

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**  
**FOR**  
**URRAS OIGHREACHD GHABHSAINN**

CIB Audit  
Statutory Auditor  
63 Kenneth Street  
Stornoway  
Isle of Lewis  
HS1 2DS

**URRAS OIGHREACHD GHABHSAINN**

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**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The main objectives of the charity are:-

To promote for the public benefit rural regeneration, following principles of sustainable development, where "sustainable development" means development which meets the needs of the present without compromising the ability of future generations to meet their own needs, the areas of social and economic deprivation within the Galson Estate area of the Isle of Lewis for the benefit of the Galson Crofting Community by all or any of the following means:-

- (i) the relief of poverty in such ways as may be thought fit.
- (ii) the advancement of education, training or retraining particular amongst unemployed people in providing unemployed people with work experience and the advancement of education in the benefits of sustainable development.
- (iii) the provision of housing for those who are in condition of need and the improvement of housing in the public sector and charitable ownership.
- (iv) to develop or alternatively to facilitate through other agencies, the development of the infrastructure and communication links within the Galson community for the benefit of the general public.
- (v) the protection or conservation of the environment.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**OBJECTIVES AND ACTIVITIES**

**Significant activities**

During the year, the charity has worked with various partners in a bid to address many of the priority objectives within the strategic plan. In March 2020 the Covid-19 pandemic changed the focus of the immediate work of the charity, but a number of initiatives were put in place, in line with the strategic priorities, which allowed the organisation to support the community. The support has been categorised as essential support, advice and communications.

**Community Essential Support**

**Self-isolation Forms** - Forms were created and distributed around the estate to support those who were self isolating.

**WhatsApp Group** - Village groups were established to support engagement and ensure those requiring support could make contact with neighbours.

**Prescription Deliveries** - A prescription deliveries service was established across the estate, with deliveries taking place daily from both surgeries located on the estate. These continue across the estate with positive feedback from the surgeries. Health Improvement Scotland covered this work as a case study and it has been held up as good practice.

**Daoine Còir** - Volunteer Group - A group of over forty volunteers were brought together on an online forum and this allowed for prompt responses to requests for support.

**Pick up service** - A pickup service was established from Lewis Crofters with three drop off points (Barvas, Borve, Ness). The service supported those who were unable to go to Stornoway and ensured the community was supported to stay at home. This was particularly important for the crofting community during lambing season.

**Community Business/Organisation Support**

Scottish Government carried out a consultation on the Covid-19 response and UOG responded to this and various other consultations during the period. Much analysis work was carried out by UOG to ensure local organisations and businesses were made aware of schemes available and were in a position to feedback to Scottish Government if gaps were found in support available.

**Community Engagement and Communications**

**YouTube** - UOG established a YouTube channel to be used for "Bookbug" in Gaelic and English. It was also used for a "Gentle Exercise" class. Gaelic and English bedtime stories were added and this supported families during the period of home schooling.

**Newsletter** - A community newsletter was established to ensure communications continued to reach the community, particularly those not on social media. The newsletter was put in place at a time when the community newspaper for the area was not operating.

**Emergency Fund** - An emergency fund was launched in partnership with a local church to support those most in need.

**House numbering** - Secured funding to develop a house numbering scheme to support emergency services to more easily locate properties.

**The Covid-19 response** was undertaken by staff and volunteers working in partnership to ensure support mechanisms were established and a plan was in place for the community. This work took priority throughout 2020, although all core business was still carried out in relation to land management and estate business, as restrictions have allowed.

The charity delivered its third heritage week event building on the success of the first and second "Dùthchas" heritage events. This time the event was held online. An online Spring festival has been planned for 2021.

Work has continued through the charity's Community Investment Fund. The demand for a package of support and finance has been steady and more organisations being account managed to support "growth".

There was also the provision of project management services to Galson Energy Ltd. to oversee turbine operations.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**OBJECTIVES AND ACTIVITIES**

The charity continues to support the administration of the Lewis and Harris Deer Management Group. A deer management plan has been adopted and this is being assessed on an ongoing basis. A deer count has been planned, but has been postponed until late Summer 2021, due to Covid-19. An out of season licence was granted to allow for control of deer and much work was carried out in and out of the season in an effort to control numbers.

The charity has continued to work with Foundation Scotland (Investment Brokers) to invest funds for the charity. A finance and investment committee continue to work with staff and the board to oversee the financial management of the charity. A review of finances is underway and improved processes and policies are being established to further secure assets and minimise risk in relation to finances.

The UOG Business centre was lost in a devastating fire in February 2019, which has a direct impact on the charity. Plans are underway to replace the building, which was totally lost. Plans have been developed, a competitive tendering process has been undertaken and the construction will now commence one year later than expected, in early 2021 instead of April 2020, again due to Covid-19.

UOG moved out of rented office premises in South Dell, rented from HIE and have worked from home from March 2020. A small office space has been rented in Comunn Eachdraidh Nis to support essential admin duties to be carried out, in line with restrictions. This space will no longer be required when the new business centre opens, which is scheduled for Autumn 2021.

The charity's trustees again wish to record their thanks to all who supported them in the past year and in particular the large number of volunteers who supported staff to respond to the wider community during the lockdown periods.

