AZETS

FYNE FUTURES
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)
Registered Number: SC279734
Scottish Charity Number: SC036392

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

FYNE FUTURES

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FOR THE YEAR ENDED 31 MARCH 2026

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

The directors present their annual report with the financial statements of the charitable company for the year ended 31 March 2026.

Objectives and activities

During the year, after agreement of the Management Committee of Fyne Homes Limited and the Board of Fyne Futures, the charity ceased its activities with all residual assets and liabilities being transferred into Fyne Homes Limited, the parent Association.

This cessation has been a planned and orderly process, with consultation with the charity's solicitors and regulators. Now that this process has been completed, it is the intention to wind up Fyne Futures.

The charity continued its activities as normal until 31 March 2026 and therefore the information below sets out the Strategic Reports for this remaining period.

Based on the Isle of Bute, Fyne Futures was committed to environmental sustainability and provided training and employment opportunities to those furthest from the labour market. Fyne Futures is a registered charity and social enterprise, being a subsidiary of Fyne Homes, a social landlord operating across Argyll and Bute.

Fyne Futures were a delivery partner within InspirAlba Consortium for the 'Spark Your Purpose' pre-employability programme, helping people of all ages with whatever they need to prepare for employment. Fyne Futures supported the Parent Employability Support Fund, helping parents to upskill and/or re-train, increasing family income, lifting themselves and their families out of poverty.

Bute Produce, a 6 acre garden, played a key role in delivery of employability and volunteer programmes. A number of funded wage-based training placements were offered and a modern apprentice in Horticulture was supported. The garden produces sustainably grown herbs, fruits and vegetables which are sold locally. The bio-diverse site enabled visits from local primary and secondary schools to learn about food production.

ReStyle supported circular economy on Bute by diverting useful resources from landfill by collecting and accepting donations of household goods that were then sold at affordable prices for low income households. ReStyle provided textile recycling services managing a number of textile banks.

Bike Bute expanded on e-bike hire with a successful pilot of care and repair bike mechanic services to add an additional income stream.

Objects of the charitable company

The charitable company's objects are:

- To preserve, restore and improve the environment in and around the area of Argyll & Bute through the provision, maintenance and/or improvement of public open space and other public amenities and other environmental and townscape regeneration projects;
- To protect the natural environment from further damage by discouraging the unnecessary depletion of natural resources through waste management, recycling and otherwise. This includes promoting education in the fields of waste management and/or recycling with a view to encouraging the use of more sustainable waste management practices;
- To promote training and education, particularly in such skills as may assist the participants in obtaining paid employment;
- To relieve unemployment in such ways as may be thought fit, including assistance to find employment;
- To relieve ill health and promote good health, particularly among residents of Argyll & Bute;
- To provide within Argyll & Bute, facilities for recreation and other leisure time occupation which are available to the public at large, with a view to improving their conditions of life;
- To promote for the public benefit the preservation (whether wholly or in part) of buildings and other structures of historic and/or architectural significance located within Argyll & Bute; and
- To promote, operate and/or support other charitable projects and initiatives for the benefit of the community within Argyll & Bute.

Principal activities

The principal activities and core business of the charitable company focussed on environmental sustainability, namely ReStyle, Bute Produce and Bike Bute activities which provided employment and training opportunities. The charitable company also performed wider role activities providing support to a range of community regeneration projects across the operational area.

Financial review

The charitable company generated a deficit of £767,810 *(2025: deficit of £25,113)* for the year. The net assets of the charitable company are £nil at 31 March 2026 *(2025: £767,810).*

Funding sources

The company received £nil (2025: *£250,000*) from Fyne Energy Limited as gift aid as a result of an amendment to the Community Distribution Agreement in March 2026, subsequent to the cessation of activities within the charitable company.

Other funding sources for the charitable company during the year were income from trading activities as well as funding from Argyll and Bute Council (£21,321). This funding supported the cost of members of staff.

Plans for future periods and risk management

Given the cessation of activities in the charitable company during the year, the transfer of all residual assets and liabilities to Fyne Homes Limited and the intention to wind up the charitable company, there are no future plans for Fyne Futures. There are also no identified risks or uncertainties that relate to Fyne Futures.

