COMMUNITY DEVELOPMENT COMPANY OF NESTING

ANNUAL REPORT & UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2026

SCOTTISH CHARITY NUMBER:	SC048164
COMPANY REGISTRATION NUMBER:	SC589570

The Trustees present their annual report and financial statements for the year ended 28 February 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" as amended for accounting periods commencing from 1 January 2019).

OBJECTIVES & ACTIVITIES

The Aald Skül

The CDCN (Community Development Company of Nesting) began life in December 2016. Two public meetings were held in the community to debate what was to be done to save the Aald Skül from potentially being sold by the Shetland Islands Council (SIC), who owned it at the time.

The property was leased from the SIC to the Nesting Local History Group (NLHG), but the property was falling into disrepair, and the SIC intimated that they could not justify the needed investment to restore or arrest the decay of the buildings. The NLHG could not afford to fund the needed work either.

The CDCN, was set up; the remit of which was to pursue all possible means to save the property for further community use. Apart from the history group's base there, the community also used some of the land as a burning site for the Nesting and Girlsta Up-Helly Aa.

Community Ideas

CDCN came to be born; with an initial membership that included members of every other group in the area, as well as various other interested people.

Articles of Association were written, the CDCN was set up as a company limited by guarantee (incorporated on 22nd February 2018 Company Number SC589570), and CDCN was registered as a charity (Charity Number SC048164 registered on 27th February 2018).

A survey of the whole community was conducted, door to door, to gauge interest in various ideas as to what additional uses the property could be put to, and to garner fresh ideas.

Aims

The charity's aims are to work in co-operation with organisations and individuals within and beyond Nesting for:

(a) The advancement of community development and resilience (including the advancement of rural regeneration) by designing and delivering a range of services, including volunteering and learning opportunities which will help Nesting and the wider community to be a vibrant, sustainable and inclusive community for all who live and work here.

(b) The advancement of heritage and culture through raising awareness and understanding of the Nesting community, its historic and natural environment, and its traditions and culture.

(c) The provision of recreational facilities and the organisation of recreational activites and services, with the object of improving the conditions of life for those who live and work in the area, so as to encourage people to settle and remain in the community.
(d) The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision of accessible and freely available services to bring the members of the community together to reduce social isolation and improve community cohesion.

ACHIEVEMENTS & PERFORMANCE

A major achievement during 2025/26 was the completion of the Solar PV and battery storage project at the Aald Skül. Work by Nordri commenced in late April 2025, with the joinery, wiring and panel installation progressing through the summer. Following completion of the remaining electrical works by JDF Electrical in October 2025 and formal commissioning by Nordri, the system became fully operational. The installation allows CDCN to generate a significant proportion of its own electricity, with the battery storage providing resilience during periods of lower generation.

CDCN secured the final 30% of funding for the project through a grant of £15,492 from the Shetland Community Benefit Fund, in addition to HIE funding of approximately 70% of the total cost. CDCN is now monitoring the system's performance with a view to applying for an export tariff that will allow excess electricity to be sold back to the grid, providing a new income stream.

In late 2025, CDCN was awarded capital funding of £14,758.31 from the Community-Led Local Development (CLLD) fund to make further energy efficiency and facility improvements at the Aald Skül. This funding is being used to install LED lighting and energy-efficient heating in the Scrapstore (connected directly to the Solar PV system, improving resilience during power cuts), a new commercial printer, a commercial washing machine and tumble dryer for community use, a new assault bike for the gym, and replacement office appliances. Installation of the LED lighting was completed before the end of December 2025, with the remaining items ordered and delivery expected in early 2026.

The Nesting Scrapstore continues to be CDCN's strongest revenue generator and a valued community resource. Sales increased compared to the previous year, with card sales showing particularly strong growth, reflecting the increasing use of contactless payment. Card sales showed particularly strong growth, reflecting the increasing use of contactless payment. In October 2024, two Scrapstore Team Leaders were appointed, with the post shared between Vic Thomas and Chloe Hansen. Vic stepped down from his paid role at the end of December 2025, generously offering to continue as a volunteer. Chloe continued as Team Leader going into 2026, with CDCN seeking additional funding to sustain the post. New income-generating ideas were trialled during the year, including a weekly raffle of higher-value donated items which proved popular in the run-up to Christmas 2025. Chloe also completed a comprehensive risk assessment for the Scrapstore during the year.