**Grantmaking**

The charity has established its grant making policy to achieve its objects for rural regeneration. The aim of the funding programme is to support organisations to develop, thrive and grow, therefore further supporting future sustainability and community resilience.

The grant funding scheme is open to organisations and groups situated in the Galson Estate area or community projects that will benefit the communities of Galson Estate, which fits within the charitable aims of the charity. The charity will not fund any projects or activities that the state has a legal obligation to provide.

**Volunteers**

The contribution of volunteers (including directors, members and individuals from the community) has been, and continues to be, of immense benefit to the charity.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**STRATEGIC REPORT**

**Achievement and performance**

**Charitable activities**

During the year, the charity:-

- Continued to administer, manage and maintain Galson Estate;
- Provided management services to both Galson Energy Ltd. and Urras Energy Society;
- Continued to manage the Habost Household Waste & Recycling Centre;
- Commenced a 12 month through HIE's graduate placement programme for a Community Garden Project;
- Continued to actively review commercial leases held;
- Continued to work with the RSPB at Loch Stiapabhat LNR, with a partnership agreement being put in place;
- Supported the further development of the Lewis and Harris Deer Management Group and work to an adopted Deer Management Plan;
- Co-ordinated a virtual Dùthchas" heritage week in collaboration with various other estate-based organisations;
- Embarked on a Crown Estate Pilot Scheme in partnership with Comhairle nan Eilean Siar;
- Continued to work with other land trusts to formally establish Community Land Outer Hebrides;
- Successfully delivered a four-day transition programme for primary 7 pupils from four primary schools, in partnership with Urras Oighreachd Chàrlabhaigh. A pupils obtained their John Muir Trust Discovery Award and the programme was supported by NatureScot;
- Launched a new visitor website for the estate [www.visitgalsonestate.com](http://www.visitgalsonestate.com);
- Awarded £81,093 to community organisations to deliver 19 projects through the Community Investment Programme;
- Continued to engage with Comhairle nan Eilean Siar and the NHS over the future of community care facilities for the elderly;
- Organised outdoor holiday children's events under the banner of Plòigh in partnership with various other organisations across the estate, as restriction allowed;
- Recruited an Operations Manager;
- Secured Crown Estate Funding to support feasibility for options to improve the Harbour Road, Port of Ness;
- Secured significant funds to support the Covid-19 response and Covid-19 recovery in relation to tourism;
- Community Support Fund - We applied for a Community Support Grant to support Covid-19 efforts and have been awarded £9,400 from this fund. This fund has been left open if we need to request more funding as it is recognised there is an evolving situation;
- Wellbeing Fund - We have applied to Scottish Council of Voluntary Organisations (SCVO) for a Wellbeing fund to take forward a house numbering project. We have been successfully granted £21,500 and this full total has been received. We are working on a project charter for the initiative and getting plans in place for roll out. At present we are having a little difficulty with suppliers etc. but expect to be able to move forward soon.

**Internal and external factors**

The charity is partially dependent upon the continuing support of public funding agencies to assist in the ongoing delivery of the aims and objectives of the organisation.

**Financial review**

**Principal funding sources**

The charity is dependent on grants, rental income and other estate income to fund its operational costs. Full details of the charity's principal funding sources are included in notes 2 to 5 to the financial statements.

The charity has also received substantial gift aid payments from Galson Energy Limited ('GEL'). GEL operates three 900kW wind turbines at Ballantrushal in the Isle of Lewis and profits generated by the company are directed to the charity as gift aid payments. These payments are dependent on the amount of power generated each year but are substantial and enable the charity to finance the Community Investment Programme and to build substantial reserves. Gift aid of £250,000 was received during the year ended 30 September 2020 (2019 - £400,000).

The activities of GEL were severely disrupted by the failure of the subsea electricity cable connecting the Outer Hebrides to the Scottish Mainland in October 2020. Electricity grid operator, Scottish and Southern Electricity Networks (SSEN), is in the process of replacing the cable and expects that installation can be completed by the end of October 2021.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**STRATEGIC REPORT**

**Financial review**

**Investment policy and objectives**

The charity's reserves are maintained in interest bearing bank accounts as the current level of reserves are required to meet the trust's short term operational requirements.

**Reserves policy**

The General fund represents the unrestricted funds from past operating results. It also represents the free reserves of the charity. The Projects fund represents grants received from funding agencies in respect of revenue and project costs. The trustees consider that the level of the free reserves in unrestricted funds at 30 September 2020, which comfortably exceeds twelve months operating expenditure, is sufficient to meet the charity's operational requirements.

During the year the charity's incoming resources exceeded resources expended resulting in net income of £21,810 for the period (2019 - £372,333). This represents an increase of £11,014 in unrestricted funds and an increase of £10,796 in restricted funds. Unrestricted reserves have as a result increased to £1,278,471.