Reserves policy

Unrestricted funds, accumulated from past operating results, represent the free resources of the charitable company. The unrestricted funds can be used by the Board as they decide, in pursuance of the stated aims of the charitable company, and to enable settlement of costs incurred in pursuance of these aims.

Organisational structure

The charitable company is managed by a Board comprising 4 directors who are also trustees under charity law. The Board can consist of no less than 3 and up to 15 directors. A service level agreement exists between Fyne Homes Limited and Fyne Futures. The directors delegate the day to day running of the charitable company to the General Manager supported by the leadership team of Fyne Homes Limited.

Constitution and governing document

Fyne Futures is a company limited by guarantee, which does not have any share capital. The charitable company was incorporated on 10 February 2005. The governing document of the charitable company is the Memorandum and Articles of Association established on incorporation.

Director appointment, induction, and training

Directors are appointed in accordance with the Memorandum and Articles of Association.

On appointment directors are given an induction session by various members of the board and senior management with training provided on an ongoing basis after that.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

Reference and Administration Details

Directors:
A.C. Harrison
R.R. Reid (deceased 12 August 2025)
D. Herriot
R. Henshelwood (resigned 30 April 2025)
R. Sharpe (resigned 7 April 2025)
A. Jones (resigned 18 August 2025)
J.S. McMillan
S.A MacLeod

Registered Office:
81 Victoria Street
Rothesay
Isle of Bute
PA20 0AP

Registered Number:
SC279734

Scottish Charity Number:
SC036392

Solicitors:
T C Young
7 West George Street
Glasgow
G2 1BA

Auditor:
Azets Audit Services
Chartered Accountants
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Principal Banker:
Bank of Scotland
35/42 Montague Street
Rothesay
Isle of Bute
PA20 0BT

Statement of Directors' responsibilities

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company for that year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps to prevent and detect fraud and other irregularities.

Disclosure of information to the auditor

To the knowledge and belief of each of the persons who are directors at the time this report is approved:

- So far as each director is aware, there is no relevant information of which the charitable company's auditor is unaware; and
- He/she has taken all the steps that they ought to have taken as a director in order to make himself/herself aware of any relevant information, and to establish that the charitable company's auditor is aware of the information.

Auditor

The auditor, Azets Audit Services, will be proposed for reappointment at the Annual General Meeting.

Small companies' exemptions

The report has been prepared in accordance with the special provisions for small companies under Section 419(2) of the Companies Act 2006.

This report was approved by the Board on 9 September 2026 signed on its behalf by:

Name: D Herriot

Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER AND THE DIRECTORS OF FYNE FUTURES FOR THE YEAR ENDED 31 MARCH 2026

Opinion

We have audited the financial statements of Fyne Futures (the 'charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, and the notes to the financial statements, including 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 charitable company's affairs as at 31 March 2026 and of 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 (as amended).

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 auditor's 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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.

Emphasis of matter – financial statements prepared on a basis other than going concern

We draw attention to the going concern accounting policy included within note 2 of the financial statements which explains that the charitable company ceased trading in the year and all remaining assets and liabilities were transferred to the parent entity, Fyne Homes Limited. The directors intend to wind up the charitable company within the next 12 months and therefore do not consider it appropriate to adopt the going concern basis of accounting in preparing these financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 2. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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.

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 Directors' Report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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 Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors (who are also trustees of the charitable company for the purpose of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors 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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as an auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The extent to which the audit was considered capable of detecting irregularities including fraud

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

We obtain and update our understanding of the charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charitable company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators, and the charitable company's legal advisors.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER AND THE DIRECTORS OF FYNE FUTURES FOR THE YEAR ENDED 31 MARCH 2026

Use of our report

This report is made solely to the charitable company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's directors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's member, as a body, and the charitable company's directors, as a body, 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 charitable company, the charitable company's member, as a body, and the charitable company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Jennifer Spence, Senior Statutory Auditor
For and on behalf of
Azets Audit Services, Statutory Auditor
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Date: 9 September 2026

