid was successful and additional capital investment has been made. New electric roller doors have been installed together with a diesel generator. Concrete sections have been purchased to enable us to more easily manage the moisture content of the chip. We also took out a loan on a small tipper truck for log and smaller chip deliveries, and purchased a blower for better delivery.

- To closely monitor the financial performance of Armadale Stores to ensure sustainability, particularly over the winter period.

ACHIEVED - Turnover at Armadale Stores has increased dramatically. However, costs have also risen, particularly power and grocery supplies. The balance to see us through the winter months is very much improved and we thank the managers and staff at Armadale Stores for their excellent work.

- To continue path and cycle track works in Tormore and to put a high priority on a link path suitable for younger users from the forestry track down to the Aird Road at Capasdal.

ONGOING - This project is turning out to be much more challenging than originally envisaged. The path runs through the Sea Eagle protection zone, and the altitude difference between the forest road end and the Aird Road means that S bends will be required. The Board are still looking into possible sources of funding.

- To progress the existing motorhome service area plans, completing the one at Kilbeag.

NOT ACHIEVED - Sabhal Mor Ostaig (SMO) decided that they no longer have the capacity to be involved and consequently the funding has been handed back to the council. SMO have apologised to the Trust.

- To keep pushing for the local sporting amenities project through joint working with SMO.

NOT ACHIEVED - As our funding for our Business Development Office was withdrawn at quite short notice, we are unable to progress this.

- To increase the number of volunteer drivers for the Community Bus.

PARTLY ACHIEVED - There are now a good number of volunteers and we are working on an online system which will make it easier to manage.

- To increase the number of directors on the Trading and Renewable Boards to reduce 'volunteer fatigue'.

PARTLY ACHIEVED - There has been some progress, but still 'room for more'.

- To use any donations from Sleat Hydro to further these objectives.

ACHIEVED - Sleat Hydro made donations of around £5K which supported a number of local causes and also paid towards some hours of the Trust caretaker. We expect these donations to increase in size as the project pays back investors.

Financial review

Reserves policy

The trustees aim to maintain liquid reserves to cover at least three months of core funding. They are content that this target was met at 31 March 2023.

SLEAT COMMUNITY TRUST

Report of the Trustees for the Year Ended 31 March 2023

STRATEGIC REPORT

Future plans

The Trust and its subsidiaries aim to deliver the following within the next financial year:

- Skyenet - To continue to invest in technology to give the best service to customers.
- Visit Sleat - To install an interactive screen at An Crùbh and maintain the high quality of information going out to visitors.
- SRL - To complete a new Long Term Forest Plan and then seek funding for the replanting programme. To improve the availability of log lengths and split log and monitor the availability of new sources of wood.
- To see Armadale Stores starting to see benefits from the increased turnover in terms of year-end profits.
- To continue to push for a link path suitable for younger users from the forestry track down to the Aird Road at Capasdal.
- To work with the Highland Council and funders to refurbish the Play Park in Ardvasar Village.
- To increase the number of directors on the Boards and successfully transition to a new generation of directors following the departure of a number of directors who have reached the maximum term of service.
- To use any donations from Sleat Hydro to further these objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust is incorporated as a company limited by guarantee, incorporated on 1 March 2004. It was granted recognition by the Inland Revenue as a charity on 1 March 2004.

The objects and powers of the Trust are set out in its Memorandum of Association, in terms of which its principal purpose is to promote for the benefit of the inhabitants of Sleat and environs in partnership with public and voluntary organisations and locals, the advancement of education, the relief of poverty, development of industry and commerce and provision of social and leisure facilities.

Recruitment and appointment of new trustees

Directors are appointed to represent the community and are elected at the annual general meeting. Newly appointed directors are given a short period of induction on the operation and aims of the board by existing directors following appointment.

Organisational structure

The Trust has two wholly owned subsidiaries Sleat Renewables Ltd (SRL) and Sleat Community Trading Company Limited (SCTCL).

Related parties

The charity is a member of the Development Trusts Association Scotland (DTAS). DTAS is the national body for development trusts in Scotland, supporting organisations in unlocking the potential within their community. The Trust is also a member of the Community Woodlands Association, Community Energy Scotland and Community Land Scotland.