The Nesting Gym continues to be well used and remains an important part of the Aald Skül's overall community use. Membership and bookings increased compared to the previous year and the gym now has approximately 300 members. The gym now has approximately 300 members and continues to be supported by a committed group of volunteers who help with day-to-day management and upkeep. A new assault bike, funded through the CLLD grant, has been ordered to complement the existing equipment.

The Growing Spaces Nesting project reached completion during 2025/26 with the Bird Hide being finished in February 2025 and a new handrail and barrier subsequently installed by a volunteer Director. The hide has received positive feedback from users and overlooks Benston Loch, providing an important amenity for birdwatchers and visitors to the area. The four rented Polycrubs continued to be well used by community growers and generated income for CDCN during the year. Plant sales through the Scrapstore also proved a successful new initiative during the spring and summer. A plaque acknowledging Scottish Government funding for the Growing Spaces project was also installed during the year.

The Business Studio saw limited use during 2025/26. Following the end of rental agreements with previous users earlier in the year, the room was not re-let for commercial use and was instead made available to the Nesting Local History Group for archive work over the winter. Over the winter of 2025/26, the space was made available to the Nesting Local History Group for cataloguing and organising their archive materials stored in the Aald Skül. CDCN intends to explore new uses for the room during 2026.
CDCN generated additional income from renting ground space at the Aald Skül for equipment storage, including a trailer and kayak equipment for Sea Kayak Shetland, who began using the site during the summer of 2025. A draft rental agreement for storage was prepared during the year to standardise arrangements.

A significant organisational transition took place during 2025/26 with the departure of Development Officer Mark Ratter and the recruitment and appointment of Brydon Sinclair. Mark's hours had been reduced to one day per week from May 2025, and his last working day as an employee was 25th July 2025. The recruitment process was conducted over the summer with support from Lynsey Hall (SIC Community Involvement and Development Officer), and Brydon started in post on 28th July 2025 at 25 hours per week. In February 2026, Brydon left the organisation and CDCN subsequently engaged Mark Ratter on a consultancy basis to provide continuity of support for Development Officer activities while longer-term arrangements were considered. HIE and the Scottish Government continued to fund development support to approximately May 2026, with CDCN providing in-kind contributions.

Securing longer-term funding and delivery arrangements for community development activities remains a key priority for CDCN.

Affordable housing continued to be a strategic priority for CDCN during 2025/26, as identified in the Community Action Plan 2024–2034. CDCN engaged withconsultants provided through the Shetland Community Benefit Fund's 25-day community housing support programme, holding productive meetings to understand the process and funding landscape. The Rural and Islands Housing Fund was extended by the Scottish Government to March 2028, and it was noted that the fund can only be applied to once, meaning that substantial preparatory work including a Housing Needs Assessment and business case will need to be completed before any application. CDCN submitted a Pre-Application Enquiry to SIC Planning to assess the suitability of land behind the Aald Skül for new-build housing, and is exploring other possible sites. A draft letter to E&H Building Contractors was also prepared to request consideration of local allocation of new homes at Catfirth, citing the Community Action Plan. This work was ongoing at the end of the reporting period.

CDCN continued to support efforts to explore community-led childcare provision in the area. The Nesting Childcare Working Group, established in January 2025, was encouraged to formalise its structure with support from Lynsey Hall (SIC). CDCN's position throughout the year was that it would support funding applications for a feasibility study and options appraisal, subject to the working group taking the lead role. However, limited response from the working group meant that this project progressed more slowly than anticipated.

Following the publication of the Nesting, Girlsta and Wadbister Community Action Plan in September 2024, work continued during 2025/26 to develop an accompanying Implementation Plan. The outgoing Development Officer prepared a draft which was reviewed and refined by the incoming Development Officer. The Implementation Plan sets out the what, who and when of delivering the Community Action Plan priorities, and includes a Decision Making Matrix to help assess projects and determine whether CDCN should lead, support, or encourage others to deliver. The Plan was presented to Directors in December 2025 and it was agreed that it should be reviewed section by section in early 2026 before formal adoption.

