

EGILSAY COMMUNITY ASSOCIATION SCIO
Registered Scottish charity SC 050506

TRUSTEES ANNUAL REPORT

Annual Report & Financial Statements
For the year ended 31 May 2022



Trustees' Annual Report

For the year ended 31 May 2022

The Trustees have pleasure in presenting their report together with financial statements and the independent Examiners' report for the year ended 31 May 2021

Along with all other communications this document will be uploaded to the Egilsay Community Association website which is the primary method used to update and inform the community

Reference and Administrative Information

Charity Details	Trustees / committee
Charity Name Egilsay Community Association Charity No SC043611 Address Warsett Egilsay Orkney KW17 2QD	2022 AGM – 29 November 2022 David Basford – Chair Edwin Dick – Vice - Chair Debbie Corrigan – Secretary Christina Cox – Treasurer Christine Peci - Trustee
	2021 AGM – 01 December 2021 David Basford – Chair Edwin Dick – Vice - Chair Debbie Corrigan – Secretary Christina Cox – Treasurer Christine Peci - Trustee

Structure Governance & Management

Constitution

The charity is a Scottish Charitable Incorporated Organisation (SCIO) . It is governed by its constitution which was adopted on June 2020 (amended 2022) . The unincorporated association was granted charitable status by OSCR on 29 November 2012 and granted SCIO status 01 October 2020

Appointment of Trustees

In accordance with the constitution the management committee is made up of trustees and there must be a minimum of 4 elected trustees to take up the roles of Chair, Vice-Chair, Secretary and Treasurer. The committee may co-opt further trustees if they consider it to be in the interest of the association. The management committee were elected at the AGM held on 29th November 2022

A communication is sent to all residents approx. three weeks before the AGM to ask if any residents would like to become Trustees and / or be considered for election for one of the committee roles.

Changes to Trustee

The following changes to Trustees – no changes to trustees

Management

The trustees are responsible for the running of the association and managing the community facility. The day to day running of the association is carried out on a voluntary basis by the committee.

Objectives and Activities

Charitable Purposes

The provision of recreational facilities, or the organisation of recreational facilities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended

Activities

Our activities are primarily based around retaining a community facility for the benefit of all residents and visitors to Egilsay. This includes

- Repairs, cleaning, maintenance and decoration of the community building
- Liaising with Orkney Islands Council for repairs to the fabric of the building and the main utilities which remain the responsibility of Orkney Islands Council under the current lease
- Taking responsibility for the community turbine its maintenance and repair and managing the revenue created through the FITs payment scheme
- Provision of equipment for the purpose of leisure and recreational activities
- Holding community social events
- Assisting residents to access health, education and recreational activities on our neighbouring islands and on Orkney mainland e.g. provision of ferry tickets for sports / theatre/pantomime / well-being courses/Seasonal events/music/training courses that cannot be provided on the island.
- Partnership working with other organisations to arrange events and enhance facilities on Egilsay
- Ensuring appropriate insurance and licences are in place.
- Holding committee meetings as appropriate and the AGM

Achievements and Performance

Acquisition of School and School House

Discussions relating to the acquisition of the School and School House started way back in 2016 and have been ongoing in one form or another since then. Things slowed down in 2020 and 2021 and although some meetings took place and despite best efforts there was not as much professional help or progress as we would have liked.

In this financial year i.e. from 01 June 2022 things have started to move a bit more positively and we have secured funding from the Community Development Fund (£2300) and the Community Led Local Development fund (£7000) and a stage 1 submission has just been made to the Scottish Land Fund for £8740 – if this last piece of the jigsaw falls into place then the feasibility study will start in earnest and will include Architect , QS, Independent Valuation and condition report and development of a full business plan – completion of this phase is hoped to be the end February 2023. If this all goes well then we can move onto the Acquisition phase which means a Stage 2 application to the Scottish Land Fund for the

negotiated sale. If everything is in place could happen fairly quickly by late spring/early summer 2023 – an updated report will be presented at the AGM 2023.