Risk management

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

The principal risk to which the charity is exposed is the inability to raise sufficient funds to achieve its objectives. The directors ensure that adequate funding is in place before committing the charity to any expenditure. Monthly cash flow reports and discussion of finances at each board meeting ensure robust fiscal management by the Trustees and staff.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC264198 (Scotland)

Registered Charity number

SC035316

SLEAT COMMUNITY TRUST

Report of the Trustees for the Year Ended 31 March 2023

Registered office

Trust Offices
Armadale
Sleat
Isle of Skye
IV45 8RS

Trustees

M MacGillivray
J MacInnes
J D MacInnes
E Grant
R Morrison
M F Maclean
C A Nollent
R van Ruitenbeek
D A MacLennan
P H Roberts
R J Murray

Senior Statutory Auditor

Andrew Cumming CA

Auditors

Mann Judd Gordon Ltd
Chartered Accountants
& Statutory Auditors
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

Bankers

Royal Bank of Scotland
Main Street
Kyle of Lochalsh
IV40 8AB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Sleat Community 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 group and parent charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and parent 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and parent charitable company will continue in business.

SLEAT COMMUNITY TRUST

**Report of the Trustees
for the Year Ended 31 March 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

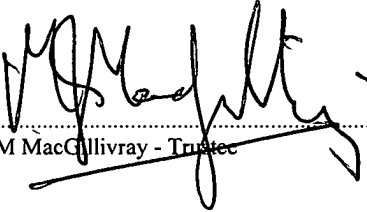
In so far as the trustees are aware:

- there is no relevant audit information of which the group and parent 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

The auditors, Mann Judd Gordon Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 22 November 2023 and signed on the board's behalf by:



.....
M MacGillivray - Trustee

Report of the Independent Auditors to the Trustees and Members of Sleat Community Trust

Qualified Opinion

We have audited the financial statements of Sleat Community Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group and parent charitable company's Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2023 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, 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 qualified opinion

It was not possible to observe the counting of physical inventories at the year end. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 March 2023, which are included in the balance sheet at £81,508, by using other audit procedures. Consequently we were unable to determine whether any adjustment to this amount was necessary.

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 parent 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 qualified opinion.

Key audit matters

Except for the matter described in the basis for qualified opinion section, we have determined that there are no key audit matters to be communicated in our report.

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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Report of the Independent Auditors to the Trustees and Members of Sleat Community Trust

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £81,508 held at 31 March 2023. We have concluded that where the other information refers to the inventory balance or related balances such as cost of sales, it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

Arising solely from the limitation on the scope of our work relating to inventory, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees and Members of Sleat Community Trust

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those relating to employment matters and those relating directly to the preparation of the financial statements; that is FRS102, Charities SORP and the Companies Act 2006. As the parent charitable company, it is additionally subject to the Licencing (Scotland) Act 2005 and those covering the sale of fuel and flammable liquids, in relation to Sleat Community Trading Company Ltd; and a Forest Emergency Action Plan relating to Sleat Renewables Ltd.

We assessed the risks of material misstatement in respect of fraud as follows:

As part of our audit team discussion, we identified if any particular area was more susceptible to misstatement. A list of the known related parties was compiled along with an expectation of transactions between them. We then made fraud enquires of those charged with governance and confirmed our related party list.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. We corroborated our enquiries of those charged with governance by a review of the board minutes to date, a review of the bank statements to date and a review of legal fees charged in the year for any evidence of legal or regulatory issues. Our considerations at planning were corroborated and no further legal or regulatory issues were noted.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries throughout the year into our audit approach. A review of the year of bank statements was undertaken, to identify any large or unusual transactions. No transactions outside the normal course of business were identified.

Given the size of the entity, segregation of duties is limited, so we designed our audit procedures to identify and to address any material misstatements arising from this. Appropriate approval controls were found to be in place.

As the parent charitable company of Sleat Community Development Ltd and Sleat Renewables Ltd, we have considered any instance of non-compliance by the subsidiary company and subsequent effect on the group. We are auditors for all entities within the group.

The engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations concluded that the overall risk was of fraud and misstatement was low and the experience of the audit team assigned was sufficient and no specialists were required. An appropriate level of materiality has been calculated in consideration of the inherent difficulty in detecting irregularities along with the perceived level of risk.

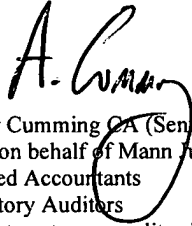
There are inherent limitations in the audit procedures described above that result in an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with International Standards on Auditing (UK). The further removed non-compliance with laws and regulations is from the events and financial transactions in the financial statements, the less likely the auditor is to become aware of it or recognise non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment through forgery, collusion, omission or misrepresentation. The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

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

**Report of the Independent Auditors to the Trustees and Members of
Sleat Community Trust**

Use of our report

This report is made solely to the group and parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the group and parent 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 group and parent charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and parent charitable company and the group and parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Cumming CA (Senior Statutory Auditor)
for and on behalf of Mann Judd Gordon Ltd
Chartered Accountants
& Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