**Future plans**

The charity's plans for the future include:-

- Continue to pursue improvements in wellbeing and care services in the area through liaison with public agencies, participating actively in discussions with the Integration Joint Board;
- Finalise terms with partners as part of the Crown Estate Scotland's pilot scheme;
- Facilitate enhanced visitor amenities across the estate and work on delivery of actions outlined in the strategic tourism development plan;
- Work with grazings committees and local shooters to support the control of rabbits, geese and deer on the Estate;
- Continue to work with the Lewis and Harris Deer management group to implement and monitor the Deer Management Plan, with support from NatureScot;
- Continue to work closely with Community Land Scotland to strengthen co-operation with other community land trusts and formally establish Community Land Outer Hebrides;
- Seek to work more closely with schools and youth groups to support understanding of the importance of Land Reform and the associated opportunities;
- Work with other trusts to consider projects for increased collaborative working, including the opportunities around renewables;
- Pursue opportunities for further graduate placement through HIE's ScotGrad initiative and Summer Placement through Comhairle nan Eilean Siar's programme;
- Continue to support organisations who have received funding awards through the Community Investment Fund, by way of advice and signposting;
- Rebuild a new business centre at the site in Galson, following the loss of the building in a fire;
- Review the strategic plan and the community investment fund, ensuring it meets the need and deliver on the impacts outlined in the strategic plan;
- Work with others to grow and develop the opportunities for young people;
- Work with others to showcase community land ownership in new ways;
- Develop a tourism website;
- Develop a welcome pack to support people moving or wishing to relocate to the estate area.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The trust is a charitable company limited by guarantee, incorporated on 27 September 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment and appointment of new trustees**

The directors of the company are also charity trustees for the purposes of charity law.

Under the terms of the Memorandum and Articles of Association the Elected Directors are appointed by the ordinary members at the Annual General Meeting. Two of the Elected Directors must retire by rotation at each Annual General Meeting.

The Board of Directors may also appoint up to three Co-opted Directors. Co-opted Directors serve until the next Annual General Meeting after their co-option and can be re-co-opted at such next Annual General Meeting.

**Organisational structure**

The board consists of voluntary directors who manage the affairs of the charity through monthly board meetings. The board offer strategic direction and oversee the governance of the organisation. The charity employs a Commercial Development Manager, Development Manager, Operations Manager, and a small team of development officers and Administrative Officers who assist in the implementation of the strategic plan which has been adopted by the board the board.

**Induction and training of new trustees**

The charity undertakes training for trustees to ensure awareness and understanding of:-

- the responsibilities of directors;
- the organisational structure of the charity;
- the financial position of the charity; and
- the future plans and objectives of the charity.

**Wider network**

The charity has established links with other organisations and agencies to foster the aims and objectives of the organisation.

**Related parties**

The charity has two subsidiary companies.

Galson Estate (Trading) Limited was set up in November 2008 to develop community projects.

Taigh Dhonnchaidh (Trading) Limited was set up in April 2019 to assist in the development of Taigh Dhonnchaidh. Taigh Dhonnchaidh is a charity based in Ness which a centre for music and arts.

The charity had previously owned another subsidiary company, Galson Energy Limited, which undertook renewable development projects. On 8 September 2015 the investment in Galson Energy Limited was transferred from the charity to Sminig Energy Society Limited, a community benefit society registered under the Co-operative and Community Benefit Societies Act 2014. Full details of the charity's subsidiaries are included in the notes to the financial statements.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC273903 (Scotland)

**Registered Charity number**

SC036903

**Registered office**

Business Centre  
Tom na Ba  
South Galson  
Isle of Lewis  
HS2 0SH



**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**Trustees**

A Rennie  
C Bell  
C M Maclean  
J Macleod (resigned 29.10.20)  
D S Macleod (resigned 29.10.20)  
A Smith  
M Macleod  
D Macsween (resigned 2.6.20)  
J Furey (appointed 3.3.20)  
A Macdonald (appointed 3.3.20)  
R A Mackay (appointed 3.3.20) (resigned 2.6.20)  
M Macritchie (appointed 29.10.20)  
D Macsween (appointed 4.8.20)

**Company Secretary**

L S Maclean

**Senior Statutory Auditor**

Calum Macdonald

**Auditors**

CIB Audit  
Statutory Auditor  
63 Kenneth Street  
Stornoway  
Isle of Lewis  
HS1 2DS

**Bankers**

Royal Bank of Scotland  
17 North Beach Street  
Stornoway  
Isle of Lewis  
HS1 2XH

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Urras Oighreachd Ghabhsainn 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).

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 29 June 2021 and signed on the board's behalf by:

C Bell - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF**  
**URRAS OIGHREACHD GHABHSAINN**

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**Opinion**

We have audited the financial statements of Urras Oighreachd Ghabhsainn (the 'charitable company') for the year ended 30 September 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions 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 TRUSTEES AND MEMBERS OF**  
**URRAS OIGHREACHD GHABHSAINN**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the 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 Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept 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 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 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 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Calum Macdonald (Senior Statutory Auditor)