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME & EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Unrestricted Funds 2026 £	*Funds 2025 £*
Income			
Donations and grants	4	**29,919**	285,833
Charitable activities	5	**71,421**	144,588
		101,340	430,421
Expenditure on:			
Charitable activities	6	**(487,151)**	(455,534)
Transfer of net assets to Fyne Homes	18	**(381,999)**	
		(869,150)	(455,534)
Net movement in funds	8	**(767,810)**	(25,113)
Transfers between funds	8	-	-
Funds brought forward		**767,810**	792,923
Funds carried forward	13	-	767,810

The Statement of Financial Activities includes all gains and losses in the period. All income and expenditure derive from continuing activities. All funds received in 2026 are unrestricted.

The notes form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2026

	Notes	2026 £	2025 £
Fixed assets	9	-	193,559
Current assets			
Debtors	10	-	28,216
Cash and cash equivalents	11	-	573,367
		-	601,583
Creditors: amounts falling due within one year	12	-	(27,332)
Net current assets		-	574,251
Total assets less current liabilities		-	767,810
Net assets		-	767,810
Unrestricted funds	13	-	767,810
Total funds		-	767,810

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with Financial Reporting Standard 102.

The financial statements were authorised for issue by the Board of Directors on 9 September 2026 and signed on its behalf by:

Name: D Herriot

Director

Registered Number: SC279734

Scottish Charity Number: SC036392

The notes form part of these financial statements.

1. General Information

The financial statements are prepared in Pounds Sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. These financial statements represent the results of the charitable company only. The activities of the charitable company during the year and up to the point of ceasing were to focus on environmental sustainability, namely re-use, Local Produce and Car Club activities which provided employment and training opportunities. The charitable company also delivered a Carbon Reduction programme and performed wider role activities providing support to a range of community regeneration projects across the operational area.

Fyne Futures is a charitable company limited by guarantee, incorporated in the United Kingdom and registered in Scotland. The charitable company's registered in number is SC279734. The address of the charitable company's registered office is:

81 Victoria Street
Rothesay
Isle of Bute
PA20 0AP

The charitable company is defined as a public benefit entity and this complies with all disclosure requirements relating to public benefit entities. The registered charity number is SC036392 and it is registered with the Office of the Scottish Charity Regulator (OSCR).

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are noted below. These polices have been applied consistently to all the years presented, in dealing with items which are considered material in relation to the charitable company's financial statements unless otherwise stated.

Basis of Accounting

The financial statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and, in accordance with 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), the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)", the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The preparation of financial statements in compliance with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

2. Accounting policies (continued)

Going concern

During the year, the charitable company ceased its activities and all residual assets and liabilities were transferred to its parent entity, Fyne Homes Limited, prior to 31 March 2026. The charitable company is expected to be wound up in due course. Accordingly, the financial statements have been prepared on a basis other than going concern.

Income and expenditure

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income, receipt is probable and the amount can be reliably measured. The following specific policies are applied to particular categories of income:-

- Service Level Agreement (SLA) income is credited to income in the year in which the charitable company is entitled to the income, receipt is probable and the amount can be reliably measured.
- Donations and grants are recognised when the charitable company is entitled to the income, receipt is probable and the amount can be measured reliably. Where there are terms or performance related conditions attached, income is recognised to the extent that the conditions have been met. Income received in advance of conditions being met is deferred and released once those conditions are met. Where the grant or donation allows for the recovery by the donor of any unexpended grant, a liability is recognised when repayment becomes probable.
- Any other income from charitable activities is recognised when the charitable company becomes entitled to the income, receipt is probable and the amount can be reliably measured.

Expenditure is recognised on an accruals basis and related where practicable to the charitable company's activities. Where possible, expenditure is allocated directly to the function to which it relates. Where this is not possible, it is allocated on the basis of time spent by staff on that activity. The following specific policies are applied to particular categories of expenditure:-

- Charitable activities expenditure comprises those costs incurred by the charitable company in the delivery of its charitable activities and services.
- Support costs relate to the administrative and finance functions provided by Fyne Homes Limited and also include the governance costs in relation to constitutional and statutory requirements which is mainly audit and legal fees.

Fund accounting

Unrestricted funds are available for use at the discretion of the Board in furtherance of the general objectives of the charitable company.