8 December 2023

SLEAT COMMUNITY TRUST

**Statement of Financial Activities - Group
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,631	105,462	111,093	350,102
Other trading activities	3	843,100	87,287	930,387	770,158
Investment income	4	<u>10,236</u>	<u>-</u>	<u>10,236</u>	<u>9,061</u>
Total		<u>858,967</u>	<u>192,749</u>	<u>1,051,716</u>	<u>1,129,321</u>
EXPENDITURE ON					
Raising funds	5	602,486	-	602,486	601,789
Charitable activities	6				
Charitable activities		49,338	147,132	196,470	204,805
Sleat Community Trading Company Limited		164,273	-	164,273	32,055
Sleat Renewables Limited		5,374	-	5,374	2,771
Depreciation		<u>23,528</u>	<u>24,442</u>	<u>47,970</u>	<u>33,388</u>
Total		<u>844,999</u>	<u>171,574</u>	<u>1,016,573</u>	<u>874,808</u>
NET INCOME		13,968	21,175	35,143	254,513
Transfers between funds	22	<u>(47,077)</u>	<u>47,077</u>	<u>-</u>	<u>-</u>
Net movement in funds		(33,109)	68,252	35,143	254,513
RECONCILIATION OF FUNDS					
Total funds brought forward		576,545	1,578,697	2,155,242	1,900,729
TOTAL FUNDS CARRIED FORWARD		<u>543,436</u>	<u>1,646,949</u>	<u>2,190,385</u>	<u>2,155,242</u>

The notes form part of these financial statements

SLEAT COMMUNITY TRUST

**Statement of Financial Activities – Charity Only
for the Year Ended 31 March 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		53,545	129,984	183,529	377,200
Other trading activities		1,259	87,287	88,546	2,596
Investment income		<u>10,236</u>	<u>-</u>	<u>10,236</u>	<u>9,061</u>
Total		<u>65,040</u>	<u>217,271</u>	<u>282,311</u>	<u>388,857</u>
EXPENDITURE ON					
Charitable activities					
Charitable activities		49,339	147,132	196,471	96,627
Depreciation		<u>141</u>	<u>24,442</u>	<u>24,583</u>	<u>10,555</u>
Total		<u>49,480</u>	<u>171,574</u>	<u>221,054</u>	<u>107,182</u>
NET INCOME		15,560	45,697	61,257	281,675
Transfers between funds		<u>(22,555)</u>	<u>22,555</u>	<u>-</u>	<u>-</u>
Net movement in funds		(6,995)	68,252	61,257	281,675
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>246,248</u>	<u>1,578,697</u>	<u>1,824,945</u>	<u>1,543,270</u>
TOTAL FUNDS CARRIED FORWARD		<u>239,253</u>	<u>1,646,949</u>	<u>1,886,202</u>	<u>1,824,945</u>

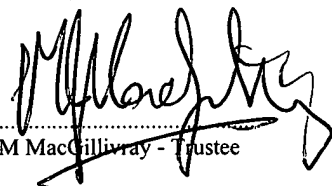
The notes form part of these financial statements

SLEAT COMMUNITY TRUST

**Balance Sheet - Group
31 March 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	14	419,609	1,633,401	2,053,010	2,017,398
CURRENT ASSETS					
Stocks	15	81,508	-	81,508	86,431
Debtors	16	16,204	-	16,204	144,559
Cash at bank and in hand		<u>183,741</u>	<u>13,547</u>	<u>197,288</u>	<u>237,297</u>
		281,453	13,547	295,000	468,287
CREDITORS					
Amounts falling due within one year	17	(114,972)	1	(114,971)	(271,537)
NET CURRENT ASSETS		<u>166,481</u>	<u>13,548</u>	<u>180,029</u>	<u>196,750</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		586,090	1,646,949	2,233,039	2,214,148
CREDITORS					
Amounts falling due after more than one year	18	-	-	-	(10,402)
ACCRUALS AND DEFERRED INCOME	21	(42,654)	-	(42,654)	(48,504)
NET ASSETS		<u>543,436</u>	<u>1,646,949</u>	<u>2,190,385</u>	<u>2,155,242</u>
FUNDS	22				
Unrestricted funds				543,436	576,545
Restricted funds				<u>1,646,949</u>	<u>1,578,697</u>
TOTAL FUNDS				<u>2,190,385</u>	<u>2,155,242</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22 November 2023 and were signed on its behalf by:


M MacGillivray - Trustee


J MacInnes - Trustee

The notes form part of these financial statements

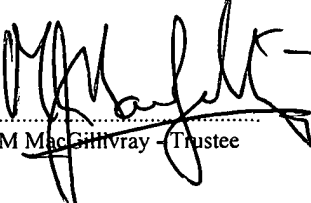
SLEAT COMMUNITY TRUST

**Balance Sheet – Charity Only
31 March 2023**

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
FIXED ASSETS					
Tangible assets	14	194,563	1,633,401	1,827,964	1,768,651
Investments		<u>200</u>	<u>-</u>	<u>200</u>	<u>200</u>
		194,763	1,633,401	1,828,164	1,768,851
CURRENT ASSETS					
Debtors	16	74,774	-	74,774	48,829
Cash at bank and in hand		<u>22,740</u>	<u>13,547</u>	<u>36,287</u>	<u>61,385</u>
		97,514	13,547	111,061	110,214
CREDITORS					
Amounts falling due within one year	17	(53,024)	1	(53,023)	(43,718)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS		<u>44,490</u>	<u>13,548</u>	<u>58,038</u>	<u>66,496</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		239,253	1,646,949	1,886,202	1,835,347
CREDITORS					
Amounts falling due after more than one year	18	-	-	-	(10,402)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS		<u>239,253</u>	<u>1,646,949</u>	<u>1,886,202</u>	<u>1,824,945</u>
FUNDS	22				
Unrestricted funds				239,253	246,248
Restricted funds				<u>1,646,949</u>	<u>1,578,697</u>
TOTAL FUNDS				<u>1,886,202</u>	<u>1,824,945</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22 November 2023 and were signed on its behalf by:


M MacGillivray - Trustee


MacInnes - Trustee

The notes form part of these financial statements

SLEAT COMMUNITY TRUST

**Cash Flow Statement - Group
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>73,186</u>	<u>359,259</u>
Net cash provided by operating activities		<u>73,186</u>	<u>359,259</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(89,432)</u>	<u>(308,359)</u>
Net cash used in investing activities		<u>(89,432)</u>	<u>(308,359)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(23,763)</u>	<u>(72,163)</u>
Net cash used in financing activities		<u>(23,763)</u>	<u>(72,163)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(40,009)	(21,263)
Cash and cash equivalents at the beginning of the reporting period		<u>237,297</u>	<u>258,560</u>
Cash and cash equivalents at the end of the reporting period		<u>197,288</u>	<u>237,297</u>

The notes form part of these financial statements

SLEAT COMMUNITY TRUST

**Notes to the Cash Flow Statement - Group
for the Year Ended 31 March 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	31.3.23	31.3.22	
	£	£	
Net income for the reporting period (as per the Statement of Financial Activities)	35,143	254,513	
Adjustments for:			
Depreciation charges	53,820	39,238	
Decrease in stocks	4,923	13,045	
Decrease/(increase) in debtors	128,355	(129,310)	
(Decrease)/increase in creditors	<u>(149,055)</u>	<u>181,773</u>	
Net cash provided by operations	<u>73,186</u>	<u>359,259</u>	
 2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>237,297</u>	<u>(40,009)</u>	<u>197,288</u>
	<u>237,297</u>	<u>(40,009)</u>	<u>197,288</u>
 Debt			
Debts falling due within 1 year	(23,763)	13,361	(10,402)
Debts falling due after 1 year	<u>(10,402)</u>	<u>10,402</u>	<u>-</u>
	<u>(34,165)</u>	<u>23,763</u>	<u>(10,402)</u>
 Total	<u>203,132</u>	<u>(16,246)</u>	<u>186,886</u>

The notes form part of these financial statements

SLEAT COMMUNITY TRUST

**Cash Flow Statement – Charity Only
for the Year Ended 31 March 2023**

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>82,561</u>	<u>263,723</u>
Net cash provided by operating activities		<u>82,561</u>	<u>263,723</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(83,896)</u>	<u>(289,298)</u>
Net cash used in investing activities		<u>(83,896)</u>	<u>(289,298)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(23,763)</u>	<u>(22,163)</u>
Net cash used in financing activities		<u>(23,763)</u>	<u>(22,163)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(25,098)	(47,738)
Cash and cash equivalents at the beginning of the reporting period		<u>61,385</u>	<u>109,123</u>
Cash and cash equivalents at the end of the reporting period		<u><u>36,287</u></u>	<u><u>61,385</u></u>

The notes form part of these financial statements

SLEAT COMMUNITY TRUST

**Notes to the Cash Flow Statement – Charity Only
for the Year Ended 31 March 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	31.3.23	31.3.22	
	£	£	
Net income for the reporting period (as per the Statement of Financial Activities)	61,257	281,675	
Adjustments for:			
Depreciation charges	24,583	10,555	
Increase in debtors	(25,945)	(7,762)	
Increase/(decrease) in creditors	<u>22,666</u>	<u>(20,745)</u>	
Net cash provided by operations	<u>82,561</u>	<u>263,723</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>61,385</u>	<u>(25,098)</u>	<u>36,287</u>
	<u>61,385</u>	<u>(25,098)</u>	<u>36,287</u>
Debt			
Debts falling due within 1 year	(23,763)	13,361	(10,402)
Debts falling due after 1 year	<u>(10,402)</u>	<u>10,402</u>	<u>-</u>
	<u>(34,165)</u>	<u>23,763</u>	<u>(10,402)</u>
Total	<u>27,220</u>	<u>(1,335)</u>	<u>25,885</u>

SLEAT COMMUNITY TRUST

Notes to the Financial Statements for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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.

