

REGISTERED COMPANY NUMBER: SC037018 (Scotland)
REGISTERED CHARITY NUMBER: SC292902

TIREE COMMUNITY DEVELOPMENT TRUST
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

TIREE COMMUNITY DEVELOPMENT TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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TIREE COMMUNITY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their annual report together with the audited financial statements of the Charity for the 1 January 2023 to 31 December 2023.

The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is constituted as a company limited by guarantee and is governed in accordance with its Memorandum & Articles of Association. At our Annual General Meeting in December 2023, a new set of Memorandum and Articles of Association were approved. Under the new structure which is compliant with the requirements of the Land Reform Act (Scotland), full Membership of the Trust is open to any individual over the age of 16 who has their main residence on the Isle of Tiree (as confirmed by appearing on the electoral register for Tiree), with youth membership also open to residents aged 12 to 15. Members pay an annual subscription of £1 and have the right to attend the annual general meeting. Full members may vote, put themselves forward as candidates for and elect the directors of the Trust.

The directors of the Trust are elected each year by the membership and hold regular meetings to carry out the overall supervision of the activities of the company, including monitoring the financial position and providing strategic direction on projects. A maximum of twelve directors may serve at any one time, nine elected directly from and by full members, plus up to three further directors (who need not be members) can be co-opted by the elected directors. There must be a minimum of three directors on the Board, and elected directors must be (and remain) full members of the company. One third of the directors (those longest serving) must retire at the annual general meeting each year. There is a provision allowing the youth members to appoint a representative who may attend board meetings.

Co-opted directors are those appointed to the Board by the directors on the basis that they have specialist skills or experience which will assist the successful operation of the company. All such directors retire from the Board at the annual general meeting but are then eligible for re-appointment.

The trust has a staff team led by a General Manager (who also serves as Company Secretary). Staff total numbers varied throughout 2023 between 11 at the start and 12 at the end of December, with some turnover within that. Changes in roles included the Community Support Workers being retained as Officers following their initial contract due to further funding being secured and the project being extended and expanded, the recruitment of a Lesaiche Gàidhlig (and incorporation of a part-time Gaelic role into the Operations Admin post), and an additional part-time Community Projects Officer role was due to start in January 2024.

The staff are supported by the Directors and in some cases, project steering groups or working groups with wider membership. The General Manager oversees the day-to-day operations of the Trust, managing and leading the staff and acts as Company Secretary and (non-voting) advisor to the Board.

TIREE COMMUNITY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

OBJECTIVES AND ACTIVITIES

Objects & Purposes of the Charity

The objects of the charity are the promotion, for the public benefit, of rural regeneration within the Isle of Tiree by a variety of means, including promoting and assisting business development, education, training, public amenities and housing, and working for the protection and conservation of both the natural environment and the historical and cultural fabric of the island.

Strategic Plan & Measuring Progress

In 2023 the Trust published the Community Development Plan for 2023-2028 – which was completed and signed off by the Board at the end of the previous year. The new Plan supersedes the Community Growth Plan referred to in previous annual reports and contains an account of the new priority work areas for the group moving forward over the next five years and set out plans to monitor and report on progress of these throughout the plan period. By the end of 2023 we were preparing to undertake the first review of progress in early 2024 and had made significant progress in many areas.

Notable project work achievements during 2023 by the Trust and our company Group included:

- Installing and bringing into use a Rapid EV charger at the community filling station, which achieved its first full year of operation in July. The station generally operated well, and to date there have been no interruptions of fuel supply to the island. By the end of 2023, with a full year of financials as the sole filling station in Tiree, the subsidiary board agreed an updated pricing policy to ensure long term viability of the service.
- Signing a construction contract to commence building of the planned light commercial business units project at Crossapol. Construction started in June and was well underway by year end with completion expected in early-mid 2024. An allocation policy was carried out to identify tenants, with all units initially allocated. Just at the end of 2023 tenants withdrew from two of the units, and advertising was undertaken for a second allocation process to take place in the new year. A second Rapid EV charger unit will be installed as part of the development, alongside a solar PV array.
- As part of the above project, we successfully applied for Scottish Land Fund support to purchase the land upon which the business units were to be constructed, as part of a larger site which will allow future development potential for community assets. The purchase was completed in early summer.
- Completed a Housing Needs and Demand Analysis, via Community Housing Trust, and submitted initial stage applications to the Rural and Islands Housing Fund and Scottish Land Fund for a community housing project near Scarinish.
- One of our staff completed an accreditation course from the Chartered Institute of Housing and Landlord Accreditation Scotland, developing our internal capacity to advise and support long-term lettings in Tiree, and prepare for becoming landlords as an organisation once our housing project is complete.
- Completed a scoping study by Community Energy Scotland into potential renewable energy projects and energy efficiency projects – leading to identified priorities to take forward more detailed feasibility work. Funding was secured to take two projects to a further stage of feasibility work – the potential development of an “Energy Local” co-operative and battery storage alongside our wind turbine, and the potential for solar PV generation and a “private-wire network” between the community assets in Crossapol. Both projects were nearing completion by the end of 2023.
- The community support project (“Cruas”) ended its initial pilot having delivered 117 grants totalling £35,400 to support Tiree households. In March we secured a further year of funding for the project to continue via the National Lottery Cost of Living Fund. The project built on the winter fuel grants to develop a broader advice and support service supporting Tiree households. As part of this a partnership was developed with Argyll and Bute CAB resulting in our two staff being trained as CAB advisors, enabling full provision of CAB services locally within Tiree. Further funding was sought to add focussed support for home energy improvement work, including training staff as EPC / Home Energy assessors.

TIREE COMMUNITY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

- Completed a childcare feasibility study and took forward development work towards a planned future project to establish 0-3 childcare in Tiree and explore provision of wrap-around / summer wider childcare.
- After a delayed start due to a manufacturing fault, the new Community EV minibus began serving the community through the provision of support to elderly and isolated members of the community with transport to shopping and activities, operated by local charity Cùram Thiriodh.
- The introduction of Short Term Let Licensing led to a significant workload for our operation of Discover Tiree, passing on information to our accommodation listing customers about the requirements. At the end of 2023, with the original reasons for setting the service up having faded away, a decision was made to stop providing an accommodation listing service and customers were offered the option to transition their membership over to a similar community enterprise service called IsleHoliday, with the listings remaining visible on the isleoftiree.com website via a partnership arrangement.
- Work began on a project supported by the British Science Academy and their “Science Ceilidh” program to identify actions to adapt Tiree for climate change impacts.

Key projects which TCDT (and its company Group) will aim to undertake during 2024 include:

- Completion of the construction of the Business Units in Crossapol
- Complete development of a housing strategy, begin feasibility work for the Scarinish housing project, explore development of support services to facilitate more long-term lets in Tiree, and progress development of an island new build home ownership support project
- Complete preparations for providing a local service to deliver EPCs and home energy assessments, and continue to work on funding direct support work to improve Tiree housing stock energy efficiency
- Building on the childcare feasibility work, take forward development of options for establishing wider childcare provision
- Continue to develop our project to explore adaptation projects to protect Tiree from impacts of climate change
- Commence development of a project to acquire or build a community vet practice as part of offering an attractive lease package to attract future vet services to the island following the expected retirement of the current vet
- Progress seeking funding to install further community owned renewable energy assets, to generate future income and reduce our carbon footprint.