The project - Revitalising Egilsay Facilities

The current community facility and car park (the old school building) and the adjoining school house and garden are situated at the centre of the island at the only cross-roads. All foot and vehicle traffic pass this point on the way to access the ferry which is situated approx 0.5 miles to the West. The old school comprises a Main hall, store, kitchen, WC and classroom the building is approx 104sqm. The school House comprises 2 living rooms, 2 bedrooms, 1 bathroom, 1 kitchen, 1 small box room.

The two properties and external grounds have a footprint of approx 1129 sqm

The community building was originally the island school and was officially closed in 2011. Since then it has been leased on a rolling 5 year lease to the Egilsay Community Association. The last 5 year lease ran out 30 November 2021 and now OIC have offered the ECA the opportunity to purchase before it goes on the open market and have indicated a preference for a negotiated sale.

The School House, formerly used as accommodation for the head teacher of the school has remained empty, unoccupied and unused for a period of approx 20 years.



School & Schoolhouse the Main Hall the Classroom

The community centre (Old School) is the only community building on the island, there are no hospitality, retail, fuel or recreational amenities on Egilsay. Since 2011 ECA have been responsible for basic maintenance of the building and surrounding grassed area, repair and decoration and have contributed their own funds to do this.

The adjoining school house has been empty for at least 20 years it has remained the responsibility of OIC and has had no maintenance or repair undertaken during that time. ECA have paid for grass cutting to tidy up the external areas of the school house. The School House is thought to be of sound structure but in need of extensive refurbishment to bring it back to habitable and public use.

OIC approached the Egilsay Community back in 2016 indicating that they wished to dispose of the school and in 2018 representatives from OIC opened up discussions on disposing of both assets together and wished to discuss options going forward. A series of discussions took place within the community culminating in the ECA AGM 2018 where it was agreed to proceed with acquisition of both properties to help future-proof the sustainability and resilience of the small and fragile island community of Egilsay

Community Wind Turbine

The repairs to the community wind turbine presented significant financial loss during this accounting period.

Major repairs were needed which meant that not only was the turbine grounded, not turning or providing revenue. Repair costs reached an eye watering £ 8382 a hefty blow to the community finances.

Each stage was discussed by the trustees and we had no choice but to proceed with the repairs as the turbine was no good at all not turning. It is hoped that with good winds this winter and no more mechanical/electrical problems we should see decent revenue from the turbine coming in again and the community finances looking more buoyant.

North Isles Landscape Partnership(NILPS)

Towards the end of this financial year our Egilsay Secretary worked with NILPS to provide content for the Interpretation boards for the community buildings and the development and facilitation of a very well-attended and enjoyable Heritage Day and as a result of this work there will be ongoing research and compilation of photos and information relating to Egilsay Heritage that will eventually be displayed in the community buildings for residents and visitors to enjoy.

The community facility is used for events and functions, committee meetings and the AGM as well as hires to RSPB and other visiting groups. We have welcomed numerous independent walkers and several repeat visitors. We have facilitated several St Magnus Way events with many visitors writing in the visitor's book thanking us for the facilities. The table below summaries the diary of events that have taken place 01 June 2021 to 31 May 2022

Diary dates in the Egilsay calendar - 01 June 2021 to 31 May 2022

08/06/2021	Orkney U3A Botanical research
15/06/2021	Meeting with OIC representatives – discussion of future of Egilsay School and School House
24/06/2021	Initial condition survey of school and school house
05/07/2021	Survey results received
14/08/2021	Turbine has annual maintenance and service check by Pure Energy Centre Shetland
19/08/2021	Liam McArthur MSP holds surgery
30/08/2021	Group visiting St Magnus Way
31/08/2021	Booking for Visiting group to use the community facility
10/09/2021	Turbine fault reported
21/09/2021	Alistair Carmichael MP surgery
14/10/2021	Northern Turbine Services Report – major fault and urgent repairs required
25/10/2021	Community Turbine stopped and brought down
26/10/2021	ECA AGM
05/11/2021	Fireworks and Bonfire at Community Hall
28/11/2021	Letters of Support received for community acquisition of community school and school house
04/12/2021	Daniel Macneill – walk around Britain for charity – stop over and camped in school grounds
08/12/2021	Programme of general maintenance and repairs on community building complete
12/01/2022	Meeting with OIC representatives re future of community buildings
17/01/2022	Turbine still down losing valuable production time – Northern Turbine Services chased for progress report
01/02/2022	Bill for welding Turbine base received £523
01/02/2022	More repair work required NTS bill expected to exceed £7500 – complaint received from RSPB re state of ground due to contractors heavy plant on soft ground