The presentation currency of the accounts is Pound sterling (£).

The accounts are rounded to the nearest £1.

Consolidated financial statements

The financial statements incorporate the results of the parent charitable company, Sleat Community Trust and its wholly-owned subsidiaries Sleat Community Trading Limited and Sleat Renewables Limited. All inter-company transactions and year-end balances are removed on consolidation.

Going Concern

The Charity is a going concern and there are no material uncertainties casting significant doubt over its ability to continue as a going concern.

Critical accounting judgements and key sources of estimation uncertainty

Fixed asset net book value and depreciation charges are the areas of the accounts which are affected by significant judgements and estimates. The directors exercise judgement in determining both the useful economic life and the likely residual value of the charity's assets. This judgement affects the rates of and charge for depreciation as well as grant release in the accounts for the year. It also therefore affects the net book value of the assets in the balance sheet.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Heritable property	- 2% depreciation on cost
Tormore forest	- not provided
Property improvements	- 10% depreciation on cost
Plant and machinery	- 20% depreciation on cost
Office equipment	- 20% depreciation on cost

SLEAT COMMUNITY TRUST

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Community Broadband - 10% depreciation on cost

Depreciation is not charged on the purchase price of Tormore Forest due to fact that the value is based on the land and is therefore non-depreciable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds 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.

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.

Debtors and creditors

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.

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.

2. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	£	£	£	£
Donations	1,131	3,686	4,817	129
Grants	<u>4,500</u>	<u>101,776</u>	<u>106,276</u>	<u>349,973</u>
	<u>5,631</u>	<u>105,462</u>	<u>111,093</u>	<u>350,102</u>

SLEAT COMMUNITY TRUST

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

2. DONATIONS AND LEGACIES - continued

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

	31.3.23	31.3.22
	£	£
Leader	-	10,000
Highland Council	4,501	5,000
Community and Renewable Energy Scheme	-	3,800
Highlands and Islands Enterprise	12,225	-
Highlands and Islands Enterprise - Community Transport	-	3,000
Investing in Communities Fund	46,823	35,576
Foundation Scotland	-	15,000
Nature Scot	36,000	267,190
Zero Waste Scotland	-	10,407
Highland Third Sector Interface	6,000	-
Other grants	727	-
	<u>106,276</u>	<u>349,973</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	£	£	£	£
Fundraising events	-	84,754	84,754	-
Other earned income	1,257	-	1,257	2,596
Community cafe	-	2,533	2,533	-
Sleat Community Trading sales	695,878	-	695,878	671,330
Skyenet	36,927	-	36,927	35,518
Visit Sleat	3,225	-	3,225	3,765
Rural fuel duty relief	3,751	-	3,751	825
Sleat Renewables sales	92,045	-	92,045	51,215
Post office income	10,017	-	10,017	2,824
Raffle income	-	-	-	2,085
	<u>843,100</u>	<u>87,287</u>	<u>930,387</u>	<u>770,158</u>

4. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	31.3.23 Total funds	31.3.22 Total funds
	£	£	£	£
Rents received	<u>10,236</u>	<u>-</u>	<u>10,236</u>	<u>9,061</u>

SLEAT COMMUNITY TRUST

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

5. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Purchases	<u>602,486</u>	<u>-</u>	<u>602,486</u>	<u>601,789</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Charitable activities	101,196	86,454	8,820	196,470
Sleat Community Trading Company Limited	158,773	-	5,500	164,273
Sleat Renewables Limited	1,499	-	3,875	5,374
Depreciation	<u>47,970</u>	<u>-</u>	<u>-</u>	<u>47,970</u>
	<u>309,438</u>	<u>86,454</u>	<u>18,195</u>	<u>414,087</u>

7. GRANTS PAYABLE

	31.3.23 £	31.3.22 £
Charitable activities	<u>86,454</u>	<u>-</u>

The total grants paid to institutions during the year was as follows:

	31.3.23 £	31.3.22 £
Sleat Parent Council	500	-
Other	<u>1,200</u>	<u>-</u>
	<u>1,700</u>	<u>-</u>