for and on behalf of CIB Audit

Statutory Auditor

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

63 Kenneth Street

Stornoway

Isle of Lewis

HS1 2DS

29 June 2021

**URRAS OIGHREACHD GHABHSAINN**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Notes	Unrestricted funds £	Restricted funds £	<b>30.9.20 Total funds £</b>	30.9.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	<b>674</b>	<b>1</b>	<b>675</b>	295
<b>Charitable activities</b>	5				
Management of community owned estate		<b>125,278</b>	<b>81,901</b>	<b>207,179</b>	208,376
Other trading activities	3	<b>1,528</b>	-	<b>1,528</b>	-
Investment income	4	<b>252,161</b>	<b>14,352</b>	<b>266,513</b>	416,883
Other income		-	-	-	10,000
<b>Total</b>		<b>379,641</b>	<b>96,254</b>	<b>475,895</b>	635,554
<b>EXPENDITURE ON</b>					
Raising funds	6	<b>3,399</b>	-	<b>3,399</b>	4,009
<b>Charitable activities</b>	7				
Management of community owned estate		<b>254,809</b>	<b>85,458</b>	<b>340,267</b>	296,132
Improvement of heath		<b>56,638</b>	-	<b>56,638</b>	2,645
Heritage and culture		<b>24,455</b>	-	<b>24,455</b>	57,999
<b>Total</b>		<b>339,301</b>	<b>85,458</b>	<b>424,759</b>	360,785
Net gains/(losses) on investments		<b>(29,326)</b>	-	<b>(29,326)</b>	97,564
<b>NET INCOME</b>		<b>11,014</b>	<b>10,796</b>	<b>21,810</b>	372,333
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>1,267,457</b>	<b>1,539,081</b>	<b>2,806,538</b>	2,434,205
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,278,471</b>	<b>1,549,877</b>	<b>2,828,348</b>	2,806,538

The notes form part of these financial statements

**URRAS OIGHREACHD GHABHSAINN (REGISTERED NUMBER: SC273903)****BALANCE SHEET  
30 SEPTEMBER 2020**

	Notes	30.9.20 £	30.9.19 £
<b>FIXED ASSETS</b>			
Tangible assets	15	<b>689,163</b>	618,494
Investments	16	<b>1,261,174</b>	1,293,582
		<b>1,950,337</b>	1,912,076
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	17	<b>53,336</b>	85,094
Debtors: amounts falling due after more than one year	17	<b>110,242</b>	187,243
Cash at bank and in hand		<b>1,048,166</b>	671,768
		<b>1,211,744</b>	944,105
<b>CREDITORS</b>			
Amounts falling due within one year	18	<b>(333,733)</b>	(49,643)
<b>NET CURRENT ASSETS</b>		<b>878,011</b>	894,462
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,828,348</b>	2,806,538
<b>NET ASSETS</b>		<b>2,828,348</b>	2,806,538
<b>FUNDS</b>	20		
Unrestricted funds		<b>1,278,471</b>	1,267,457
Restricted funds		<b>1,549,877</b>	1,539,081
<b>TOTAL FUNDS</b>		<b>2,828,348</b>	2,806,538

The financial statements were approved by the Board of Trustees and authorised for issue on 29 June 2021 and were signed on its behalf by:

C Bell - Trustee

**URRAS OIGHREACHD GHABHSAINN**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

30.9.19 £	Notes	30.9.20 £
	<b>Cash flows from operating activities</b>	
222,951	Cash generated from operations 1	434,585
(273)	Finance costs paid	(475)
<u>222,678</u>	Net cash provided by operating activities	<u>434,110</u>
	<b>Cash flows from investing activities</b>	
-	Purchase of tangible fixed assets	(74,225)
16,883	Interest received	16,513
<u>16,883</u>	Net cash (used in)/provided by investing activities	<u>(57,712)</u>
<u>239,561</u>	<b>Change in cash and cash equivalents in the reporting period</b>	<u>376,398</u>
432,207	<b>Cash and cash equivalents at the beginning of the reporting period</b>	671,768
<u>671,768</u>	<b>Cash and cash equivalents at the end of the reporting period</b>	<u>1,048,166</u>

The notes form part of these financial statements

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>21,810</b>	372,333
<b>Adjustments for:</b>		
Depreciation charges	<b>3,556</b>	3,556
Losses/(gain) on investments	<b>29,326</b>	(97,564)
Interest received	<b>(16,513)</b>	(16,883)
Finance costs	<b>475</b>	273
Investment management costs	<b>3,082</b>	4,009
Movement on subsidiary balances	<b>45,000</b>	(36,002)
Decrease/(increase) in debtors	<b>63,759</b>	(2,959)
Increase/(decrease) in creditors	<b>284,090</b>	(3,812)
<b>Net cash provided by operations</b>	<b><u>434,585</u></b>	<u>222,951</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.10.19	Cash flow	At 30.9.20
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<b>671,768</b>	<b>376,398</b>	<b>1,048,166</b>
	<b><u>671,768</u></b>	<b><u>376,398</u></b>	<b><u>1,048,166</u></b>
<b>Total</b>	<b><u>671,768</u></b>	<b><u>376,398</u></b>	<b><u>1,048,166</u></b>



**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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

**Going concern**

As detailed in note 23 - Post Balance Sheet Events, the activities of the Galson Energy Limited have been dramatically affected by the failure of the subsea electricity cable connecting the Outer Hebrides to the Scottish Mainland in October 2020. Electricity grid operator, Scottish and Southern Electricity Networks (SSEN), is in the process of replacing the cable and expects that installation can be completed by the end of October 2021.

Claims under the insurance policy and the utilisation of reserves has allowed Galson Energy Limited to overcome the impact of these events and to meet the ongoing financial commitments.