ONGOING SERVICE ACHIEVEMENTS AND PERFORMANCE

COVID-19 impact on the Trust

With the prevailing mainstream approach to the ongoing pandemic shifting back to “business as usual”, the Trust has maintained the use of HEPA air filter units in our office and a proactive policy against staff attending work when suspected of having infectious illnesses, to reduce the potential risk to staff and customer health.

Youth Work

Our youth activities program continues to be a treasured asset by young people and parents of Tiree, with attendance of over 100 young people across the year. The service continues to encourage strong elements of youth leadership, with the young people actively encouraged to propose new clubs and direct the activities taking place. Our Youth Activities Officer works in partnership with both the Active Schools Program provided via Argyll and Bute Council and also the Young Islanders Network, which has led to three Tiree young people becoming representatives within the network.

Gaelic Development

In September 2023 Mary Ann Kennedy (Màiri Anna NicUalraig) joined the Trust team alongside existing local staff member Lauren MacArthur to take on Gaelic development work and begin progressing the Tiree Gaelic Plan. Work completed in 2023 included partnerships supporting the local newsletter in increasing Gaelic content and embedding a greater level of routine usage of Gaelic in the work of the Trust. A new policy was agreed by the board for the Trust Group in which wherever practical Gaelic should be used first in signage and comms with English following, to renormalise use of the language in community settings. Significant work was progressed by the end of the year in translating the content of our website to Gaelic, and it is hoped this will be implemented in 2024.

Nàdair Thiriodh – Tiree Ranger Service

The Ranger service continues to provide an important service offering visitor guidance in responsible visiting, particularly in relation to camping and motorhome visitors. Guided walks and sales of information books, postcards and other materials brought in funds to support the service while promoting Tiree wildlife and natural assets. Through various activities, sales and donations the Ranger Service brought in £9,075 of income to supplement grant funding provided by NatureScot and the Trust itself.

Tiree Renewable Energy Ltd (TREL)

TREL is a wholly owned trading subsidiary of the Trust with an independent board of directors which includes two Trust directors. TREL owns and operates the community wind turbine 'Tilley'.

TREL took forward some important work on feasibility of future energy projects and was able to donate significant and essential funds to the Trust charity that enabled us to continue the level of staffing and resources needed to progress our community development plan. Windfall grant funding totalling approx. £25k was awarded in 2023 to a variety of community events, projects and school trips up until July 2023, when the Fund was paused until 2024 while we reviewed the financial position. Unfortunately, 2023 saw a continuation of periodic technical issues with the turbine resulting in several interruptions to generation through the year. The issues are being monitored by the manufacturer, Enercon, with plans for works to improve reliability in discussion for 2024.

A decision was made at the end of the year to resume the Windfall Fund with a limited pot of £15,000 for 2024 while the longer-term financial position is assessed, and decisions made about how the remaining expected funding from the turbine may be best invested to secure future income to the Group. The feasibility study undertaken by TREL in 2023 identified a number of potential avenues for future renewable energy and energy efficiency projects which could be income raising. Two of these projects were taken forward and funding was secured to carry out further work, undertaken with the support of Local Energy Scotland and the Argyll and Bute Community-Led Learning and Development fund. The projects involve solar PV generation, battery storage, and the potential for a “Energy Local” co-operative.

Tiree Broadband

Community Information Technology Ltd (trading as Tiree Broadband) is also a wholly owned trading subsidiary of the Trust with an independent board of directors. Tiree Broadband operates a wireless radio network, which continued to deliver broadband to approximately 270 private and business customers. The network infrastructure continues to be maintained and replaced as required throughout the year, but applications for new customers are closed with some exceptions due to the current capacity constraints. Work was agreed in 2023 for the service to take advantage of works on the Business Units project to potentially provide access to a direct fibre connection which should greatly improve available bandwidth.

We continue to keep a close watch on the progress of implementation of the nationwide commitment to provide fibre broadband to every home in Scotland – if implemented fully in Tiree this will likely mean that Tiree Broadband may no longer be required, having completed its mission to provide an alternative option for high speed data until mainstream provision becomes available to all in Tiree.

TIREE COMMUNITY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Tiree Community Maritime Assets Ltd (TCMAL)

TCMAL is also a wholly owned subsidiary of the Trust, whose remit is to own & operate Milton and Scarinish Harbours and manage the moorings in Gott Bay.

Scarinish Harbour continues to provide a much-used base for boat-based tourism as well as fishing and leisure craft use. A new set of Terms and Conditions were developed and implemented for the 2024 renewals, along with an updated Marine Safety Management System.

Milton Harbour continued to deliver strongly on its objectives to secure the future of the Tiree fishing industry, providing a far safer, more practical facility from which they can operate. Feedback from operators continues to be overwhelmingly positive. The impact of increases in energy costs and a change in exemption criteria for business rates has impacted upon the finances of the harbour, which required an increase in fees for 2024.

Tiree Community Enterprises Ltd (TCEL)

The new filling station, Stèisean Connaidh Chrosabol, became the sole provider of petrol in Tiree in December 2022 with the closure of the old pumps at the Gott Bay pier. The service continues to operate well offering a modern service with pay-at-pump technology, supervised by Trust staff. Discussions were underway by the end of 2023 to begin a partnership with the nearby shop to take on much of the daytime supervision of the station and provision of cash and contactless payment options. In its first full calendar year of operations the station provided 290,000 litres of fuel, with 50% of this being between May and August during the busier summer months. Overall sales figures proved lower than the original projections, however, so the pricing policy was reviewed in December to ensure the station operates on a slight profit in 2024 to begin building up an operational reserve for future equipment replacements, etc.

The next TCEL project, the building of four light commercial business units, was progressed greatly throughout 2023, with construction contracts awarded in May and work beginning on-site by June. At year end the project was somewhat delayed due to weather and changed drainage requirements arising, but completion was expected in early to mid-2024.

TIREE COMMUNITY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

Principal risks and uncertainties

The directors examined the charity's exposure to strategic, financial, business and operational risks at regular director meetings held monthly. The directors are satisfied that adequate systems and procedures are in place. Risk mitigation and any changes to the identified risks are recorded in the minutes of the Board meetings.

Key risks for the organisation

The directors will review strategic risk annually and keep a record of the key risks and plans to mitigate these. Key risks to the charity include:

- Reliance on TREL (from the community wind turbine) as main source of income, given the increasing age and recent reliability issues of the turbine, and the fact that business interruption insurance is no longer available for it.
- Capacity to deliver and sustain multiple large projects (especially in light of the need to build up increased reserves to self-insure the turbine).
- Additional, particularly unexpected, activities putting strain on funding and resources.
- Recruitment and retention of staff with key skills/experience relevant to a community development organisation, in our small island context.