Tangible fixed assets

Tangible fixed assets are included at historical cost. There is no minimum level with regards capitalisation of fixed assets.

At the end of each financial year, an impairment review is performed by the directors.

The following depreciation rates are used:

Buildings	-	2% straight line
Plant and machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance

2. Accounting policies (continued)

Tangible fixed assets (continued)

Computer/office equipment - 33.33% reducing balance

The asset under construction will not be depreciated until construction is complete and the asset becomes operational.

Debtors

Short term debtors are measured at the transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at the transaction value, net of transaction costs and are measured subsequently at amortised cost using the effective interest rate methods.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to and from group undertakings.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest rate method. Debt instruments that are payable or receivable within one year, typically trade payable or receivables, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of its recoverable amount, which is an approximation of the amount that the charitable company would receive for the asset if it were to be sold at the Balance Sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The Board is satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied in determining the depreciation rates which have been based on the expected useful lives of the fixed assets.

4. Donations and grants

	2026 **£**	*2025* *£*
Restyle Activities	**9,099**	-
Bute Produce activities	**11,222**	15,668
~~Car Bute/~~Bike Bute grants	**9,578**	20,100
Gift Aid – FE	**-**	250,000
Donations	**20**	65
	29,919	285,833

5. Charitable activities income

	2026 **£**	*2025* *£*
Recycling & Reuse activities	**21,718**	39,014
Employability activities	**38,247**	66,267
Bute Produce activities	**750**	25,913
Consultancy	**400**	100
Car Club/E-Bike Bute	**9,056**	10,525
Gain on sale of assets	**1,250**	2,614
Other	**-**	155
	71,421	*144,588*

6. Expenditure on charitable activities

	2026 £	*2025 £*
Employability & Volunteering activities	**126,475**	131,584
Bute Produce activities	**63,238**	101,508
Re-use activities	**210,792**	101,508
Bike Bute activities	**21,079**	41,355
Depreciation	**12,735**	18,537
Support costs	**52,832**	61,042
	487,151	455,534

Support costs comprise:

	2026 £	*2025 £*
Management fee from Fyne Homes Limited	**46,500**	50,000
Auditor's remuneration – external audit fees	**4,332**	7,158
Auditor's remuneration – non audit services	**2,000**	3,884
	52,832	*61,042*

Included in support costs is a management fee of £46,500 (*2025: £50,000*) charged by Fyne Homes Limited to cover the management, administrative and finance functions performed by Fyne Homes Limited on behalf of Fyne Futures.

7. Staff costs

	2026 £	*2025 £*
Wages and salaries	**306,886**	263,671
Social security costs	**19,500**	20,116
Other pension costs	**11,617**	5,622
	338,003	289,409

	Number	*Number*
Average monthly number of persons employed during the year	**10**	*13*
Full-time equivalent number of persons employed during the year	**10**	*11*

No directors received any emoluments in respect of their services (*2025: £nil*). No travel expenses were reimbursed to directors in the year.

No employee's emoluments exceeded £60,000 in the year (*2025: £Nil*).

	2026	2025
8. Net movement in funds	£	£
Net movement in funds are stated after charging:		
Depreciation of tangible fixed assets	**12,733**	18,537
Auditor's remuneration – audit fees	**4,332**	7,158
Auditor's remuneration – non audit fees	**2,000**	3,884

9. Fixed assets	Asset under construction	Buildings	Plant and machinery	Computer and office equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost:						
As at 1 April 2025	**54,366**	**165,441**	**93,475**	**20,039**	**35,604**	**368,925**
Additions	-	-	-	-	-	-
Disposals	-	-	**(32,520)**	-	-	**(32,520)**
Transfers	**(54,366)**	**(165,441)**	**(60,955)**	**(20,039)**	**(35,604)**	**(336,405)**
As at 31 March 2026	-	-	-	-	-	-
Depreciation:						
As at 1 April 2025	-	**69,445**	**67,602**	**15,058**	**23,261**	**175,366**
Charge for the year	-	**3,309**	**4,510**	**1,828**	**3,086**	**12,733**
Disposals	-	-	**(24,699)**	-	-	**(24,699)**
Transfers	-	**(72,754)**	**(47,413)**	**(16,886)**	**(26,347)**	**(163,400)**
As at 31 March 2026	-	-	-	-	-	-
Net Book Value:						
As at 31 March 2026	-	-	-	-	-	-
As at 31 March 2025	54,366	95,996	25,873	4,981	12,343	193,559