8. SUPPORT COSTS

	Governance costs £
Charitable activities	8,820
Sleat Community Trading Company Limited	5,500
Sleat Renewables Limited	<u>3,875</u>
	<u>18,195</u>

SLEAT COMMUNITY TRUST

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

9. NET INCOME/(EXPENDITURE)

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

	31.3.23	31.3.22
	£	£
Auditors' remuneration	12,535	7,375
Depreciation - owned assets	<u>53,820</u>	<u>39,239</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

11. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	176,945	172,024
Other pension costs	<u>1,271</u>	<u>1,811</u>
	<u>178,216</u>	<u>173,835</u>

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

	31.3.23	31.3.22
All staff	<u>14</u>	<u>14</u>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	18,536	331,566	350,102
Other trading activities	770,158	-	770,158
Investment income	<u>9,061</u>	<u>-</u>	<u>9,061</u>
Total	<u>797,755</u>	<u>331,566</u>	<u>1,129,321</u>
EXPENDITURE ON			
Raising funds	601,789	-	601,789
Charitable activities			
Charitable activities	162,584	42,221	204,805
Sleat Community Trading Company Limited	32,055	-	32,055
Sleat Renewables Limited	2,771	-	2,771
Depreciation	<u>22,833</u>	<u>10,555</u>	<u>33,388</u>

SLEAT COMMUNITY TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Total	<u>822,032</u>	<u>52,776</u>	<u>874,808</u>
NET INCOME/(EXPENDITURE)	(24,277)	278,790	254,513
RECONCILIATION OF FUNDS			
Total funds brought forward	600,822	1,299,907	1,900,729
TOTAL FUNDS CARRIED FORWARD	<u>576,545</u>	<u>1,578,697</u>	<u>2,155,242</u>

13. SUBSIDIARY COMPANIES

The consolidated accounts include the results of the following wholly-owned subsidiaries:

	31.3.23 £	31.3.22 £
Sleat Community Trading Company Limited		
Nature of business: Operating Skye Ferry Filling Station & Shop		
Aggregate capital and reserve	16,661	19,140
(Loss)/profit for the year	(2,479)	12,389
Sleat Renewables Limited		
Nature of business: Management of Tormore Community Forest		
Aggregate capital and reserve	287,622	311,357
Profit/(loss) for the year	(23,635)	(39,552)

14. TANGIBLE FIXED ASSETS - GROUP

	Heritable property £	Tormore forest £	Property improvements £
COST			
At 1 April 2022	1,151,952	689,983	489,330
Additions	22,227	60,966	-
Reclassification	<u>34,740</u>	-	<u>(34,740)</u>
At 31 March 2023	<u>1,208,919</u>	<u>750,949</u>	<u>454,590</u>
DEPRECIATION			
At 1 April 2022	78,801	-	267,310
Charge for year	24,442	-	19,496
Reclassification/transfer	<u>29,224</u>	-	<u>(29,224)</u>
At 31 March 2023	<u>132,467</u>	-	<u>257,582</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,076,452</u>	<u>750,949</u>	<u>197,008</u>
At 31 March 2022	<u>1,073,151</u>	<u>689,983</u>	<u>222,020</u>

SLEAT COMMUNITY TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

14. TANGIBLE FIXED ASSETS – GROUP - continued

	Plant and machinery £	Office equipment £	Community Broadband £	Totals £
COST				
At 1 April 2022	25,809	65,831	117,035	2,539,940
Additions	5,536	703	-	89,432
Reclassification	-	-	-	-
At 31 March 2023	<u>31,345</u>	<u>66,534</u>	<u>117,035</u>	<u>2,629,372</u>
DEPRECIATION				
At 1 April 2022	11,024	48,372	117,035	522,542
Charge for year	4,250	5,632	-	53,820
Reclassification/transfer	-	-	-	-
At 31 March 2023	<u>15,274</u>	<u>54,004</u>	<u>117,035</u>	<u>576,362</u>
NET BOOK VALUE				
At 31 March 2023	<u>16,071</u>	<u>12,530</u>	<u>-</u>	<u>2,053,010</u>
At 31 March 2022	<u>14,785</u>	<u>17,459</u>	<u>-</u>	<u>2,017,398</u>

TANGIBLE FIXED ASSETS – CHARITY ONLY

	Heritable property £	Tormore forest £	Property improvements £
COST			
At 1 April 2022	1,151,952	689,983	34,740
Additions	22,227	60,966	-
Reclassification	34,740	-	(34,740)
At 31 March 2023	<u>1,208,919</u>	<u>750,949</u>	<u>-</u>
DEPRECIATION			
At 1 April 2022	78,801	-	29,224
Charge for year	24,442	-	-
Reclassification/transfer	29,224	-	(29,224)
At 31 March 2023	<u>132,467</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,076,452</u>	<u>750,949</u>	<u>-</u>
At 31 March 2022	<u>1,073,151</u>	<u>689,983</u>	<u>5,516</u>