Given current issues with the reliability of the turbine, and the lack of business interruption insurance, a more cautious approach is being taken to the use of income from the turbine with reduced grant funding being offered. The group is increasing focus on the need to identify future ways to raise reliable income to secure our future operations and service provisions, beyond the operating life of the turbine. This will be a continued focus of strategic work in 2024 as we seek to identify ways to ensure that the Trust will continue to be able to deliver development work and operate community services in the long term.

As part of our previous audit a number of recommendations for improvements to our financial processing systems and procedures were made – work began on implementation of these alongside updating and replacing our main accounts system – this work is expected to be completed in 2024 and will improve our ability to provide our Board with detailed financial reporting and projections.

TIREE COMMUNITY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

General comments on financial outlook

Under the Statement of Recommended Practice (SORP) for charity accounts, income is reported in the year it is received whilst expenditure may be reported in future years. As a result, funds may be carried forward to future years and expenditure in those years made from those funds may exceed the income for the year.

The main source of regular income is from a wind turbine operated by Tiree Renewable Energy Ltd, a wholly owned trading subsidiary of the charity. Additionally, grants are sought for projects and in 2023 we were very fortunate to secure support from the following funders:

- Big Lottery Fund Young Start Fund (Youth Activities project)
- Big Lottery Cost of Living Fund (Cruas project)
- Scottish Land Fund (land purchase and project funding for Business Units project)
- NatureScot (Ranger Service)
- Highlands and Islands Enterprise (Business Units capital funding / two-year development support funding for our core delivery)
- Argyll & Bute Council (Business Units project capital funding, Cruas project and feasibility study into Energy Local club and battery storage)
- Scottish Government Regeneration Capital Grants Fund (Business units)
- Bòrd na Gàidhlig (Gaelic development work)
- Misses Nisbet Trust (training costs for Cruas staff to do Home Energy Assessment training)
- British Science Association - Science ceilidh (Climate Change project)
- Good Things Foundation (Cruas Project to enhance digital literacy and promote digital inclusion in the community)

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves Policy

The policy of the Trust is to retain sufficient reserves to meet the cost of salaries, insurances, and other regular commitments, as well as a contingency to enable it to continue to develop further projects.

The Trustees have resolved to maintain free unrestricted funds suitable to support a transitional period of 12 months essential operations, in order to provide a prudent cushion in the event of adverse impacts to our funding sources.

TIREE COMMUNITY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Company number

SC037018 (Scotland)

Registered Charity number

SC292902

Registered office

Units 1 & 2
The Island Centre
Crossapol
Isle of Tiree
PA77 6UP

Trustees

E Mackinnon (resigned 6 December 2023)
J Bennett
R Meek
Dr J Bowler
C Coghill
D Campbell (resigned 6 December 2023)
E Kerr (resigned 6 December 2023)
M Finnigan
N MacPhail (appointed 1 January 2023)
N McDowall (appointed 6 December 2023)
F Malcolm (appointed 6 December 2023)
R Baird (appointed 6 December 2023)

Company Secretary

Phyl Stuart Meyer

Auditors

Anderson Anderson and Brown Audit LLP
Chartered Accountants
133 Finnieston Street
Glasgow, G3 8HB

Bankers

The Royal Bank of Scotland
Scarinish Branch
Isle of Tiree
PA77 6UH

Solicitors

T C Young
7 West George Street
Glasgow, G2 1BA

TIREE COMMUNITY DEVELOPMENT TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Tiree Community Development Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 their incoming resources and application of resources, including the income and expenditure, of the group and parent charitable company for that period. In preparing these 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 UK Accounting Standards (FRS 102) 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 operation.

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, Anderson Anderson & Brown Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the Board of Trustees on and signed on its behalf by:

Director

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS AND TRUSTEES OF TIREE COMMUNITY DEVELOPMENT TRUST

Opinion

We have audited the consolidated financial statements of Tiree Community Development Trust for the year ended 31 December 2023 which comprise the Group Income and Expenditure Account, Group Statement of Financial Activities, the Group Balance Sheet, the Parent Balance Sheet, the Group 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 the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 December 2023 and of their incoming resources and application of resources, including their 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 the 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 regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS AND TRUSTEES OF TIREE COMMUNITY DEVELOPMENT TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- the charitable company has not kept proper and adequate accounting records or 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; or
- we have not received all the information and explanations we require for our audit;

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations – this responsibility lies with management with the oversight of the Trustees.

Based on our understanding of the Charity and industry, discussions with management and trustees we identified financial reporting standards and Companies Act 2006 and Charity SORP as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the Charity's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS AND TRUSTEES OF TIREE COMMUNITY DEVELOPMENT TRUST

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the Charity's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review, where applicable, of the Board of Trustees' minutes;
- enquiry of management, about litigations and claims and inspection of relevant correspondence;
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates, including the carrying value of accruals, impairment and the carrying value of land and buildings and the recoverability of trade debtors;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the business rationale of significant transactions, outside the normal course of business;

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

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

Use of our report

This report is made solely to the charity's members, 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 charity's members those matters we are required to state to them in an Auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Angus McCuaig (Senior Statutory Auditor)

For and on behalf of

Anderson Anderson & Brown Audit LLP

Statutory Auditors

133 Finnieston Street

Glasgow, G3 8HB

Date:

Anderson Anderson & Brown Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

TREE COMMUNITY DEVELOPMENT TRUST

**GROUP STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Income from:					
Grants, donations & legacies	3	22,851	207,254	230,105	316,464
Income from charitable activities		-	-	-	-
Investment income	4	11,554	-	11,554	7,362
Other income	5	9,812	18,999	28,811	32,724
Subsidiary trading income	6	587,673	660,450	1,248,123	1,019,393
Total income		631,890	886,703	1,518,593	1,375,943
Expenditure on:					
Fundraising & trading		579,840	293,636	873,476	484,854
Charitable activities	7, 8	384,091	165,960	550,051	570,814
Taxation charge	9	-	9,452	9,452	72,982
Total expenditure		963,931	469,048	1,432,979	1,128,650
Net Income / (Expenditure)		(332,041)	417,655	85,614	247,293
Transfers between funds	23	79,611	(79,611)	-	-
Net movement in funds		(252,430)	338,044	85,614	247,293
Reconciliation of funds:					
Total funds brought forward		137,724	1,867,676	2,005,400	1,758,107
Total funds carried forward		(114,706)	2,205,720	2,091,014	2,005,400

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 16 to 37 form part of these financial statements.