CDCN participated in meetings and consultations regarding Local Place Plans during 2025/26, led by Planning Aid Scotland and the SIC. A Local Place Plan could complement the existing Community Action Plan by providing a legal framework for community priorities related to land use, housing and transport. Following initial meetings, Planning Aid Scotland indicated they were keen to support further work in 2026. CDCN will consider whether to pursue this alongside the Implementation Plan.

Alongside its own projects, CDCN provided support to a number of community groups and initiatives during 2025/26.

- **South Nesting Public Hall:** CDCN supported a successful grant application to the SSEN Community Resilience Fund for a generator switchboard (£1,791) and an energy efficiency application of £21,875 to improve the hall's facilities.
- **Skellister Stores:** Continued liaison with the local shop, which saw a significant boost to sales following CDCN's support with a successful Rural Retail Fund grant application for an ice cream machine in the previous year.
- **Catfirth Road Safety:** Following road safety concerns raised by a community member, CDCN and the Nesting and Lunnasting Community Council liaised with SIC Roads Department, who agreed to install traffic counters to monitor speed and vehicle numbers between the Catfirth junction and the South Nesting shop.
- **Defibrillator:** CDCN applied for match funding from Tesco Stronger Starts and Scottish Sea Farms' Heart of the Community fund for a community defibrillator to be located at the Aald Skül. Tesco subsequently offered to provide 100% funding.
- **Shetland Dog Park Group:** CDCN met with a new community group looking to establish a dog park, sharing experience of Community Asset Transfers from the Aald Skül.
- **Community Foodbank:** CDCN continued to support the local foodbank, although usage declined during the year and the collection of surplus items at the Aald Skül was wound down. CDCN remains willing to coordinate local donations and facilitate supply from the Lerwick Foodbank on request.
- **Winter Pop-ins:** CDCN worked with Lynsey Hall (SIC Community Planning and Development) to host a series of winter pop-in sessions at the South Nesting Hall, providing information and community engagement opportunities.
- **Islands Economy Showcase:** The Development Officer attended the Islands Economy Showcase at the Scottish Parliament in April 2025, meeting with MSPs and other island community groups to discuss shared priorities including childcare, affordable housing and depopulation.
- **Viking Genes Fund:** CDCN made a donation of £130 to the University of Edinburgh's Viking Genes Fund.

Grants and Funding

- **Community-Led Local Development Fund – £14,758.31 (October 2025):** Capital funding for energy efficiency improvements, gym equipment, commercial washing and drying facilities, and other facility upgrades at the Aald Skül.

- **Highlands and Islands Enterprise:** Continued funding of the Development Officer post (approximately 70% of cost), with the post funded to approximately May 2026.

People, Volunteering and Governance

By February 2026, CDCN employed the following staff:

- Brydon Sinclair, Development Officer, 25 hours per week
- Mandy Sutherland, Finance and Admin Officer, 12 hours per week
- Chloe Hansen, Scrapstore Team Leader, 15 hours per week
- Andrew Pearson, Cleaner, 5 hours per week

Mark Ratter served as Development Officer until 25th July 2025, working one day per week from May 2025 following his move to a full-time role. Brydon Sinclair took up the post on 28th July 2025. Vic Thomas served as Scrapstore Team Leader (10 hours per week) until the end of December 2025, at which point he generously offered to continue as a volunteer.

In terms of volunteering, CDCN volunteer hours for 2025 to the date of the AGM (11th November 2025) totalled 1,124 hours, of which 1,036 hours were dedicated to the Scrapstore, 50 hours to the gym, and 38 hours to other activities. The Scrapstore had approximately eight core volunteers with mid to high regularity, and several more occasional volunteers. The gym management team had seven volunteers, plus additional volunteers who helped as and when needed.

CDCN held its Annual General Meeting on Tuesday 11th November 2025 at 8.00pm in the South Nesting Public Hall, with a notably strong turnout of 20 attendees. All six serving Directors stepped down and were re-elected. CDCN currently has 6 Directors, 36 Full Members, 7 Associate Members and over 20 active volunteers.

Total staff hours amount to 57 hours per week across five employees.