25/02/2022	RSPB hire of Hall
27/02/2022	Ally Miller came across to put right ground works around turbine
11/03/2022	Chased NTS – work scheduled to start 21 March 2022 – Turbine has been out of action for 5 months
19/04/2022	Another meeting with OIC representatives re School and School House
28/04/2022	Final bill from NTS for turbine repair £8382
30/04/2022	Re-started annual 'Bag the Bruck' 25-30 bags of rubbish collected around Egilsay Pier and waste bins cleaned out. – able to claim £150 from Community Council
08/05/2022	Bill from Ally Miller for groundworks £318
11/05/2022	Discussions with NILPS re: interpretation boards for community buildings. Draft content developed by Anne Bignall (NILPS) and Debbie Corrigan (ECA)

Community Facilities

Hire Rates for the Hall – these remain unchanged and are as follows

The Main Hall (groups up to approx. 40 people) £25 per hour

The Classroom (groups up to approx 12 people) £15 per hour

The Main Hall and Classroom together £30 per hour

Repairs No major repairs have taken place at the community hall this year - 5 grass cuts took place at both the school and school house

Cleaning The hall is checked and cleaned regularly and stocks of consumables and cleaning materials are purchased as required

Toilet Facilities

The number of large groups experienced over the last couple of years highlighted the need for the old school toilets at the back of the building to be refurbished. They are functional with a cold-water supply but the sanitary ware needs replacing and the outbuildings need to be made weather tight and re-decorated. Decisions on this have been put on hold pending the outcome of the transfer of ownership and the Revitalising Egilsay facilities project

Outside Tap - Outstanding

It was agreed that as well as the new bin storage area and an outside tap should be installed at the Egilsay Pier waiting room. This would be beneficial for washing salt of cars and washing out the large commercial waste bins ECA have presented the quote to the Community Council who have agreed to go 50/50 on costs with Egilsay Community Association – this work was also put on hold during COVID 19 and may need to be revised and a new application made to the Community Council

Heating

New heating installed last year is working well

Financial Review

Payments to individuals (including charity trustees and connected persons)

As part of our application to become a charity we informed OSCR that ECA intended to pay nominal amounts to inhabitants of Egilsay for work undertaken at the community facility on the Associations behalf. A population of 20, living on a very small remote island, by definition everyone is connected.

It was agreed that it was important to get work done by the community for the community avoiding the high costs of importing labour from mainland Orkney.

It was agreed at the AGM 17 July 2012 that to complement the voluntary work already undertaken nominal payments for small jobs on an ad-hoc basis was acceptable on the following grounds.

Work is undertaken on behalf of the community and for which the association is responsible. E.g. grass cutting, Decorating and maintenance, cleaning, book-keeping/accounts and ad-hoc requirements decided and agreed by the committee.

Work can be carried out on a self-employed basis payable on invoices received.

All monies paid will be recorded in the Egilsay Community Association accounts. Paid work will be minuted and a summary presented in the Trustees Annual Report and at each AGM

Book keeping

This is carried out by the treasurer and submitted to the approved accountant Davie Campbell for The Independent Examiners Report after accounts are approved at the AGM

EXPENDITURE

Expenditure - Restricted funds

OIC – Fireworks £300

TOTAL – Restricted funds expenditure £300

Expenditure- Unrestricted funds

General expenditure in this financial year has been attributed to the running of the facility including telephone and broadband payments **£993** - renewal of TV licence - **£164** - grass cuts school house **£1,085** - book keeping, preparation of accounts and Trustees Annual Report **£150**, Accountant **£90** Cleaning **£540** Turbine Maintenance and repair **£ 11,749**, Marketing **£86**, Insurance **£419**, Professional Fees **£660**. RSPB 5 Year Rent **£665** & Ferry Tickets **£200**