TIREE COMMUNITY DEVELOPMENT TRUST

**BALANCE SHEET (GROUP)
AT 31 DECEMBER 2023**

	Notes	£	2023 £	£	2022 £
Fixed Assets					
Tangible assets	14		3,953,463		3,218,108
Current assets					
Debtors	17	432,296		375,867	
Stocks	16	37,507		22,170	
Cash at bank and in hand		1,294,224		1,117,067	
			<u>1,764,027</u>	<u>1,515,104</u>	
Creditors: amounts falling due within one year	18	<u>(329,046)</u>		<u>(233,485)</u>	
Net current assets			<u>1,434,981</u>		<u>1,281,619</u>
Total assets less current liabilities			5,388,444		4,499,727
Creditors: amounts falling due after more than one year	19		(142,748)		(165,025)
Deferred income	21		<u>(3,154,682)</u>		<u>(2,329,302)</u>
Net assets			<u>2,091,014</u>		<u>2,005,400</u>
Funds					
Restricted income funds	24	2,205,720		1,867,676	
Unrestricted income funds	24	<u>(114,706)</u>		<u>137,724</u>	
Total funds			<u>2,091,014</u>		<u>2,005,400</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Director
Date:

The notes on pages 16 to 37 form part of these financial statements.

TIREE COMMUNITY DEVELOPMENT TRUST

**BALANCE SHEET (CHARITY)
AT 31 DECEMBER 2023**

	Notes	£	2023 £	£	2022 £
Fixed Assets					
Tangible assets	14		273,913		246,058
Investments	15		108,226		173,043
			<u>382,139</u>		<u>419,101</u>
Current assets					
Debtors	17	137,569		74,206	
Cash at bank and in hand		<u>696,615</u>		<u>570,064</u>	
		834,184		644,270	
Creditors: amounts falling due within one year	18	<u>(66,564)</u>		<u>(90,097)</u>	
Net current assets			<u>767,620</u>		<u>554,173</u>
Total assets less current liabilities			<u>1,149,759</u>		<u>973,274</u>
Net assets			<u>1,149,759</u>		<u>973,274</u>
Funds					
Restricted income funds	24	275,372		294,690	
Unrestricted income funds	24	<u>874,387</u>		<u>678,584</u>	
Total funds			<u>1,149,759</u>		<u>973,274</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Director
Date:

The notes on pages 16 to 37 form part of these financial statements.

TREE COMMUNITY DEVELOPMENT TRUST

**CASH FLOW STATEMENT (GROUP & CHARITY)
AT 31 DECEMBER 2023**

		GROUP	GROUP	CHARITY	CHARITY
		2023	2022	2023	2022
	Notes	£	£	£	£
Cash flows from operating activities					
Net cash used in operating activities	25	1,053,716	535,325	110,822	212,645
Cash flows from investing activities					
Dividends, interests, and rents from investments		11,554	7,362	6,911	6,761
Proceeds from the sale of tangible fixed assets		-	-	-	-
Purchase of tangible fixed assets		(952,930)	(403,379)	(55,999)	(114,012)
Cash receipts from the repayment of advances and loans		64,817	76,208	64,817	111,229
Net cash provided by investing activities		(876,559)	(319,809)	15,729	3,978
Cash flows from financing activities					
Net cash provided by financing activities		-	-	-	-
Change in cash and cash equivalents in the year		177,157	215,516	126,551	216,623
Cash and cash equivalents at the beginning of the year		1,117,067	901,551	570,064	353,441
Cash and cash equivalents at the end of the year		1,294,224	1,117,067	696,615	570,064

The notes on pages 16 to 37 form part of these financial statements.

TREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. LEGAL STATUS OF THE CHARITY

The charity is constituted as a company limited by guarantee and is governed in accordance with its Memorandum & Articles of Association. It is registered as a charity with the Office of the Scottish Charity Regulator.

2. ACCOUNTING POLICIES

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

Basis of preparing the financial statements

The financial statements of the group and parent charitable company 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 financial statements are prepared in sterling, which is the functional currency of the group.

Going concern

Having considered future budgets and cash flows, monthly management accounts and available working capital, the Trustees have a sound expectation the charity has adequate resources to continue in operational existence for the foreseeable future. There are no known material uncertainties and it is therefore appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation

The consolidated accounts incorporate the accounts of the Trust and its subsidiary Tree Renewable Energy Company Limited which now operates a Wind Turbine to generate funds in support of the Trust's objectives. The consolidated accounts also include the results of the subsidiaries Community Information Technology, Tree Community Maritime Assets Ltd, and Tree Community Enterprise Limited. The Trust is exempt from the requirement to present its own income and expenditure accounts. The results of the financial year dealt with in the financial statements of the Trust, are disclosed in the notes to the accounts.

Funds

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Designated funds are unrestricted funds earmarked by the Directors for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of appeal.

Further details of specific funds are disclosed in note 25.

Income

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

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

TIREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES – continued

Income from investments is included in the year in which it is receivable.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be reliably measured.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated on an appropriate basis to the various activities of the charity. Where costs cannot be allocated directly, they are apportioned to categories on the basis of a reasonable estimate of the costs.

Fundraising costs include those incurred in seeking voluntary contributions along with the costs incurred by the reading subsidiaries.

Governance costs included those necessary for the board to fulfil its constitutional and statutory obligations and are now included as support costs included in charitable activities.

Support costs are those costs incurred directly in support of expenditure on the projects of the charity and include project management.

Although there are some companies in the group that are registered for VAT, the charity is not registered for VAT and accordingly charitable expenditure includes any VAT which is irrecoverable.

Financial instruments

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

Tangible fixed assets

Tangible fixed assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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

Property or Buildings	- straight line over 20 or 50 years following year of purchase
Installation & Grid	- 5% straight line
Wind Turbines	- 5% straight line
Motor Vehicle	- 25% straight line
Computer Equipment	-33% straight line
Land	- No depreciation

Defined contribution pension schemes

Employees of the charity are entitled to join a defined contribution “money purchase” scheme. The charity contribution is restricted to the contributions disclosed in note 12. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included in the appropriate cost centres and charged to the relevant fund.

TREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES – continued

Debtors

Debtors control account, other debtors and inter group loans are recognised at the settlement amount due with appropriate allowances for any irrecoverable amounts when there is objective evidence that the asset is impaired.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank and deposit accounts with a short term of maturity, being twelve months or less, from opening of the deposit or similar account.

Liabilities and Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in income or expenditure unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises, and is allocated to the appropriate expenditure heading.

Capitalisation of interest

The initial interest accrued on both the loan from Ttree Community Development Trust, and the Co-operative Bank have been capitalised as part of the construction costs of the asset, and continued to be capitalised for the period up to the date when the turbine is commissioned and operational. As part of the interest charged is an intercompany transaction, it is excluded from the consolidated fixed assets balance.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

TIREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES – continued

Current and deferred taxation

The parent charity is exempt from tax on their charitable activities.

The tax expense for the year comprises current and deferred tax for the trading subsidiaries. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. GRANTS, DONATIONS & LEGACIES – GROUP AND CHARITABLE COMPANY

	Unrestricted funds	Restricted funds	2023 Total	2022 Total
	£	£	£	£
Donations	10,592	2,515	13,107	2,913
Subscriptions	11,706	-	11,706	10,600
Highlands & Islands Enterprise	553	21,765	22,318	37,619
Community Land Scotland/Bòrd na Gàidhlig	-	18,950	18,950	6,000
Scottish Natural Heritage	-	13,200	13,200	16,410
Argyll & Bute Council	-	25,162	25,162	5,529
Island Communities Fund	-	-	-	147,322
Other Sundry Grants	-	15,304	15,304	16,750
Big Lottery	-	37,956	37,956	73,321
Scottish Land Fund	-	72,402	72,402	-
	<u>22,851</u>	<u>207,254</u>	<u>230,105</u>	<u>316,464</u>

All income in this category for the year was received by the parent charity.