Management have prepared projections for the period to September 2022 which reflect the financial impact of the disruption caused by the failure of the subsea cable on the gift aid which is received by charity. The directors have reviewed the projections and, based on this review, have a reasonable expectation that the charity has adequate resources to continue in operation for a period of at least 12 months from the approval of the financial statements.

Replacement of the cable should ensure that the scheduled repayments of the loan due from Galson Energy Limited to the charity are not affected.

As detailed in the Report of the Trustees, COVID-19 has had an impact on the activities of the charity. The level of financial reserves are such that this has does not, at present, create any concerns for the future activities of the charity.

The charity therefore continues to adopt the going concern basis in preparing its financial statements.

**Preparation of consolidated financial statements**

The financial statements contain information about Urras Oighreachd Ghabhsainn as an individual charity and do not contain consolidated financial information as the parent of a group. Consolidated accounts including the results of the parent charitable company and the subsidiary are also prepared.

**Preparation of consolidated financial statements**

The financial statements contain information about Urras Oighreachd Ghabhsainn as an individual charity and do not contain consolidated financial information as the parent of a group.

Consolidated accounts including the accounts of the parent charitable company and the subsidiaries are also prepared.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the society's accounting policies, the directors are required to make judgements, estimates and assumptions that affect the amounts reported for assets, liabilities, income and expenditure.

**1. ACCOUNTING POLICIES - continued**

**Critical accounting judgements and key sources of estimation uncertainty**

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods should it affect future periods.

The directors are satisfied that the accounting policies are appropriate and applied consistently.

**Income**

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

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

**Raising funds**

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of fundraising activities.

**Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its objects and activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. The allocation of direct and support costs are analysed in the notes to the financial statements.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the charity.

**Governance costs**

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

**Allocation and apportionment of costs**

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. estimated usage.

**Allocation and apportionment of costs**

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. estimated usage.

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

Land	- no depreciation on land
Buildings	- 10% on cost
Office equipment	- 25% on cost
Computer equipment	- 25% on cost

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £100 are not capitalised.

**Taxation**

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

**Fund accounting**

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

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

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

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

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

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

**Investments**

Fixed asset investments in group undertakings and unlisted investments are stated at cost less accumulated provision.

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**2. DONATIONS AND LEGACIES**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Donations	<b>462</b>	80
Membership fees	<b>213</b>	215
	<b><u>675</u></b>	<u>295</u>

**3. OTHER TRADING ACTIVITIES**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Fundraising	<b><u>1,528</u></b>	<u>-</u>

**4. INVESTMENT INCOME**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Gift aid	<b>250,000</b>	400,000
Interest received	<b>16,513</b>	16,883
	<b><u>266,513</u></b>	<u>416,883</u>

Investment income includes interest received on loans to subsidiary companies. All investment income arises from investment assets held within the UK.

**5. INCOME FROM CHARITABLE ACTIVITIES**

		<b>30.9.20</b>	30.9.19
	Activity	<b>£</b>	<b>£</b>
Project management income	Management of community owned estate	<b>19,098</b>	52,065
Rental income	Management of community owned estate	<b>75,509</b>	71,930
Royalties	Management of community owned estate	<b>7,353</b>	7,147
Land sales	Management of community owned estate	<b>8,732</b>	11,204
Grants	Management of community owned estate	<b>81,901</b>	33,631
Miscellaneous income	Management of community owned estate	<b>10,586</b>	29,399
Employment allowance	Management of community owned estate	<b>4,000</b>	3,000
		<b><u>207,179</u></b>	<u>208,376</u>

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

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Highlands & Islands Enterprise	<b>33,912</b>	19,151
Comhairle nan Eilean Siar	<b>-</b>	1,444
Comhairle nan Eilean Siar - Rural Transport	<b>2,821</b>	3,036
Bord na Gaidhlig	<b>-</b>	5,000
Carried forward	<b><u>36,733</u></b>	<u>28,631</u>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**5. INCOME FROM CHARITABLE ACTIVITIES - continued**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Brought forward	<b>36,733</b>	28,631
John Muir Trust	-	5,000
Climate Change Film	<b>3,998</b>	-
LED Communities	<b>16,371</b>	-
TCD	<b>1,000</b>	-
Community Land Scotland	<b>2,000</b>	-
Inspiring Scotland	<b>21,599</b>	-
Paths for All	<b>200</b>	-
	<b><u>81,901</u></b>	<b><u>33,631</u></b>