During the year, CDCN joined the Development Trusts Association Scotland (DTAS) and established a separate reserve account, with the aim of building unrestricted cash reserves equivalent to six months' running expenses in line with DTAS good practice guidance. CDCN also began work to ensure compliance with changes to the Disclosure (Scotland) Act regarding the Protecting Vulnerable Groups (PVG) scheme, and to meet updated OSCR requirements for charity trustee information.

Regular fortnightly board meetings were held throughout the year at the Aald Skül, maintaining effective governance and enabling timely decision-making on operational matters.

FINANCIAL REVIEW AND RESERVES POLICY

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

Restricted funds are subject to specific conditions by funders as to how they may be used.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between 3 and 6 months expenditure. The Trustees consider that reserves at this level ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

SCOTTISH CHARITY NUMBER : SC048164
COMPANY REGISTRATION NUMBER : SC589570

The Charity was incorporated on 22 February 2018 as a company whose members liability is limited by guarantee, the company having no share capital.

The Charity was established under a Memorandum and Articles of Asssociation which established the objects and powers and the Charity is governed under its Articles of Assocation.

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

J Bradley
A Foyle
M Georgeson
W E Keith
D Stevenson

As set out in the Articles of Association, directors are elected at each annual general meeting.

The registered office is:
Aald Skul (Old School)
Vassa
South Nesting
Shetland
ZE2 9PP

The Trustees Report was approved by the Trustees on 2/9/26

A Foyle
DATE

Independent Examiner's Report to the Trustees of Community Development Company of Nesting

I report on the accounts of the charity for the year ended 28 February 2026 which are set out on pages 6 to 18.

Respective responsibilities of trustees and examiner

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

Basis of independent examiner's statement

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

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:

   to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations

   to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

   have not been met, or

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

Neil Ruthven FCCA

On behalf of NGR Accountancy
Top Floor, The Garrety
Esplanade
Lerwick
Shetland
ZE1 0LL

Date: 03/09/2026

COMMUNITY DEVELOPMENT COMPANY OF NESTING
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 25 FEBRUARY 2026

	Notes	Unrestricted funds £	Restricted income funds £	Restricted capital funds £	Total funds £	Prior year funds £
Income						
Income from:						
Donations and legacies	2	256	-	-	256	275
Charitable activities	2	-	38,190	55,958	94,148	170,951
Other trading activities	2	65,411	-	-	65,411	27,160
Total income		65,667	38,190	55,958	159,815	198,386
Expenditure						
Expenditure on:						
Charitable activities	4	79,912	38,190	-	118,102	121,576
Total Expenditure		79,912	38,190	-	118,102	121,576
Net income/(expenditure) before transfers for the reporting period		(14,245)	-	55,958	41,713	76,810
Transfers between funds		22,896	-	(22,896)	-	-
Net movement in funds		8,651	-	33,062	41,713	76,810
Reconciliation of funds:						
Total funds brought forward		225,609	8,815	216,658	451,082	374,272
Total funds carried forward		234,260	8,815	249,720	492,795	451,082

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The statement of financial activites also complies with the requirements for an income and expenditure account under the Companies Act 2006.

COMMUNITY DEVELOPMENT COMPANY OF NESTING
BALANCE SHEET
AS AT 28 FEBRUARY 2026

	Notes	2026 £	2025 £
Fixed assets			
Tangible assets	8	450,737	430,177
Investments	9	1	1
Total fixed assets		450,738	430,178
Current assets			
Debtors	10	6,819	2,468
Cash at bank and in hand		49,702	19,638
Total current assets		56,521	22,106
Creditors: amounts falling due within one year	11	14,463	1,202
Net current assets/(liabilities)		42,058	20,904
Total assets less current liabilities		492,796	451,082
Creditors: amounts falling due after one year	11	-	-
Total net assets		492,796	451,082
Restricted capital funds	12	241,974	216,658
Restricted income funds	12	8,815	8,815
Unrestricted funds	12	242,007	225,609
Total funds		492,796	451,082

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The financial statements were approved by the Trustees on 2/9/26

A Foyle
Trustee
Date

1 Accounting Policies

Charity Information

Community Development Company of Nesting is a private company limited by guarantee, incorporated in Scotland. The registered office is Aald Skul (Old School), Vassa, South Nesting, Shetland, ZE2 9PP.