	Office equipment £	Community Broadband £	Totals £
COST			
At 1 April 2022	21,659	117,035	2,015,369
Additions	703	-	83,896
Reclassification	-	-	-
At 31 March 2023	<u>22,362</u>	<u>117,035</u>	<u>2,099,265</u>

SLEAT COMMUNITY TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

14. TANGIBLE FIXED ASSETS – CHARITY ONLY - continued

DEPRECIATION

At 1 April 2022	21,658	117,035	246,718
Charge for year	141	-	24,583
Reclassification/transfer	-	-	-
At 31 March 2023	<u>21,799</u>	<u>117,035</u>	<u>271,301</u>
NET BOOK VALUE			
At 31 March 2023	<u>563</u>	<u>-</u>	<u>1,827,964</u>
At 31 March 2022	<u>1</u>	<u>-</u>	<u>1,768,651</u>

15. STOCKS

	Group		Charity Only	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Stocks	<u>81,508</u>	<u>86,431</u>	<u>-</u>	<u>-</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity Only	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Trade debtors	3,879	9,855	-	-
Amounts owed by group undertakings	-	-	39,440	42,634
VAT	-	18,389	-	-
Prepayments and accrued income	<u>12,325</u>	<u>116,315</u>	<u>35,334</u>	<u>6,195</u>
	<u>16,204</u>	<u>144,559</u>	<u>74,774</u>	<u>48,829</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity Only	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Other loans (see note 19)	10,402	23,763	10,402	23,763
Trade creditors	39,713	88,265	11,666	573
Other creditors	56,423	46,261	-	-
Amounts owed to group undertakings	-	-	29,288	-
Social security and other taxes	(833)	1,958	(833)	304
Wages and pensions control	-	73	-	73
VAT	1,266	-	-	-
Accrued expenses	<u>8,000</u>	<u>111,217</u>	<u>2,500</u>	<u>19,005</u>
	<u>114,971</u>	<u>271,537</u>	<u>53,023</u>	<u>43,718</u>

SLEAT COMMUNITY TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

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

	Group		Charity Only	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Other loans (see note 19)	<u>-</u>	<u>10,402</u>	<u>-</u>	<u>10,402</u>

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Charity Only	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Amounts falling due within one year or on demand:				
Social Investment Scotland	<u>10,402</u>	<u>23,763</u>	<u>10,402</u>	<u>23,763</u>
Amounts falling due between one and two years:				
Social Investment Scotland	<u>-</u>	<u>10,402</u>	<u>-</u>	<u>10,402</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.23	31.3.22
	£	£
Social Investment Scotland	<u>10,402</u>	<u>34,165</u>

The charity has granted a Standard Security in favour of Social Investment Scotland and of Social Investment Scotland (Community Finance) Limited.

The charity has granted a Standard Security in favour of The Highland Council.

The charity has granted a Standard Security in favour of Triodos Bank UK.

21. ACCRUALS AND DEFERRED INCOME

	31.3.23	31.3.22
	£	£
Deferred income	<u>42,654</u>	<u>48,504</u>

Deferred income relates to income received in relation by SCTCL and SRL for to capital projects, during the years ended 31 March 2013 and 2014, respectively. The income is amortised to these companies' Profit and Loss accounts from at the same rate as the depreciation charge.

Consolidated accounts were not required to be prepared for a number of years and therefore it is considered appropriate to retain the accounting policies of the subsidiary companies in the above instances rather than seeking to re-state opening balances as at 1 April 2014.

SLEAT COMMUNITY TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

22. MOVEMENT IN FUNDS - GROUP

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	576,545	13,968	(47,077)	543,436
Restricted funds				
General revenue fund	16,155	(2,608)	-	13,547
Tormore Forest - restricted fund	496,428	35,999	24,522	556,949
Capital fund	<u>1,066,114</u>	<u>(12,216)</u>	<u>22,555</u>	<u>1,076,453</u>
	<u>1,578,697</u>	<u>21,175</u>	<u>47,077</u>	<u>1,646,949</u>
TOTAL FUNDS	<u><u>2,155,242</u></u>	<u><u>35,143</u></u>	<u><u>-</u></u>	<u><u>2,190,385</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	858,967	(844,999)	13,968
Restricted funds			
General revenue fund	59,770	(62,378)	(2,608)
Tormore Forest - restricted fund	35,999	-	35,999
Capital fund	12,226	(24,442)	(12,216)
Restricted Other	<u>84,754</u>	<u>(84,754)</u>	<u>-</u>
	<u>192,749</u>	<u>(171,574)</u>	<u>21,175</u>
TOTAL FUNDS	<u><u>1,051,716</u></u>	<u><u>(1,016,573)</u></u>	<u><u>35,143</u></u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	600,822	(24,277)	576,545
Restricted funds			
General revenue fund	5,452	10,703	16,155
Tormore Forest - restricted fund	229,238	267,190	496,428
Capital fund	<u>1,065,217</u>	<u>897</u>	<u>1,066,114</u>
	<u>1,299,907</u>	<u>278,790</u>	<u>1,578,697</u>
TOTAL FUNDS	<u><u>1,900,729</u></u>	<u><u>254,513</u></u>	<u><u>2,155,242</u></u>