4. INVESTMENT INCOME – GROUP AND CHARITABLE COMPANY

	Unrestricted funds	Restricted funds	2023 Total	2022 Total
	£	£	£	£
Income from investment properties	6,911	-	6,911	6,761
Other interest receivable	4,643	-	4,643	601
	<u>11,554</u>	<u>-</u>	<u>11,554</u>	<u>7,362</u>

All income in this category for the year was received by the parent charity.

TREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

5. OTHER INCOMING RESOURCES – GROUP AND CHARITABLE COMPANY

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Other income & fees	2,695	1,108	3,803	936
Management charges (DT)	1,200	-	1,200	1,200
Sales & Refunds	5,917	3,221	9,138	14,662
Croft Camping Scheme	-	14,670	14,670	15,926
	<u>9,812</u>	<u>18,999</u>	<u>28,811</u>	<u>32,724</u>

All income in this category for the year was received by the parent charity.

6. TRADING SUBSIDIARIES

The charity controls the companies listed below either by virtue or holding a controlling interest in the equity share capital:

Name of Subsidiary	Country of incorporation	% of equity share capital held
Tiree Renewable Energy Company Limited	Scotland	100
Community Information Technology	Scotland	100
Tiree Community Maritime Assets Ltd	Scotland	100
Tiree Community Enterprise Limited	Scotland	100

Tiree Renewable Energy Company Limited

The company is now operating a wind turbine on the Isle of Tiree in order to generate funds to support the sustainability of the Trusts activities.

The accounts for this company are fully consolidated in the group accounts.

Community Information Technology

In December 2011, 5 ordinary shares representing the whole of the ordinary share capital in the above company were gifted to the trust. The results are now fully consolidated in the group accounts.

Tiree Community Maritime Assets Ltd

The company acquired the harbours of Milton and Scarnish on the Island of Tiree from Argyll Estates towards the end of 2019. The company will maintain and operate the harbours, but substantial repairs and maintenance work was carried out during the initial period and there was little trading income. The results are now fully consolidated in the group accounts

Tiree Community Enterprise Limited

The company completed the construction of a new community filling station in July 2022, to generate funds to support the sustainability of the Trust's activities. The accounts for this company are fully consolidated in the group accounts.

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by Fund type

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Core Trust Activities	216,123	26,097	242,220	190,147
Ranger & Access	-	53,475	53,475	50,464
Youth Worker	1,639	41,814	43,453	33,337
Development / project officers	62,006	44,574	106,580	112,102
Windfall	57,611	-	57,611	58,191
TCEL	27,619	-	27,619	115,644
Support Costs	19,093	-	19,093	10,929
	<u>384,091</u>	<u>165,960</u>	<u>550,051</u>	<u>570,814</u>

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total Funds 2023 £
Core Trust Activities	242,220	-	-	242,220
Ranger & Access	53,475	-	-	53,475
Youth Worker	43,453	-	-	43,453
Development / project officers	106,580	-	-	106,580
Windfall	-	57,611	-	57,611
TCEL	-	27,619	-	27,619
Support Costs	-	-	19,093	19,093
	<u>445,728</u>	<u>85,230</u>	<u>19,093</u>	<u>550,051</u>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of direct costs

	Core Trust Activities 2023 £	Ranger & Access 2023 £	Youth Worker 2023 £	Development/ project officers 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	116,402	34,560	38,908	90,562	280,432	251,443
Depreciation	28,144	-	-	-	28,144	22,056
Direct Costs	454	3,935	-	-	4,389	9,929
Rent and Premises	12,871	10,638	60	-	23,569	25,858
Rates and Water	380	-	-	-	380	355
Light and Heat	2,303	-	-	-	2,303	2,069
Repairs & Maintenance	3,374	-	-	-	3,374	3,042
Insurance	6,282	-	-	-	6,282	5,690
Travel Expenses	4,008	1,237	1,596	663	7,504	6,830
Legal and Professional Fees	6,150	-	-	5,569	11,719	926
Telephone	1,105	134	-	-	1,239	5,567
Office Costs	4,138	61	1,467	599	6,265	7,809
Other Costs	12,109	293	1,422	-	13,824	17,623
Staff Training and Recruit	-	234	-	4,162	4,396	770
Motor Vehicle Expenses	-	2,383	-	-	2,383	3,028
Discover Tiree Costs	-	-	-	5,025	5,025	22,080
Donations	12,500	-	-	-	12,500	22,080
Bad Debts	32,000	-	-	-	32,000	-
	242,220	53,475	43,453	106,580	445,728	386,050

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Core Trust Activities 2023 £	Support Costs 2023 £	Total funds 2023 £	Total funds 2022 £
Governance costs	-	19,093	19,093	10,929

Governance costs relate to Auditor's remuneration.

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. TAXATION

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Current tax charge / (credit)	-	31,729	31,729	42,411
Deferred tax charge / (credit)	-	(22,277)	(22,277)	30,571
	<hr/>	<hr/>	<hr/>	<hr/>
	-	9,452	9,452	72,982
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

10. NET INCOME / EXPENDITURE FOR THE YEAR

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

	2023 £	2022 £
Depreciation of tangible fixed assets	217,577	187,101
Loss on disposal of tangible fixed assets	-	-
Auditors' remuneration	34,000	26,000
	<hr/>	<hr/>

11. AUDITORS' REMUNERATION

	2023 £	2022 £
Auditors' remuneration - group audit	34,000	26,000
	<hr/>	<hr/>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	251,004	225,528
Social security costs	16,558	14,779
Contribution to defined benefit contribution pension schemes	12,870	11,136
	<u>280,432</u>	<u>251,443</u>

The average number of employees (excluding the directors) during the year were as follows:

	2023	2022
	No.	No.
At least ¾ time	11	10
	<u>11</u>	<u>10</u>

All staff were employees of the Trust.

Key Management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £67,308 (2022: £62,232).

Trustees' expenses and remuneration

The charity trustees, who are the directors of the company, were not paid and did not receive any remuneration or benefits in kind in their capacity as trustee during the year (2022: None).

No employee received emoluments of more than £60,000 (2022: None).