	2026	2025
10. Debtors	£	£
Trade debtors	-	**4,750**
Prepayments and accrued income	-	**18,518**
VAT debtor	-	**4,948**
	-	28,216

11. **Cash and cash equivalents**	**2026 £**	*2025 £*
Cash at bank and in hand	-	*573,367*

12. **Creditors:** amounts falling due within one year	**2026 £**	*2025 £*
Trade creditors	-	8,763
Accruals and deferred income	-	14,158
Other tax and social security costs	-	4,411
Amounts owed to group undertakings	-	-
	-	*27,332*

Included in accruals is £nil (*2025: £1,027)* of pension contributions to be paid.

13. **Funds**	**As at 1 April 2025 £**	**Income £**	**Expenditure £**	**Transfers**	**As at 31 March 2026 £**
Unrestricted funds - general	**767,810**	**101,340**	**(869,150)**	-	-
	767,810	**101,340**	**(869,150)**	-	-

	As at 1 April 2024 £	*Income £*	*Expenditure £*	*Transfers*	*As at 31 March 2025 £*
Unrestricted funds - general	*792,923*	*430,421*	*(455,534)*	-	*767,810*
Restricted fund – Bute Produce	-	*15,668*	*(15,668)*	-	-
Restricted fund – Car 7 Bike Bute	-	*20,100*	*(20,100)*	-	-
	792,923	*466,189*	*(491,302)*	-	*767,810*

14. Related party transactions

Fyne Homes Limited

Fyne Homes Limited is the parent of Fyne Futures.

During the year, a management fee of £46,500 (*2025: £50,000*) was charged by Fyne Homes Limited to cover administrative and finance support provided.

During the year, payroll costs and other costs were paid on behalf of Fyne Futures by Fyne Homes Limited. These costs were recharged in full to Fyne Futures.

During the year, Fyne Futures (Office Section) was charged £1,000 (*2025: £1,000*), for the rental of office by Fyne Homes Limited.

Gift aid of £nil *(2025: £250,000)* was paid to Fyne Futures by Fyne Energy Limited in the year as a result of a revision to the Community Distribution Agreement in March 2026.

At the Balance Sheet date £nil (*2025: £nil*) was owed to Fyne Homes Limited and this is included in the creditors.

Fyne Initiatives Limited

At the Balance Sheet date £nil (2025: £*nil*) was owed to Fyne Initiatives Limited.

15. Ultimate parent company

Fyne Homes Limited, a Co-operative and Community Benefits Society (number 1454RS) and Registered Scottish Charity (number SCO09152) is the ultimate parent company, by virtue of control.

The principal activity of the ultimate parent entity is the provision of social rented accommodation. The registered address is 81 Victoria Street, Rothesay, Isle of Bute, PA20 0AP.

16. Operating lease commitments

At 31 March 2026 the charitable company had no outstanding commitments for the future minimum lease payments under non-cancellable operating leases. which fall due as follows:

	2026 Premises £	*2025 Premises £*
Not later than one year	-	*5,920*
Later than one year and not later than five years	-	-
	-	*5,920*

17. Corporation tax

As Fyne Futures is a registered charity with OSCR and HMRC, no corporation tax is payable on its net income from its charitable activities (*2025: £nil*).

18. Transfer of assets to Fyne Homes Limited

During the year Fyne Futures ceased trading activities and transferred their residual assets and liabilities to Fyne Homes Limited for nil consideration prior to 31 March 2026. The assets and liabilities were transferred at fair value as follows:

	£
Assets:	
Fixed assets	**173,505**
Cash and cash equivalents	**202,532**
Debtors due within one year	**14,725**
Liabilities:	
Creditors falling due within one year	**(8,763)**
Transfer of Net Assets to Fyne Homes	**381,999**