**6. RAISING FUNDS**

**Investment management costs**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Investment management	<b>3,082</b>	4,009
Property repairs	<b>317</b>	-
	<b><u>3,399</u></b>	<b><u>4,009</u></b>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 8) £	Grant funding of activities (see note 9) £	Support costs (see note 10) £	Totals £
Management of community owned estate	<b>338,157</b>	-	<b>2,110</b>	<b>340,267</b>
Improvement of heath	-	<b>56,638</b>	-	<b>56,638</b>
Heritage and culture	-	<b>24,455</b>	-	<b>24,455</b>
	<b><u>338,157</u></b>	<b><u>81,093</u></b>	<b><u>2,110</u></b>	<b><u>421,360</u></b>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	£
Staff costs	<b>254,669</b>	220,768
Other operating leases	<b>1,831</b>	-
Insurance and licences	<b>8,486</b>	5,027
Light and heat	<b>166</b>	-
Telephone and internet charges	<b>2,053</b>	259
Postage and stationery	<b>3,866</b>	3,687
Travel expenses	<b>3,732</b>	4,366
Meeting expenses	<b>1,127</b>	30
Repairs and renewals	<b>2,272</b>	1,339
Computer expenses	<b>6,359</b>	2,921
Office rent	<b>124</b>	-
Memberships and subscriptions	<b>404</b>	732
Legal and professional fees	<b>2,709</b>	21,493
Rural Transport project	<b>2,821</b>	3,036
Habost Amenity Site project	<b>1,616</b>	1,755
Bad debts	<b>-</b>	230
General charges	<b>8,046</b>	8,375
Rabbit Cull	<b>-</b>	210
LED - Communities	<b>608</b>	8,415
Training courses and demonstrations	<b>2,621</b>	2,965
Gaelic Project	<b>4,093</b>	4,895
John Muir Trust	<b>8,301</b>	-
Covid 19 Response Support	<b>18,222</b>	-
Depreciation	<b>3,556</b>	3,556
Interest payable and similar charges	<b>475</b>	273
	<b><u>338,157</u></b>	<b><u>294,332</u></b>

**9. GRANTS PAYABLE**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	£
Improvement of heath	<b>56,638</b>	2,645
Heritage and culture	<b>24,455</b>	57,999
	<b><u>81,093</u></b>	<b><u>60,644</u></b>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**9. GRANTS PAYABLE - continued**

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

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Ness Cemetery Association	<b>899</b>	-
Ness Sports and Recreation Association	<b>21,000</b>	645
Comunn Eachdraidh Nis	<b>2,000</b>	20,000
Taigh Dhonnchaidh	-	850
Guth Airson Iarrtasan Nis (GAIN)	<b>4,739</b>	-
Alzheimer Scotland	<b>1,000</b>	1,000
Port of Ness Harbour Ltd	-	8,752
Ness Football Club	<b>6,000</b>	-
Lionel School Parent Council	-	3,000
Ness Community Council	-	9,325
Sgoil an Taobh Siar	-	1,000
Ness FC Social Club	<b>1,000</b>	-
Airidhantuim Community Council	<b>8,866</b>	-
Ness Shader First Responders	<b>10,000</b>	-
Galson Cemetery	-	4,072
North Lewis 5k/10k	-	1,000
Falmadair	-	1,000
Ness Cemetery Association	-	10,000
Lionel School PTA	<b>10,000</b>	-
Stress Monkey CIC	<b>2,000</b>	-
Lewis & Harris Pipe Band	<b>10,000</b>	-
Lewis South Carolina Youth Exchange Group	<b>2,589</b>	-
Western Isles Support for Cats and Kittens	<b>1,000</b>	-
	<b><u>81,093</u></b>	<b><u>60,644</u></b>

**10. SUPPORT COSTS**

	Management	Governance	Totals
	<b>£</b>	<b>costs</b>	<b>£</b>
Management of community owned estate	<b><u>310</u></b>	<b><u>1,800</u></b>	<b><u>2,110</u></b>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**10. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

**Management**

	<b>30.9.20</b>	30.9.19
	Management of community owned estate	Total activities
	£	£
Rates and water	<b><u>310</u></b>	<u>-</u>

**Governance costs**

	<b>30.9.20</b>	30.9.19
	Management of community owned estate	Total activities
	£	£
Auditors' remuneration	<b><u>1,800</u></b>	<b><u>1,800</u></b>

**11. NET INCOME/(EXPENDITURE)**

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

	<b>30.9.20</b>	30.9.19
	£	£
Auditors' remuneration	<b>1,800</b>	1,800
Depreciation - owned assets	<b>3,556</b>	3,556
Other operating leases	<b><u>1,831</u></b>	<u>-</u>

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 September 2020 nor for the year ended 30 September 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 September 2020 nor for the year ended 30 September 2019.



**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**13. STAFF COSTS**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	£
Wages and salaries	<b>232,367</b>	203,433
Social security costs	<b>16,887</b>	13,632
Other pension costs	<b>5,415</b>	3,703
	<b><u>254,669</u></b>	<u>220,768</u>

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

	<b>30.9.20</b>	30.9.19
	<b>14</b>	13
Charitable activities		

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

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	295	-	295
<b>Charitable activities</b>			
Management of community owned estate	179,745	28,631	208,376
Investment income	403,727	13,156	416,883
Other income	<u>10,000</u>	<u>-</u>	<u>10,000</u>
<b>Total</b>	<u>593,767</u>	<u>41,787</u>	<u>635,554</u>
<b>EXPENDITURE ON</b>			
Raising funds	4,009	-	4,009
<b>Charitable activities</b>			
Management of community owned estate	248,646	47,486	296,132
Improvement of heath	2,645	-	2,645
Heritage and culture	<u>57,999</u>	<u>-</u>	<u>57,999</u>
<b>Total</b>	<u>313,299</u>	<u>47,486</u>	<u>360,785</u>
Net gains on investments	<u>97,564</u>	<u>-</u>	<u>97,564</u>
<b>NET INCOME/(EXPENDITURE)</b>	<u>378,032</u>	<u>(5,699)</u>	<u>372,333</u>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	889,425	1,544,780	2,434,205
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,267,457</u>	<u>1,539,081</u>	<u>2,806,538</u>