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – GROUP

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income from:			
Grants, Donations and legacies	32,534	283,930	316,464
Investment income	7,362	-	7,362
Other income	12,395	20,329	32,724
Subsidiary trading income	<u>252,468</u>	<u>766,925</u>	<u>1,019,393</u>
Total Income	<u>304,759</u>	<u>1,071,184</u>	<u>1,375,943</u>
Expenditure on:			
Fundraising & trading	241,559	243,295	484,854
Charitable activities	301,065	269,749	570,814
Taxation charge	-	72,982	72,982
Total Expenditure	<u>542,624</u>	<u>586,026</u>	<u>1,128,650</u>
Net income/ (expenditure)	(237,865)	485,158	247,293
Transfers between funds	<u>175,782</u>	<u>(175,782)</u>	-
Net movement in funds	<u>(62,803)</u>	<u>309,376</u>	<u>247,293</u>
Reconciliation of funds:			
Total funds brought forward	199,807	1,558,300	1,758,107
Total funds carried forward	<u>137,724</u>	<u>1,867,676</u>	<u>2,005,400</u>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. TANGIBLE FIXED ASSETS

	Property including Harbour works	Turbine Grid & Installation	Wind Turbine	Motor Vehicles
COST				
At 1 January 2023	2,429,984.00	1,053,596.00	1,109,841.00	84,657.00
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2023	<u>2,429,984.00</u>	<u>1,053,596.00</u>	<u>1,109,841.00</u>	<u>84,657.00</u>
DEPRECIATION				
At 1 January 2023	95,840.00	689,918.00	721,396.00	21,951.00
Charge for the year	74,994.00	53,100.00	55,492.00	18,812.00
Disposals	-	-	-	-
At 31 December 2023	<u>170,834.00</u>	<u>743,018.00</u>	<u>776,888.00</u>	<u>40,763.00</u>
NET BOOK VALUE				
At 31 December 2023	<u>2,259,150.00</u>	<u>310,578.00</u>	<u>332,953.00</u>	<u>43,894.00</u>
At 31 December 2022	<u>2,334,144.00</u>	<u>363,678.00</u>	<u>388,445.00</u>	<u>62,706.00</u>
	Computer Equipment	Business Units	Land	Total
COST				
At 1 January 2023	175,287.00	33,287.00	-	4,886,652.00
Additions	6,535.00	891,439.00	54,956.00	952,930.00
Disposals	-	-	-	-
At 31 December 2023	<u>181,822.00</u>	<u>924,726.00</u>	<u>54,956.00</u>	<u>5,839,582.00</u>
DEPRECIATION				
At 1 January 2023	139,437.00	-	-	1,668,542.00
Charge for the year	15,179.00	-	-	217,577.00
Disposals	-	-	-	-
At 31 December 2023	<u>154,616.00</u>	<u>-</u>	<u>-</u>	<u>1,886,119.00</u>
NET BOOK VALUE				
At 31 December 2023	<u>27,206.00</u>	<u>924,726.00</u>	<u>54,956.00</u>	<u>3,953,463.00</u>
At 31 December 2022	<u>35,850.00</u>	<u>33,287.00</u>	<u>-</u>	<u>3,218,110.00</u>

TIREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

14. TANGIBLE FIXED ASSETS (continued)

Of the above assets only the land and buildings and equipment of £230,019 and a vehicle of £43,894 are owned directly by the Trust. All of the other fixed assets are owned by the subsidiary companies, Tiree Renewable Energy Company Limited, Tiree Community Maritime Assets Limited, Community Information Technology Limited and Tiree Community Enterprises Limited; a separate fixed asset note has therefore not been produced for the Trust.

Included in land and property is the purchase of a shop for the benefit of the community which is now rented out. Although the charity does not directly operate the shop as an asset for its own use, the shop was not bought as an investment, or for the purpose of generating income, but was bought to retain the facility for the benefit of the community.

As a result, the asset is shown under fixed assets held by the charity and not as an investment property. Given that there is no ready market for this property on the island, the directors have chosen to write down the value of the property at 2% per annum i.e. over 50 years. As the property purchase was funded primarily from third party funding, the property is included in a restricted capital fund and the depreciation is charged directly to the fund (see note 25). The directors intend to obtain formal valuations of the property every five years and re-assess its value and useful life at that point. The directors will review their approach to this issue on a regular basis.

15. FIXED ASSET INVESTMENTS

Group

The group has no Fixed Asset Investments.

Charity	Investments in subsidiary companies £	Loans to Subsidiaries £	Total £
Cost or valuation			
At 1 January 2023	42,107	130,936	173,043
Disposals	-	(64,817)	(64,817)
At 31 December 2023	42,107	66,119	108,226
Net book value			
At 31 December 2023	42,107	66,119	108,226
At 31 December 2022	42,107	130,936	173,043

TIREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

15. FIXED ASSET INVESTMENTS (continued)

Principal subsidiaries

The following were subsidiary undertakings of the Charity:

Names	Class of Shares	Holding	Profit / (Loss) for the year	Net Assets / (Liabilities)
Tiree Renewable Energy Company Limited	Ordinary	100%	(67,713)	963,568
Community Information Technology Limited	Ordinary	100%	(4,282)	56,171
Tiree Community Maritime Assets Limited	Ordinary	100%	(7,975)	(7,002)
Tiree Community Enterprise Limited	Ordinary	100%	(1,454)	(11,559)

All fixed asset investments are held within the United Kingdom. The shares held represent 42,100 Ordinary £1 shares in Tiree Renewable Energy Company Limited. 5 Ordinary £1 shares in Community Information Technology Ltd, and one £1 ordinary share in both Tiree Community Maritime Assets Limited and Tiree Community Enterprise Limited, all of which are 100% owned subsidiaries. These shares are shown at cost.

The above loan to the charity's subsidiary, Tiree Renewable Energy Company Limited, commenced in February 2013 and carries an interest rate of 1.5% over base. It is repayable over a period of 12 years with the final repayment due in January 2025. Outstanding at 31 December 2023 £66,119.

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

16. STOCKS

	Group		Charity	
	2023	2022	2023	2022
Fuel	<u>37,507</u>	<u>22,170</u>	<u>-</u>	<u>-</u>

17. DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade Debtors	7,815	7,019	-	-
Amounts owed by Group undertakings	-	-	112,000	12,000
Other debtors	27,369	92,900	8,000	40,000
Prepayments and accrued income	<u>397,112</u>	<u>275,948</u>	<u>17,569</u>	<u>22,206</u>
	<u>432,296</u>	<u>375,867</u>	<u>137,569</u>	<u>74,206</u>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	38,162	11,215	4,172	3,217
Corporation tax	31,729	42,411	-	-
Other taxation and social security	24,989	26,416	5,291	3,732
Other creditors	6,429	5,297	6,429	5,297
Windfall Grants	-	23,424	-	23,424
Accruals and deferred income	227,737	124,722	50,672	54,427
	<u>329,046</u>	<u>233,485</u>	<u>66,564</u>	<u>90,097</u>

The Big Lottery Fund has a floating charge over all of the property and assets of the Trust for all sums due or to become due, in relation to the grant of £712,600 towards the Trust investment in Tiree Renewable Energy Company Limited.

The Big Lottery Fund has a standard security over the area adjacent to the former Struthan Stores.