1.1 Basis of accounting

The financial statements have been prepared in accordance with the charitable company's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" as amended for accounting periods commencing from 1 January 2019).

The charity is a Public Benefit Entity as defined by FRS102.

The charity has taken advantage of the provisions in the SORP not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention (modified to include the revaluation of Freehold Properties and to include Investment Properties and certain financial instruments at fair value). The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Reserves

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

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

1 Accounting Policies (continued)

1.4 Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has

1.5 Expenditure

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attirbutable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings - not depreciated
Improvements to buildings - 2% straight line
Plant & equipment - 50% straight line
Equipment, Fixtures & Fittings - 50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Stocks

Due to the high volume of low value items it is impractical to estimate the fair value of donated items of stock for resale. The charity therefore takes advantage of the exemption in Charities SORP (FRS 102) 6.29 and does not recognise these items on receipt. The value to the charity of the donated goods is recognised as income when sold.

1 Accounting Policies (continued)

1.8 Debtors

Debtors are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

1.9 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts

1.10 Financial instruments

The charity only has assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

Note 2 Income

Analysis of income		Unrestricted funds	Restricted income funds	Restricted capital funds	Total funds 2026	2025
		£	£	£	£	£
Donations and legacies:	Donations and gifts	256	-	-	256	275
	General grants	-		-	-	-
	Total	256	-	-	256	275
Charitable Activities:						
	Grants received	-	38,190	55,958	94,148	170,951
Other trading activities:	Sales	65,267	-	-	65,267	27,160
	Interest received	145	-	-	145	-
TOTAL INCOME		65,668	38,190	55,958	159,816	198,386

Note 3 Analysis of receipts of government grants

		2026	2025
		£	£
Highlands & Islands Enterprise	Development Worker Delivery Resource	26,002	42,897
Shetland Islands Council CCF fund	Scrapstore team leader	12,187	13,127
Highland & Islands Enterprise	Energy efficiency	37,456	-
Shetland Community Benefit Fund	Solar panels	15,492	7,280
Shetland Islands Council	End of life feasibility study	-	8,700
Shetland Islands Council	Community Action Plan	-	6,700
Highlands & Islands Enterprise	Growing spaces	-	6,313
Shetland Islands Council	Growing spaces	3,010	84,043
Energy Saving Trust		-	1,891
	Total	94,147	170,951

Note 6 **Paid employees**

Staff Costs

	2026 £	2025 £
Salaries and wages	64,775	64,775
Social security costs	-	-
Pension costs (defined contribution scheme)	1,217	1,217
Other employee benefits	-	-
Total staff costs	65,992	65,992

There were no employees whose annual remuneration was more than £60,000.

The average monthly number of employees	**2026 Number**	**2025 Number**
	4	4

No directors' emoluments or expenses were paid in year. (2024 - £nil)

Note 7 **Taxation**

HMRC recognises the company as a Scottish charity and it is not liable to Corporation Tax on its charitable activities

Note 4 Expenditure

	Total funds 2026 £	Total funds 2025 £
Expenditure on charitable activities:		
Wages and salaries	45,960	64,810
Other staff costs	279	649
Depreciation and impairment	39,253	15,718
Insurance and rates	3,990	3,792
Light and heat	3,218	476
Telephone	1,046	1,722
Advertising	701	680
Sundry	3,857	1,036
Website	171	320
Office costs	57	499
Repairs and small equipment	11,922	620
Cleaning	294	384
Donations	230	275
Motor expenses	251	1,837
Travel	736	-
Bank Charges	468	260
Materials	2,940	
End of life feasibility study		
Hall hire and catering		
Total expenditure	115,373	93,078
Share of support costs (see Note 5)	-	-
Share of governance costs (see Note 5)	2,728	28,498
	118,101	121,576
Analysis by fund		
Unrestricted funds	79,912	40,980
Restricted funds	38,189	80,596
	118,101	121,576

Note 5 Support Costs

	Support Costs £	Governance costs £	2026 £	2025 £
Legal and professional costs	-	152	152	25,202
Accountancy services	-	2,576	2,576	3,296
	-	2,728	2,728	28,498