SLEAT COMMUNITY TRUST

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

22. MOVEMENT IN FUNDS – GROUP - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	797,755	(822,032)	(24,277)
Restricted funds			
General revenue fund	54,376	(43,673)	10,703
Tormore Forest - restricted fund	267,190	-	267,190
Capital fund	10,000	(9,103)	897
	<u>331,566</u>	<u>(52,776)</u>	<u>278,790</u>
TOTAL FUNDS	<u>1,129,321</u>	<u>(874,808)</u>	<u>254,513</u>

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

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	600,822	(10,309)	(47,077)	543,436
Restricted funds				
General revenue fund	5,452	8,095	-	13,547
Tormore Forest - restricted fund	229,238	303,189	24,522	556,949
Capital fund	1,065,217	(11,319)	22,555	1,076,453
	<u>1,299,907</u>	<u>299,965</u>	<u>47,077</u>	<u>1,646,949</u>
TOTAL FUNDS	<u>1,900,729</u>	<u>289,656</u>	<u>-</u>	<u>2,190,385</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 £	Movement in funds £
Unrestricted funds			
General fund	1,656,722	(1,667,031)	(10,309)
Restricted funds			
General revenue fund	114,146	(106,051)	8,095
Tormore Forest - restricted fund	303,189	-	303,189
Capital fund	22,226	(33,545)	(11,319)
Restricted Other	84,754	(84,754)	-
	<u>524,315</u>	<u>(224,350)</u>	<u>299,965</u>
TOTAL FUNDS	<u>2,181,037</u>	<u>(1,891,381)</u>	<u>289,656</u>

SLEAT COMMUNITY TRUST

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

22. MOVEMENT IN FUNDS - GROUP - continued

Purpose of funds

- General Revenue - Restricted Fund - this is primarily used for receiving grants that are expended by the trading subsidiaries, enabling the charity to pass the money on as required. In addition this fund is used to account for restricted grant funding received for revenue projects, such as the Development Trust Association funding.

- Tormore Forest - Restricted Fund - this has been used for receiving donations and grants for the purchase of the forest. The expenditure on the forest not covered by the loan financing has been allocated to this, together with the cost of the professional fees. In the prior year, a grant was received in order to carry out restoration work in Tormore to return unproductive forest land to peatland.

- Capital - Restricted Fund - this fund accounts for the grant-funded property purchased in previous years by the Trust, together with any major improvements that are grant-funded, including the redevelopment works which concluded in 2023.

- Restricted Other - this relates to funds received via crowdfunding for a specific local cause.

23. RELATED PARTY DISCLOSURES

Sleat Community Trading Company Limited

During the year the Sleat Community Trading Company Limited paid the following amounts to the parent company in relation to 'Memorandum of Understanding' arrangements for specific activities:

- Community Shop - £34,009 (2022 - £Nil)
- Visit Sleat - £900 (2022 - £364)
- Skyenet - £2,750 (2022 - £2,364)

At the year end there was a balance due from Sleat Community Trading Company Limited of £39,440 (2022 - £42,190) to Sleat Community Trust. The trustees have indicated that early repayment is not being sought. No interest is charged on the balance.

At the year end there was a balance due from Sleat Community Trading Company Limited to Sleat Renewables Limited of £14,646. No interest is charged on the balance and it is expected to be repaid in the next 12 months.

Sleat Renewables Limited

During the year Sleat Renewables Limited paid £34,776 (2022 - £34,776) to Sleat Community Trust in relation to woodland occupation charges, in order to cover the un-funded costs of Tormore Forest that were incurred by the charity during the year.

During the year Sleat Renewables Limited received a grant of £36,000 from Nature Scot for peatland restoration. The grant and relating costs were transferred to Sleat Community Trust where the asset is recognised.

At the year end there was a balance due to Sleat Renewables Limited of £29,288 (2022 - £444 due from Sleat Renewables Limited).

24. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

25. FRC 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.