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

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loan	-	-	-	-
Deferred tax (note 22)	142,748	165,025	-	-
	<u>142,748</u>	<u>165,025</u>	<u>-</u>	<u>-</u>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

20. WINDFALL GRANTS

	Windfall Fund £
At 1 January 2023	23,424
Amounts used	(101,995)
Amounts reversed	78,571
	<hr/>
At 31 December 2023	-
	<hr/> <hr/>

A grant creditor has been made for commitments made in respect of grants from the Windfall Fund. At the end of the year, the Trust had committed to pay grants of £nil (2022: £23,424) which had not been claimed down. As the majority of grants are claimed down within one year, or expected to be claimed within that period of time, the balances have not been discounted in line with FRS 102. A full list of the grants awarded is available on the Trust website, or via An Tirisdeach (the Tiree newsletter). The Windfall Grant commitments are included within creditors at Note 18.

21. DEFERRED INCOME

	2023 £	2022 £
Government Grants		
At 1 January 2023	1,296,795	1,323,824
Increase in year	-	-
Released in year	(25,936)	(27,029)
	<hr/>	<hr/>
At 31 December 2023	1,270,859	1,296,795
	<hr/> <hr/>	<hr/> <hr/>
Deferred income		
At 1 January 2023	1,032,507	774,677
Increase in year	899,904	277,103
Released in year	(48,588)	(19,273)
	<hr/>	<hr/>
At 31 December 2023	1,883,823	1,032,507
	<hr/> <hr/>	<hr/> <hr/>
Total at 31 December 2023	3,154,682	2,329,302

Grants were received by the trading subsidiary, Community Information Technology to fund significant capital expenditure in upgrading the network. This is being released to match depreciation on the assets.

Grants were also received by the subsidiary company, Tiree Community Maritime Assets Limited to fund significant maintenance required to the harbours on the island. These grants have been released to match the depreciation on the assets once works are completed.

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

22. PROVISIONS FOR DEFERRED TAXATION

	2023	2022
	£	£
At beginning of year	165,025	134,454
Charged to profit or loss	(22,277)	30,571
	<hr/>	<hr/>
	142,748	165,025
	<hr/> <hr/>	<hr/> <hr/>

The provision for deferred taxation is made up as follows:

	2023	2022
	£	£
Accelerated capital allowances	142,748	165,025
	<hr/> <hr/>	<hr/> <hr/>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS (GROUP)

Analysis of net assets between funds – Current year

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
Tangible fixed assets	3,078,793	874,670	3,953,463
Current assets	62,910	1,701,117	1,764,027
Creditors due within one year	(101,727)	(227,319)	(297,317)
Provisions for liabilities and charges	(3,154,682)	(142,748)	(3,292,088)
	<u>(114,706)</u>	<u>2,205,720</u>	<u>2,128,085</u>

Analysis of net assets between funds – Prior year

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022
Tangible fixed assets	2,282,289	935,819	3,218,108
Current assets	286,622	1,228,482	1,515,104
Creditors due within one year	(78,461)	(65,481)	(143,942)
Long term liabilities / provisions	(2,352,726)	(231,144)	(2,583,870)
	<u>137,724</u>	<u>1,867,676</u>	<u>2,005,400</u>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

24. STATEMENT OF FUNDS (GROUP)

Statement of Funds – Current year

	Balance at 1 January 2023	Income	Expenditure	Transfers in/out	Balance at 31 December 2023
	£	£	£	£	£
Unrestricted funds					
General Funds	(226,170)	631,890	(885,358)	(434,034)	(913,672)
Windfall Fund	363,894	-	(78,573)	513,645	798,966
	<u>137,724</u>	<u>659,509</u>	<u>(931,931)</u>	<u>79,611</u>	<u>(114,706)</u>
Restricted funds					
Capital Funds					
BIG - Harvesting the Wind Tiree Renewable Energy Company	130,940	-	-	(64,817)	66,123
Community Shop Tiree Renewable Energy Limited	42,000 111,315 1,572,986	- - 660,450	- (3,974) (303,088)	- - -	42,000 107,341 1,930,348
Revenue Funds					
Music, culture, Gaelic language, Digital Youth Work, Fresh Fridays, Film Club	- - - -	18,950 17,886 33,799 -	(5,275) (37,205) (53,472) (1,170)	- 19,319 19,673 1,170	13,675 - - -
HIE Delivery Resources Climate Adaption project Cruas project and Childcare study	- - - -	21,765 6,785 54,666 72,402	(21,765) - (42,800) -	- - - (54,956)	- 6,785 11,866 17,446
Crossapol Land - Business Units Island Communities Fund	- - 10,435	- - -	- - (299)	- - -	10,136 10,136 10,136
	<u>1,867,676</u>	<u>886,703</u>	<u>(469,048)</u>	<u>(79,611)</u>	<u>2,205,720</u>

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

24. STATEMENT OF FUNDS (GROUP) (continued)

Statement of Funds – Prior year

	Balance at 1 January 2022	Income	Expenditure	Transfers in/out	Balance at 31 December 2022
	£	£	£	£	£
Unrestricted funds					
General Funds	(206,903)	289,384	(484,433)	175,782	(226,170)
Windfall Fund	406,710	15,375	(58,191)	-	363,894
	<u>199,807</u>	<u>304,759</u>	<u>(542,624)</u>	<u>175,782</u>	<u>137,724</u>

	Balance at 1 January 2022	Income	Expenditure	Transfers in/out	Balance at 31 December 2022
	£	£	£	£	£
Restricted funds					
Capital Funds					
BIG - Harvesting the Wind	242,169	-	-	(111,229)	130,940
Tiree Renewable Energy Company	42,000	-	-	-	42,000
Community Shop	146,781	-	(3,760)	(31,706)	111,315
Tiree Renewable Energy Limited	1,122,338	766,925	(316,277)	-	1,572,986
Revenue Funds					
Music, culture, Gaelic language, Digital	-	6,000	(9,530)	3,530	-
Youth Work, Fresh Fridays, Film Club	-	16,600	(32,800)	16,200	-
Ranger / Access Fund	-	39,364	(50,464)	11,100	-
Tourism Graduate	5,012	14,398	(30,980)	11,570	-
HIE Delivery Resources	-	22,854	(22,854)	-	-
TCEL	-	57,721	(57,721)	-	-
Island Communities Fund	-	147,322	(61,640)	(75,247)	10,435
	<u>1,558,300</u>	<u>1,071,184</u>	<u>(586,026)</u>	<u>(175,782)</u>	<u>1,867,676</u>

TIREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

24. STATEMENT OF FUNDS (GROUP) (continued)

The incoming transfer to General funds represents the capital element of the repayment of the loan to TREL for 2023 which was £64,817 (2022: £111,229), together with transfers from the General fund to meet deficits on the Restricted Funds and allocations to the Windfall Fund.

The Windfall fund closing balance represents ring fenced funds which form part of the closing cash balances of £696,615.

The donation paid from TREL in contribution to the Windfall fund during 2023 was £245,100.

Capital Funds

BIG - Harvesting the Wind

An amount of £712,600 was received from the Big Lottery in 2013 for the express purpose of being loaned to the Tiree Renewable Energy Company Limited to assist in the construction of a wind turbine on Tiree. The transfer to general funds represents the capital repaid during the year.

See Note 18 above regarding the terms and conditions of this loan. Interest earned on this loan is credited to the unrestricted fund.