**15. TANGIBLE FIXED ASSETS**

	Land £	Buildings £	Office equipment £	Computer equipment £	Totals £
<b>COST</b>					
At 1 October 2019	<b>603,080</b>	<b>35,565</b>	<b>4,303</b>	<b>6,392</b>	<b>649,340</b>
Additions	-	<b>74,225</b>	-	-	<b>74,225</b>
At 30 September 2020	<u><b>603,080</b></u>	<u><b>109,790</b></u>	<u><b>4,303</b></u>	<u><b>6,392</b></u>	<u><b>723,565</b></u>
<b>DEPRECIATION</b>					
At 1 October 2019	-	<b>20,151</b>	<b>4,303</b>	<b>6,392</b>	<b>30,846</b>
Charge for year	-	<b>3,556</b>	-	-	<b>3,556</b>
At 30 September 2020	<u>-</u>	<u><b>23,707</b></u>	<u><b>4,303</b></u>	<u><b>6,392</b></u>	<u><b>34,402</b></u>
<b>NET BOOK VALUE</b>					
At 30 September 2020	<u><b>603,080</b></u>	<u><b>86,083</b></u>	<u>-</u>	<u>-</u>	<u><b>689,163</b></u>
At 30 September 2019	<u>603,080</u>	<u>15,414</u>	<u>-</u>	<u>-</u>	<u>618,494</u>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**16. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Unlisted investments £	Totals £
<b>MARKET VALUE</b>			
At 1 October 2019	<b>750,000</b>	<b>596,555</b>	<b>1,346,555</b>
Revaluations	-	<b>(32,408)</b>	<b>(32,408)</b>
At 30 September 2020	<b>750,000</b>	<b>564,147</b>	<b>1,314,147</b>
<b>PROVISIONS</b>			
At 1 October 2019 and 30 September 2020	<b>52,973</b>	-	<b>52,973</b>
<b>NET BOOK VALUE</b>			
At 30 September 2020	<b>697,027</b>	<b>564,147</b>	<b>1,261,174</b>
At 30 September 2019	<b>697,027</b>	<b>596,555</b>	<b>1,293,582</b>

There were no investment assets outside the UK.

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

**Galson Estate (Trading) Limited**

Registered office:

Nature of business: development of community projects

Class of share: %  
Ordinary holding  
**100**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Aggregate capital and reserves	<b>471,800</b>	473,626
Loss for the year	<b>(1,826)</b>	(50,350)

**Taigh Dhonnchaidh Trading Limited**

Registered office:

Nature of business: charity development

Class of share: %  
Ordinary holding  
**100**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Aggregate capital and reserves	<b>100</b>	100

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**17. DEBTORS**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	<b>21,150</b>	53,306
Accrued income	<b>24,714</b>	25,078
Prepayments	<b>7,472</b>	6,710
	<b><u>53,336</u></b>	<u>85,094</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<b>20,000</b>	65,000
Other debtors	<b>90,242</b>	<u>122,243</u>
Aggregate amounts	<b><u>163,578</u></b>	<u>272,337</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	<b>£</b>
Trade creditors	<b>7,750</b>	19,499
Amounts owed to group undertakings	<b>6,780</b>	6,780
Social security and other taxes	-	3,509
Other creditors	<b>309,794</b>	9,802
Accrued expenses	<b>9,409</b>	<u>10,053</u>
	<b><u>333,733</u></b>	<u>49,643</u>

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Restricted funds	<b>30.9.20</b> Total funds	30.9.19 Total funds
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	<b>3,080</b>	<b>686,083</b>	<b>689,163</b>	618,494
Investments	<b>605,181</b>	<b>655,993</b>	<b>1,261,174</b>	1,293,582
Current assets	<b>1,003,944</b>	<b>207,800</b>	<b>1,211,744</b>	944,105
Current liabilities	<b><u>(333,734)</u></b>	<b><u>1</u></b>	<b><u>(333,733)</u></b>	<u>(49,643)</u>
	<b><u>1,278,471</u></b>	<b><u>1,549,877</u></b>	<b><u>2,828,348</u></b>	<u>2,806,538</u>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**20. MOVEMENT IN FUNDS**

	At 1.10.19 £	Net movement in funds £	At 30.9.20 £
<b>Unrestricted funds</b>			
General fund	1,267,033	11,014	1,278,047
Loch Stiapabhat fund	424	-	424
	<u>1,267,457</u>	<u>11,014</u>	<u>1,278,471</u>
<b>Restricted funds</b>			
Projects fund	25,012	-	25,012
Estate Development fund	879,936	14,352	894,288
Estate Improvements fund	15,907	(3,556)	12,351
Estate Purchase fund	618,226	-	618,226
	<u>1,539,081</u>	<u>10,796</u>	<u>1,549,877</u>
<b>TOTAL FUNDS</b>	<u>2,806,538</u>	<u>21,810</u>	<u>2,828,348</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	379,641	(339,301)	(29,326)	11,014
<b>Restricted funds</b>				
Projects fund	81,902	(81,902)	-	-
Estate Development fund	14,352	-	-	14,352
Estate Improvements fund	-	(3,556)	-	(3,556)
	<u>96,254</u>	<u>(85,458)</u>	<u>-</u>	<u>10,796</u>
<b>TOTAL FUNDS</b>	<u>475,895</u>	<u>(424,759)</u>	<u>(29,326)</u>	<u>21,810</u>

