

**Report of the Management Committee and
Financial Statements for the Year Ended 30 June 2024
for
North Uist Development Company (Trading)
Limited**

**North Uist Development Company (Trading)
Limited**

**Contents of the Financial Statements
for the Year Ended 30 June 2024**

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**North Uist Development Company (Trading)
Limited**

**Company Information
for the Year Ended 30 June 2024**

CHAIRPERSON:	A Ross (appointed October 2023) C MacLeod (resigned October 2023)
SECRETARY:	A Ross
MANAGEMENT COMMITTEE:	C Black (resigned September 2024) D McPherson (resigned December 2024) P Keiller N Cameron C Robb D MacLachlan (appointed October 2023)
REGISTERED OFFICE:	Claddach Kirkibost Centre Isle of North Uist HS6 5EP
REGISTERED NUMBER:	RS007738 (Scotland)
AUDITORS:	CT Audit Limited Fairways House Fairways Business Park Inverness Highland IV2 6AA

**North Uist Development Company (Trading)
Limited**

**Report of the Management Committee
for the Year Ended 30 June 2024**

The management committee present their report with the financial statements of the company for the year ended 30 June 2024.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the operation of wind turbines.

MANAGEMENT COMMITTEE

The management committee shown below have held office during the whole of the period from 1 July 2023 to the date of this report.

A Ross
N Cameron
C Robb
D McPherson
P Keiller

D MacLachlan was appointed as a committee member on 28 October 2023.

C MacLeod ceased to be a committee member on 28 October 2023.
C Black ceased to be a committee member on 16 September 2024.
D McPherson ceased to be a committee member on 9 December 2024.

STATEMENT OF MANAGEMENT COMMITTEE RESPONSIBILITIES

The Committee members are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that year. In preparing those financial statements, the Committee members are required to:


- Select suitable accounting policies and then apply them consistently,
- Make judgments and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

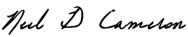
The Committee members are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


AUDITORS

The auditors, CT Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE MANAGEMENT COMMITTEE:


.....
A Ross – Chairperson/Secretary


.....
N Cameron - Treasurer


.....
P Keiller – Committee member

Date: 17 January 2025

**Report of the Independent Auditors to the Members of
North Uist Development Company (Trading)
Limited**

Opinion

We have audited the financial statements of North Uist Development Company (Trading) Limited (the 'company') for the year ended 30 June 2024 which comprise the Income Statement, Balance Sheet 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2024 and of its profit 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 Co-operative and Community Benefit Societies Act 2014.

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

Our responsibilities and the responsibilities of the Management Committee's with respect to going concern are described in the relevant sections of this report.

Other information

The Management Committee are responsible for the other information. The other information comprises the information in the Management Committee Report, but does not include the financial statements and our Report of the Auditors thereon.

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

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the company has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

Responsibilities of the Management Committee

As explained more fully in the Statement of the Management Committee's Responsibilities set out on page 2, the Management Committee is 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 Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Report of the Independent Auditors to the Members of
North Uist Development Company (Trading)
Limited**

In preparing the financial statements, the Management Committee are responsible for assessing the 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 Management Committee either intend to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Co-operative and Community Benefit Societies Act 2014.

We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the management;
- review of minutes of board meetings throughout the year;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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 auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Barry Truswell

Barry Truswell (Senior Statutory Auditor)
for and on behalf of CT Audit Limited
Fairways House
Fairways Business Park
Inverness
Highland
IV2 6AA

Date: 22 January 2025

**North Uist Development Company (Trading)
Limited**

**Income Statement
for the Year Ended 30 June 2024**

		30/6/24	30/6/23 as restated
	Notes	£	£
TURNOVER		455,620	612,517
Administrative expenses		<u>256,479</u>	<u>262,023</u>
		199,141	350,494
Other operating income		<u>4,200</u>	<u>3,200</u>
OPERATING PROFIT	5	203,341	353,694
Interest receivable and similar income		<u>11,775</u>	<u>5,825</u>
		215,116	359,519
Interest payable and similar expenses		<u>92,184</u>	<u>116,339</u>
PROFIT BEFORE TAXATION		122,932	243,180
Tax on profit	6	<u>35,264</u>	<u>55,123</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>87,668</u></u>	<u><u>188,057</u></u>

The notes form part of these financial statements


**North Uist Development Company (Trading)
Limited (Registered number: RS007738)**

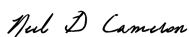
**Balance Sheet
30 June 2024**

		30/6/24		30/6/23 as restated	
Notes	£	£	£	£	£
FIXED ASSETS					
Tangible assets	7		2,064,534		2,199,776
CURRENT ASSETS					
Debtors	8	82,713		15,284	
Prepayments and accrued income		74,398		71,941	
Cash at bank		<u>946,458</u>		<u>886,252</u>	
		1,103,569		973,477	
CREDITORS					
Amounts falling due within one year	9	<u>170,418</u>		<u>142,045</u>	
NET CURRENT ASSETS			<u>933,151</u>		<u>831,432</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,997,685		3,031,208
CREDITORS					
Amounts falling due after more than one year	10		(1,741,000)		(1,874,995)
PROVISIONS FOR LIABILITIES	13		(248,564)		(215,537)
ACCRUALS AND DEFERRED INCOME			<u>(90,409)</u>		<u>(109,632)</u>
NET ASSETS			<u>917,712</u>		<u>831,044</u>
CAPITAL AND RESERVES					
Called up share capital	14		452,850		453,850
Turbine constraint reserve	15		44,459		35,000
Retained earnings	15		<u>420,403</u>		<u>342,194</u>
			<u>917,712</u>		<u>831,044</u>

The financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The financial statements were approved by the Management Committee and authorised for issue on 17 January 2025 and were signed on its behalf by:


.....
A Ross – Chairperson/Secretary


.....
N Cameron - Treasurer


.....
D MacLachlan – Committee member

The notes form part of these financial statements

**North Uist Development Company (Trading)
Limited**

**Notes to the Financial Statements
for the Year Ended 30 June 2024**

1. STATUTORY INFORMATION

North Uist Development Company (Trading) Limited is a Community Benefit Society registered under the Co-operative and Community Benefit Societies Act 2014 and regulated by the Financial Conduct Authority (FCA).

The Society's Mutuals Public registered number and registered office address can be found on the Society Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The financial statements are rounded to the nearest £1.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Co-operative and Community Benefit Societies Act 2014.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation for the company wind turbine is provided at the 5% straight line, in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Financial instruments

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Going concern

The company depends on its existing bank facilities to meet its day to day working capital requirements. The company expects to be able to operate within these facilities for the foreseeable future.

**North Uist Development Company (Trading)
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2024**

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2023 - 1).

Wage costs totalling £7,402 (2023 - £6,549) were paid during the year.

5. OPERATING PROFIT

The operating profit is stated after charging:

	30/6/24	30/6/23 as restated
	£	£
Depreciation - owned assets	<u>136,259</u>	<u>136,106</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	30/6/24	30/6/23 as restated
	£	£
Current tax:		
UK corporation tax	2,237	1,107
Deferred tax	<u>33,027</u>	<u>54,016</u>
Tax on profit	<u>35,264</u>	<u>55,123</u>

7. TANGIBLE FIXED ASSETS

	Wind turbines £	Plant and machinery etc £	Totals £
COST			
At 1 July 2023	2,722,101	-	2,722,101
Additions	<u>-</u>	<u>1,017</u>	<u>1,017</u>
At 30 June 2024	<u>2,722,101</u>	<u>1,017</u>	<u>2,723,118</u>
DEPRECIATION			
At 1 July 2023	522,325	-	522,325
Charge for year	<u>136,106</u>	<u>153</u>	<u>136,259</u>
At 30 June 2024	<u>658,431</u>	<u>153</u>	<u>658,584</u>
NET BOOK VALUE			
At 30 June 2024	<u>2,063,670</u>	<u>864</u>	<u>2,064,534</u>
At 30 June 2023	<u>2,199,776</u>	<u>-</u>	<u>2,199,776</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/6/24	30/6/23 as restated
	£	£
Trade debtors	82,713	14,732
Other debtors	<u>-</u>	<u>552</u>
	<u>82,713</u>	<u>15,284</u>

**North Uist Development Company (Trading)
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2024**

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30/6/24	30/6/23 as restated
	£	£
Bank loans and overdrafts	142,391	120,000
Trade creditors	1,415	-
Taxation and social security	25,836	21,809
Other creditors	<u>776</u>	<u>236</u>
	<u>170,418</u>	<u>142,045</u>

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

	30/6/24	30/6/23 as restated
	£	£
Bank loans	<u>1,741,000</u>	<u>1,874,995</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>1,189,000</u>	<u>1,407,500</u>

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30/6/24	30/6/23 as restated
	£	£
Within one year	11,414	10,839
Between one and five years	45,656	43,357
In more than five years	<u>393,787</u>	<u>384,796</u>
	<u>450,857</u>	<u>438,992</u>

The rent payable during the term of the lease is calculate by both base and variable rent. The term of the lease also has two defined periods.

The base rent for the first period due to 11/01/34 is the higher of (i) £3,600 per annum index linked and (ii) £4,000 index linked per megawatt of installed capacity.

The base rent for the second period due from 12/01/34 to expiry date of 11/01/49 is the higher of (i) of £7,200 per annum index linked and (ii) £8,000 index linked per megawatt of installed capacity.

The base rent commitment disclosed above has been calculated by using the most recent issued based rent figure, with no adjustment for future indexation, as this is currently unknown.

The variable rent due on the lease has not been provided for and is based on the number of megawatt hours of electricity produced by the turbines on the property in each year of the lease multiplied by (i) during the first period by the sum of £2.75 per MWh index linked and (ii) during the second period the sum of £4.50 per MWh index linked.