Breakdown of accountancy services:	Independent Examiner £	Other accountancy providers £	2026 £	2025 £
Independent examination fee	900	-	900	790
Other accountancy services	1,786	-	1,786	2,506
	2,686	-	2,686	1,710

Note 8 **Tangible fixed assets**

	Freehold land & buildings £	Building Improvements £	Plant, machinery and motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost					
At the beginning of the year	4	452,630	20,882	5,575	479,091
Additions	-	-	59,812	-	59,812
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers *	-	-	-	-	-
At end of the year	4	452,630	80,694	5,575	538,903
Depreciation and impairments					
At beginning of the year	-	22,750	20,882	5,281	48,913
Disposals	-	-	-	-	-
Depreciation	-	9,053	29,906	294	39,253
Impairment	-	-	-	-	-
Transfers*	-	-	-	-	-
At end of the year	-	31,803	50,788	5,575	88,166
Net book value					
Net book value at 29 February 2025	4	429,880	-	294	430,178
Net book value at 28 February 2026	4	420,827	29,906	-	450,737

Note 9 **Investments**

The charity has a £1 investment being 100% of the share capital of Aald Skul Enteprises Limited, a dormant company with registered address of Aald Skul (Old School), Vassa, South Nesting, Shetland, ZE2 9PP.

Note 10 **Debtors**

Amounts falling due within one year:

	2026 £	2025 £
Trade debtors	635	270
Prepayments and accrued	2,153	2,160
Other debtors	4,031	38
Total	6,819	2,468

Note 11 **Creditors**

Amounts fallling due within one year:

	2026 £	2025 £
Other taxation and social security	149	
Other loans	13,283	-
Pension contributions payable	131	74
Other creditors	900	1,128
Total	14,463	1,202

Amounts falling due after more than one year:

	2026 £	2025 £
Other loans	-	-
Total	-	-

Note 12 Charity funds

12.1 Details of material funds held and movements during the CURRENT reporting period

		Fund balances at 01 March 2025	Income	Expenditure	Transfers	Fund balances at 28 February 2026
Fund names		£	£	£	£	£
Restricted Income:						
Scottish Land Fund		6,505	-	-	-	6,505
Big Lottery Fund		2,310	-	-	-	2,310
Shetland Islands Council CCF fund	Scrapstore team leader	-	12,187	(12,187)	-	-
Highlands & Islands Enterprise	Development Worker Delivery Resource	-	26,002	(26,002)	-	-
Shetland Community Benefit Fund	End of life feasibility study	-	-	-	-	-
Shetland Islands Council/Scottish Government	End of life feasibility study	-	-	-	-	-
Shetland Islands Council	Community Action Plan	-	-	-	-	-
Energy Saving Trust			-	-		-
		8,815	38,189	- 38,189	-	8,815
Restricted Capital:						
Highlands & Islands Enterprise	EV Chargepoint	12,644	-	-	(266)	12,378
Shetland Islands Council	Scrapstore expansion	83,547	-	-	(1,741)	81,806
Highland & Islands Enterprise	Scrapstore expansion	20,904	-	-	(435)	20,469
Highland & Islands Enterprise	Energy efficiancy	-	37,456	-	(18,728)	18,728
Shetland Islands Council	Growing spaces	82,598	3,010	-	(1,504)	84,104
Highland & Islands Enterprise	Growing spaces	16,965	-	-	(222)	16,743
SCBF	Solar Panels		15,492		(7,746)	7,746
		216,658	55,958	-	(30,642)	241,974
Unrestricted Fund		225,609	65,668	(79,912)	30,642	242,007
Total Funds as per balance sheet		451,082	159,815	(118,101)	-	492,796

Note 13 Analysis of net assets between funds

	Unrestricted funds 2026 £	Restricted income funds 2026 £	Restricted capital funds 2026 £	Total funds 2026 £	Total funds 2025 £
Tangible fixed assets	208,764	-	241,974	450,738	420,832
Current assets/(liabilities)	33,243	8,815	-	42,058	20,904
Long term liabilities	-	-	-	-	-
Net assets at 28 February	242,007	8,815	241,974	492,796	441,736

Note 14 Related Party Transactions

There were no disclosable related party transactions during the year. (2025 - none)