Sundry items and consumables such as printer ink and paper, MacAfee virus protection, small items of kitchen equipment. Loo rolls, kitchen roll, cleaning supplies. Bottled water, tea, coffee, milk, biscuits, and providing refreshments for groups of visitors made up the remainder of expenditure. **£281**

TOTAL – unrestricted funds expenditure £17,082

TOTAL Expenditure £17,382

INCOME

Restricted funds

OIC Fireworks £300

Unrestricted funds

SSE FITS payments

Sep 2021 £5,254

Feb 2022 £22

Cash donations

£342

Hall Hire £210 & Bag the Bruck £150

TOTAL Income £6,278

The Egilsay Association Community funds at 31 May 2022

Current Account £ 5,269

Cash in Box £160

TOTAL Funds £ 5,429

Reserves

The trustee's policy is to retain sufficient funds to cover its leasehold responsibilities to Orkney Islands Council such as ad hoc maintenance, internal repairs and decoration and ongoing liabilities such as turbine maintenance, insurance, licences, telephone and broadband and the annual fee for the Orkney Communities website and independent examination of accounts. The trustees also wish to retain sufficient funds to repair or replace equipment owned by the association. Around £5000 held as a reserve is thought to be a realistic amount to cover this.

Plans for future periods

The main focus for trustees going forward is for trustees to maintain and develop the facility for the benefit of the community and will actively seek suggestions for the next stage in revitalising and rejuvenating our community facility as part of community engagement for the second phase Scottish Land Fund application due to start early next year this will include both the Old School and School House

We will continue to consult with OIC, VAO, SLF and other parties to develop this project through the coming year.

St Magnus Way– <https://www.stmagnusway.com/>

RSPB – The RSPB continue to support Egilsay by inviting visiting groups for walks and talks on their managed farm Onziebust and nature reserve <https://www.rspb.org.uk/reserves-and-events/reserves-a-z/onziebust/>

Partnership working - We plan to develop partnership working with Rousay School, RSPB , The Rousay, Egilsay& Wyre Heritage Trust, REWDT, St Magnus Way, OIC and other interested parties with a view to promoting Egilsay as a place to visit and facilitating various interests and events for visiting groups.

Approved by the Trustees at the Egilsay Community Association AGM on 29 November 2022 and signed on their behalf by

David Basford - Chair

Independent Examiners Report

For the year ending 31 May 2022

Independent Examiners report to the Trustees of Egilsay Community Association

I report on the financial statements of the charity for the year ended 31 May 2022 which are set out on the following pages 9 – 13 inclusive.

Respective responsibilities of Trustees and Examiner

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

Basis of Independent Examiner's Statement

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

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

1. That gives me reasonable cause to believe that, in any material respect, the requirements:
 - a. To keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Regulations, and
 - b. To prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Regulations have not been met, or
2. To which, in my opinion, attention should be drawn in order to enable a proper understanding of accounts to be reached

Independent examiner name and address date and signature

Davie Campbell

Address: Tigh-Na-Mara, Mount Drive, Kirkwall KW15 1LL

Signature



Date: 30th November 2022

Statements of Receipts and Payments – For the year ended 31 May 2022

RECEIPTS	Note	Unrestricted Funds	Restricted Funds	Totals 2022	Total 2021
YIYC	1	-	-	-	-
Voluntary Receipts					
Donations	3	342	-	342	48
Legacies		-	-	-	-
OIC Grants		-	300	300	1000
Fund Raising		150	-	150	-
Investments	2	5,276	-	5,276	1357
Rent from land buildings		-	-	-	-
Gross trading		-	-	-	-
Bank Interest		-	-	-	-
Receipts from Charitable Activities	3	210	-	210	-
TOTALS		5,978	300	6,278	2405
PAYMENTS	Note	Unrestricted Funds	Restricted Funds	Totals 2022	Total 2021
Gross trading payments			-	-	-
Investment management costs	4	11,749	-	11,749	1,207
Relating to Charitable activities	5	5,333	300	5,633	6,450
Grants and Donations Accounts	6	-	-	-	-
TOTALS		17,082	300	17,382	7,657
PURCHASE OF ASSETS		Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
		-	-	-	-
TOTAL PAYMENTS		17,082	300	17,382	7,657
Surplus/(Deficit) for the year	Note	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
Transfer between funds		-	-	-	-
Surplus/(deficit) for year		(11,104)	-	(11,104)	(5,252)
Funds reconciliation	Note	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
Cash at Bank and In Hand at 31 May 2021		16,533	-	16,533	21,785
Surplus/(deficit) for year		(11,104)	-	(11,104)	(5,252)
Cash at Bank & In hand at 31 May 2022		5,429	-	5,429	16,533