Tiree Renewable Energy Company

The intercompany account was converted into 42,000 Ordinary shares in Tiree Renewable Energy Company Limited in 2010.

Community Shop

A grant was received in 2015 of £134,994 from the Scottish Land Fund towards the purchase of a community shop. Further funds were contribution by the Windfall fund amounting to £34,495. Depreciation is now charged to the fund at 5% straight line. The balance of cash held over was transferred to a separate revenue fund and when all restricted income in respect of the property had been spent in accordance with applicable terms, the remaining balance was released to general reserves in 2016.

Revenue Funds

Tourism Graduate

Funding was provided by Highlands and Islands Enterprise (HIE) to support 50% of the gross salary of a graduate placement – Sustainable Tourism and Comms Officer. The funding was released in sections and directly related to salary costs incurred, and was fully expended against that purpose (ending September 2022). The remainder of the related costs were met from general funds. We continued to fund the post beyond the end of the funding until it ended in January 2023.

Youth Work, Fresh Fridays, Film Club

Funds were received from a variety of sources towards the youth and health work carried out by the Trust. Contributions towards this work were made by the Windfall Fund and is shown as an incoming transfer together with a further transfer from general reserves to meet the overall deficit in line with the agreed budget.

Ranger/Access Fund

The Trust took over the operation of the Ranger/Access Project from Tiree Rural Development (TRD) at the end of 2016. This is funded by a variety of sources, including £12k per year from Scottish Natural Heritage, income from camper van tickets, various sales and earned income, as well as ordinary donations, and a grant from the Windfall Fund which is shown as a transfer. Any remaining deficit is met by general funds.

TIREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

24. STATEMENT OF FUNDS (GROUP) (continued)

Music, Culture & Gaelic Language

A grant of £5k awarded in 2020 from CNAG/BNAG towards the Music & Culture post. Community Land Scotland provided funding of £11,200 towards a Gaelic Development Officer and Gaelic events. A further grant of £6k was awarded and received in 2022, with a transfer was made from general reserves to meet that deficit in line with expectations.

The Trust continues to receive funding support from Bòrd na Gàidhlig towards Gaelic Development activities and staffing. In 2023 a new grant of £18,224 was received in support of a new staffing arrangement that started in September, with the remainder of funds required being met from general funds.

HIE Delivery Resources

Development funding for staff costs to assist in delivering priority projects and contributing to the overall growth plan for the Trust.

Tiree Community Enterprises Limited (TCEL)

Restricted grants were received and passed over to TCEL by the Trust during the year. These amounts have been included in the Group accounts for clarity.

Cruas project and Childcare study

Funding was received in late 2022 from both the Argyll and Bute Community-Led Learning and Development Fund (CLLD) and the Rural and Islands Communities Ideas into Action Fund, Scottish Government, for a pilot of the “Cruas project” – a support and advice service offering a financial grant to support households with the cost of living crisis and fuel poverty. The funding also covered a consultancy piece to develop a feasibility report for the creation of wider childcare services in Tiree (i.e. ages 0-3, and wraparound or summer childcare, to supplement the school nursery provision). This work continued through to early 2023, with some match funding being provided by the Trust general funds.

Climate Adaption project

Funding of £5,000 was received through the Science Ceilidh project to undertake work around a community climate event and associated climate awareness work and research on Tiree. This included funding for a Community Projects Officer to lead on the project, liaise with the research team, and plan and coordinate community engagement events, research costs, and costs related to the running of events.

In 2023, our Community Project Officer met and liaised with Dr. Leslie Mabon – a Lecturer in Environmental Systems at the Open University – to agree high-level scope of the project, indicative budget, and discuss timelines. Literature review and planning of the events was undertaken in 2023, with a full suite of community events organised for 2024. The Community Projects Officer was also involved in the Community of Practice, which ran for the duration of the project.

Crossapol Loan - Business Units

In early 2023 Scottish Land Fund (delivered under the National Lottery) support was confirmed for £72,402 in support of the purchase of land at Crossapol being used for the construction of four light commercial business units. The funding covered 95% of the actual land purchase cost, plus funding towards our legal costs, as well as revenue funding for one year for staff time in delivering the development project. Although the funding for the construction project itself was given directly to the trading subsidiary TCEL, this part of the project was carried out under the Trust itself, as it is the parent charity buying and owning the land, with a lease in place for TCEL for the units. The land purchase

TIREE COMMUNITY DEVELOPMENT TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	GROUP 2023	GROUP 2022	CHARITY 2023	CHARITY 2022
Net income / expenditure for the year (as per Statement of Financial activities)	85,614	247,293	176,485	195,679
Adjustments for:				
Dividends, interests and rents from investments		(6,761)		(6,761)
Gains on investments	(6,911)	601	(6,911)	3,910
Taxation charge / (credit)	4,643	72,982	6,670	-
(Gain) / Loss on disposal of fixed assets	9,452	-	-	-
Depreciation charges	-	187,101	-	22,056
Decrease/(increase) in debtors	217,577	397,427	28,144	154,468
Increase/(decrease) in creditors	(56,429)	(274,822)	(63,363)	(64,901)
Change in provision for liabilities	827,837	(87,896)	(109)	(87,896)
Other interest receivable and similar income	(23,424)	(601)	(23,424)	(3,910)
Increase / (Decrease) in deferred capital grants	(4,643)	-	(6,670)	-
	1,053,716	535,325	110,822	212,645

26. GENERAL COMMITMENTS

Although the Trust was not contractually committed at the year end to any significant expenditure, several major projects were underway and were expected no to lead to material commitments after the year end.

No provision has been made for commitments in respect of grants from the Windfall Fund at the year-end (2022: £23,424), as detailed in note 20.

TIREE COMMUNITY DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

27. RELATED PARTY TRANSACTIONS

During the year the Trust (TCDT) charged management fees to its subsidiary companies amounting to £24,000 for TREL, £4,320 for CIT and £1,200 for TCMAL and a management charge of £1,200 to a separate company, Discover Tiree Ltd.

The Trust received donations from its subsidiary Tiree Renewable Energy Limited (TREL) of £408,500 (2022: £349,000), which was all paid in the year. The Trust also received interest of £2,027 (2022: £3,309) from TREL in respect of its loan investment in the company. The amount of the loans outstanding at the year-end was £66,119 (see note 15).

The Trust has a standard security over the assets of TCMAL. The Trust received no donations from Tiree Community Maritime Assets (2022: £1,000) during the year

The trust received donations from Community Information Technology of £16,019 (2022: £27,114), which was all paid in the year.

There were no other related party transactions in the year.

28. ULTIMATE PARENT UNDERTAKING

In accordance with the exemption allowed by Section 408 of the Companies Act 2006, the charitable company has not presented its own income and expenditure account or Statement of Financial Activities. The net income / (expenditure) for the financial period attributable to the parent company dealt with in the accounts was £176,485 (2022: £195,679)

29. COMPANY LIMITED BY GUARANTEE

Tiree Community Development Trust is a company limited by guarantee and accordingly does not have a share capital.

Each member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.