**North Uist Development Company (Trading)
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2024**

12. SECURED DEBTS

The following secured debts are included within creditors:

	30/6/24	30/6/23 as restated
	£	£
Bank loans	<u>1,883,391</u>	<u>1,994,995</u>

The Society agreed to borrow funds from Triodos Bank N.V to fund the development of its Community Wind Farm in North Uist.

In doing so it has granted the following security to the lender:

1. Standard Security over the Lease of the project site at Illeray and Claddach Illeray, Isle of North Uist in favour of Triodos Bank N.V.

2. Bond and Floating Charge in favour of Triodos Bank N.V.

13. PROVISIONS FOR LIABILITIES

	30/6/24	30/6/23 as restated
	£	£
Deferred tax	174,007	140,980
Other provisions	<u>74,557</u>	<u>74,557</u>
	<u>248,564</u>	<u>215,537</u>

		Deferred tax
		£
Balance at 1 July 2023		140,980
Charge to Income Statement during year		<u>33,027</u>
Balance at 30 June 2024		<u>174,007</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			30/6/24	30/6/23 as restated
Number:	Class:	Nominal		
		value:	£	£
452,850	Ordinary	1	<u>452,850</u>	<u>453,850</u>

During the year, a member agreed to convert their £1,000 share capital holding into a donation for the community benefit fund.

MOVEMENT IN MEMBERS

Members at 1 July 2023	220
Increase/(decrease) in members	<u>(1)</u>
Members at 30 June 2024	<u>219</u>

**North Uist Development Company (Trading)
Limited**

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2024**

15. RESERVES

	Retained earnings £	Turbine constraint reserve £	Totals £
At 1 July 2023	342,194	35,000	377,194
Profit for the year	87,668		87,668
Transfer to Turbine constraint reserve	<u>(9,459)</u>	<u>9,459</u>	<u>-</u>
At 30 June 2024	<u>420,403</u>	<u>44,459</u>	<u>464,862</u>

Under the Triodos Bank N.V loan agreement the company has to retain the equivalent of the next six months instalments of interest and capital within the company's reserves.

Under the Community Benefit Society Rules the Management Committee are responsible for maintaining prudent reserves. The Management Committee has established a reserve policy for the management of reserves to protect the operational sustainability of the project.

16. OTHER FINANCIAL COMMITMENTS

Smart Energisation Contract

The company has committed to install smart energisation equipment. The costs associated with the installation of the equipment is £35,776.

Turbine Maintenance Contract

The company has an annual maintenance contract for two wind turbines which is due to expire in February 2034.

The cost of the annual maintenance contract is calculated, using several variables such as the service contract price, energy yield MWH and price per MWH. These variables change each accounting period, and the committed amount over the contract cannot therefore be calculated.

The maintenance contract for the year ended 17/09/24 was £23,048.

17. RELATED PARTY DISCLOSURES

Provision has been made in the financial statements to provide the shareholders of the Community Share Capital, totalling £453,850, a 4% interest payment.

18. PRIOR YEAR ADJUSTMENT

During the year, it was identified that compensation totalling £20,742 related to the year ended 30 June 2023 and the comparative period has been restated for this.

**North Uist Development Company (Trading)
Limited**

**Detailed Profit and Loss Account
for the Year Ended 30 June 2024**

	30/6/24		30/6/23 as restated	
	£	£	£	£
Turnover				
Sales	369,150		502,747	
Feed in Tariff	46,044		45,325	
GDUOS income	33,511		43,703	
Compensation	<u>6,915</u>		<u>20,742</u>	
		455,620		612,517
Other income				
Donations	1,000		-	
Government grants	3,200		3,200	
Deposit account interest	<u>11,775</u>		<u>5,825</u>	
		<u>15,975</u>		<u>9,025</u>
		471,595		621,542
Expenditure				
Land rent	27,372		23,924	
Storage	420		105	
Insurance	12,107		12,598	
Energy import	1,013		1,929	
Meter & Data Collection	244		1,129	
Wages	7,402		6,549	
Company mobile	534		434	
Post and stationery	457		1,985	
Travelling	-		97	
Repairs and renewals	29,253		29,701	
HV Inspection	-		225	
NMK Service fee	-		5,306	
Meeting room hire	275		-	
Subscriptions	425		-	
Sundry expenses	450		35	
Data protection fee	-		35	
Accountancy	3,735		8,890	
Audit	14,350		9,295	
Asset Management	14,396		14,660	
Professional fees	-		1,645	
Protective Clothing	<u>139</u>		<u>-</u>	
		<u>112,572</u>		<u>118,542</u>
		359,023		503,000
Finance costs				
Bank charges	7,440		7,273	
HMRC fines & penalties	208		102	
Bank loan interest	74,390		78,830	
Loan	-		19,695	
Interest on community shares	<u>17,794</u>		<u>17,814</u>	
		<u>99,832</u>		<u>123,714</u>
		259,191		379,286
Depreciation				
Deprn of turbines	136,106		136,106	
Fixtures and fittings	<u>153</u>		<u>-</u>	
		<u>136,259</u>		<u>136,106</u>
NET PROFIT		<u>122,932</u>		<u>243,180</u>

This page does not form part of the statutory financial statements