**URRAS OIGHREACHD GHABHSAINN**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**20. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.10.18 £	Net movement in funds £	At 30.9.19 £
<b>Unrestricted funds</b>			
General fund	889,001	378,032	1,267,033
Loch Stiapabhat fund	424	-	424
	<u>889,425</u>	<u>378,032</u>	<u>1,267,457</u>
<b>Restricted funds</b>			
Projects fund	40,311	(15,299)	25,012
Estate Development fund	866,780	13,156	879,936
Estate Improvements fund	19,463	(3,556)	15,907
Estate Purchase fund	618,226	-	618,226
	<u>1,544,780</u>	<u>(5,699)</u>	<u>1,539,081</u>
<b>TOTAL FUNDS</b>	<u>2,434,205</u>	<u>372,333</u>	<u>2,806,538</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	593,767	(313,299)	97,564	378,032
<b>Restricted funds</b>				
Projects fund	28,631	(43,930)	-	(15,299)
Estate Development fund	13,156	-	-	13,156
Estate Improvements fund	-	(3,556)	-	(3,556)
	<u>41,787</u>	<u>(47,486)</u>	<u>-</u>	<u>(5,699)</u>
<b>TOTAL FUNDS</b>	<u>635,554</u>	<u>(360,785)</u>	<u>97,564</u>	<u>372,333</u>

**FUNDS**

**General fund**

The general fund represents unrestricted funds which the trustees are free to use in accordance with the charitable objects

**Loch Stiapabhat fund**

This represents unrestricted funds designated by the trustees to assist with the maintenance of Loch Stiapabhat, a Local Nature Reserve.

**Projects fund**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**20. MOVEMENT IN FUNDS - continued**

This represents grants received from public funding agencies and trusts to assist with specified revenue and project costs.

**Estate Development fund**

This represents grants received from public funding agencies and trusts to assist with the building of a multi-function business centre, the development of a wind turbine project and the employment of a Commercial Development Manager and a Renewables Development Officer.

**Equipment fund**

This represents grants received from public funding agencies and trusts to assist with the purchase of equipment. The funds are utilised to fund the future depreciation of the capital expenditure.

**Estate Improvements fund**

This represents grants received from public funding agencies and trusts and funds set aside by the charity to assist with estate improvement projects. The funds are utilised to fund the future depreciation of the capital expenditure.

**Estate Purchase fund**

This represents the grants and donations received by the charity to assist with the purchase of Galson Estate.

**21. CAPITAL COMMITMENTS**

	<b>30.9.20</b>	30.9.19
	<b>£</b>	£
Contracted but not provided for in the financial statements	<b><u>713,933</u></b>	<u>-</u>

The capital commitment relates to the construction of the new building at Tom na Ba. This project will be largely funded by the proceeds of the insurance claim.

**22. RELATED PARTY DISCLOSURES**

The charity has two subsidiary companies, Galson Estate (Trading) Limited and Taigh Dhonnchaidh (Trading) Limited.

The amounts owed by the charity to Galson Estate (Trading) Limited at 30 September 2020 was £6,780 (2019 - £6,780).

The amounts owed to the charity by Galson Estate (Trading) Limited at 30 September 2020 was £20,000 (2019 - £65,000).

**23. POST BALANCE SHEET EVENTS**

The subsea electricity cable connecting the Outer Hebrides to the Scottish Mainland suffered a catastrophic failure in October 2020. This has had a major impact on the production of Galson Energy Limited with a reduction to around 5% of forecast levels during the period from October 2020 to August 2021. Insurance provision for loss of income has provided vital funds during the first 6 months of the outage and reserves will be utilised as necessary for the remaining period to meet ongoing financial obligations.

Electricity grid operator, Scottish and Southern Electricity Networks (SSEN), is in the process of replacing the cable and expects that installation can be completed by the end of August 2021. Without the ability to export electricity to mainland markets, renewable energy production across Lewis and Harris has been constrained to meet local demand only, in conjunction with SSEN's on-island back-up generation.

**23. POST BALANCE SHEET EVENTS - continued**

From October 2021, normal levels of production are expected to resume. However, due to the level of claims paid by the insurer for this and other recent subsea cable outages, insurance for loss of income due to off-site infrastructure failures will no longer be available. Galson Energy Limited directors have resolved to provide additional reserves to mitigate the risks of loss of income arising from future infrastructure failures while the insurance market remains uninterested in this type of business.

Replacement of the cable should ensure that the scheduled repayments of the loan due from Galson Energy Limited to the charity are not affected.

**24. LIMITED BY GUARANTEE**

The company is limited by guarantee and has no share capital. The liability of each member in the event of the company being wound up is restricted to £1.

**25. PERMANENT ENDOWMENTS**

The charity does not have any permanent endowments.



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