Bank & Cash Balances	Total 2022	Total 2021
Current Account	5,269	16,373
Cash in hand	160	160
	5,429	16,533
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Other Assets	Totals 2022	Total 2021
DEPRECIATED ITEMS		
Community 6kw Turbine	3,221	4,026
Community Laptop	59	74
Printer (Mar 16)	0	0
Printer	0	0
Furniture	190	237
Rugs	77	96
Display materials	108	135
Exercise Equipment	293	366
Blinds	80	100
Kitchen Equipment	54	67
Multi Media Equipment	150	188
Picnic tables and raised beds	190	238
ECA laptop	126	157
Weights and weight bench	41	51
Henry Hoover	36	45
Coffee Urn	54	67
	4,679	5,847

For simplicity assets are depreciated by 20% per year. It is recognised that not all items will depreciate at the same rate or have the same lifespan but that this is simply a sensible way to try and ascertain the value of assets within the Community Associations zone of responsibility and to give some indication of when the items may need replacing.

The notes on pages 13& 14 form an integral part of these accounts

Approved by the Trustees on 29 November 2022 and signed on their behalf by: -

David Basford (Chair)

Christina Cox (Treasurer)

General Notes

Basis of Accounting

These accounts have been prepared on the Receipts & Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended

Nature and purpose of funds

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. The trustees maintain a single unrestricted fund for the day to day running of the Association

Restricted funds

Usually given as a grant and can only be used for the purposes for which it was given

Related Party Transactions 01 June 2020 to 31 May 2022

The following remuneration was paid with authority from the committee

£540 paid to D Corrigan for caretaking and cleaning duties at the hall

£150 paid to C Cox for book-keeping, preparation of accounts and Trustees Report

1 Grants	Total 2022	Total 2021
REW Community OIC Council	-	-
OIC/Community council	300	1,000
TOTAL	300	1,000
2 Investments	Total 2022	Total 2021
Community turbine gifted to the Association by REWDT and accepted at ECA AGM 9th November 2011 to provide a modest sustainable income to invest in community objectives and activities		
FITs Payment	5,254	1,212
FITs Payment	22	145
TOTAL	5,276	1,357
3 Receipts from charitable activities	Total 2022	Total 2021
Cash Donations	342	48
Fundraising & Hire	360	-
TOTAL	702	48

4 Investment Management Costs	Total 2022	Total 2021
Turbine maintenance	11,749	1,207
TOTAL	11,749	1,207
5 Relating to charitable activities	Totals 2022	Total 2021
Bin store	-	-
Grass Cutting	School & house 1,085	school only 220
Website	-	-
Public Liability Insurance	419	412
Book keeping and Trustees Annual Report Accountant	150	150
Marketing and Archaeology inc website	90	90
	86	30
Consumables and events (fireworks)	300	-
Professional Fees	660	-
RSPB - Rent	665	-
Haulage	-	-
Caretaking / cleaning	540	552
Hall Floor	-	-
Repairs Maint. & Dec.	-	-
Floor polish hall floor	-	-
Ad hoc Materials	-	-
TV licence	164	162
Passenger ferry tickets	200	3,650
BT / Broadband	993	774
MacAfee	90	90
Sundry items and consumables	191	320
TOTAL	5,633	6,450
6 Grants & Donations	Total 2022	Total 2021
-	-	-
OIC grant Covid 19	-	1,000
TOTAL	-	1,000

7 Transfers between funds

There were no transfers between funds

8 Cash at Bank and in Hand at 31 May 2022

Current Account £5,269

Cash Box £160

TOTAL £ 5,429