REGISTERED COMPANY NUMBER: SC289379 (Scotland)
REGISTERED CHARITY NUMBER: SC042070

Report of the Trustees and

Financial Statements for the Year Ended 31 December 2025

for

TOLSTA COMMUNITY DEVELOPMENT LIMITED
(CONSOLIDATED)

Mann Judd Gordon Ltd
Chartered Accountants
& Statutory Auditors
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Contents of the Financial Statements
for the Year Ended 31 December 2025

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Report of the Trustees
for the Year Ended 31 December 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's object is to promote the social, educational, cultural and environmental wellbeing of the people of the Western Isles and in particular the residents of the area known as Tolsta by all or any of the following means:-
(i) the promotion of community development, including rural regeneration, following principles of sustainable development, where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs;
(ii) the provision of assistance to people who are disadvantaged by reason of age, ill health, disability, financial or other disadvantage;
(iii) the promotion of education including all forms of training for work and life skills;
(iv) the advancement of arts, culture and heritage, including support for the Gaelic arts and protection of buildings and sites of architectural or historic importance;
(v) the provision and support of recreational activities for the community, especially for disadvantaged or vulnerable groups, such as young people or the disabled; (vi) the protection and enhancement of the natural heritage and environment.

Significant activities

The community owned wind turbine has been generating electricity and generating profits for our wholly owned subsidiary, Tolsta Power Limited, all year.

Donations have been received from Tolsta Power to the value of £545,000 (2024 : £675,000).

TCDL has been giving help for fuel poverty towards the year end for several years now. This year 223 permanently occupied households received a supermarket voucher worth £300.

Minor Housing Repair Grants were paid out to 24 households.

Twenty-two students received a bursary for the academic year 2025/26 and seven learner drivers got help with the cost of lessons.

TCDL has continued to support Buth Tholastaidh with a monthly grant.

The North Tolsta Youth Club and Community Council were among the groups in the village to benefit from a grant. Enable and Sgoil a Bhac were again awarded a grant for their annual trips. Sgoil a Bhac also received funding to purchase chromebooks for their pupils.

A donation of £15,000 was made to Crossroads to help towards their running costs.

The laundry continues to be popular and is a steady source of income.

The polytunnel was closed with a view to enabling local residents to run an allotment group.

STRATEGIC REPORT

Achievements and performance

Charitable activities

The community owned wind turbine blades continue to turn, commencing the process of generating valuable income for the charity in order to allow us to further our charitable objectives over the life of the project.

Report of the Trustees
for the Year Ended 31 December 2025

STRATEGIC REPORT

Financial review

Financial position

As at the balance sheet date the charity had cash reserves of £1,226,325 to take forward into 2026 to support its charitable objectives (2024 : £997,423).

As at 31 December 2025 our wholly owned subsidiary Tolsta Power had retained profits of £891,116, for future distribution to Tolsta Community Development Limited in order to further our charitable objectives (2024: £818,714).

As at 31 December 2025, the consolidated reserves position of the group to take forward into 2026 is £2,505,644 (2024: £2,263,115).

Reserves policy

A Reserves Policy is in place to ensure that there is no significant disruption to our charitable activities. Holding appropriate reserves will enable us to respond to any unforeseen reduction in income ie in the case of major turbine breakdown and therefore lower income stream from Tolsta Power Ltd, or unbudgeted increases in expenditure. The amount reserved will be reviewed annually

Future plans

TCDL has now commenced plans for the acquisition of the school buildings for the community's use. A sub group has been set up to progress the plans and an application will be made to the Scottish Land Fund. After recent community consultation organised by Comhairle nan Eilean Siar, it has become apparent that further consultations will be required in 2027 with a final outcome on the closure expected in the third quarter of the year.

TCDL will continue with the bursary and grant schemes and will look to developing further schemes that will benefit the community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is a limited company, limited by guarantee as defined by the Companies Act 2006, and is governed by its memorandum and articles of association. In the event of the company being wound up members may be required to contribute an amount not exceeding £1 each.

Recruitment and appointment of new trustees

The Trustees of Tolsta Community Development Limited are appointed at every fourth Annual General Meeting. There are required to be a minimum of three trustees and a maximum of six. One third of the Trustees retire at every fourth AGM but are eligible for re-election at that time.

The Trustees are drawn, where possible, from the local community, or from those with strong connections to Tolsta.

Related parties

Trustees resident in Tolsta are eligible to apply for grant funding from Tolsta Community Development Ltd. Applications made by trustees are scrutinised by an independent member of the Tolsta community.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC289379 (Scotland)

Registered Charity number

SC042070

**Report of the Trustees
for the Year Ended 31 December 2025**

Registered office
Tigh Ceilidh
Airigh a'Bhreide
North Tolsta
Isle of Lewis
HS2 0NE

Trustees
D J Macritchie
M Maciver
M Maciver
H Morrison
I Macritche
M Macritchie

Company Secretary
M Maciver

Auditors
Mann Judd Gordon Ltd
Chartered Accountants
& Statutory Auditors
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

Senior management team
The day-to-day running of the charity is undertaken by Annabel Langhorne (administration staff), overseen by trustee Murdo Maciver.

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees (who are also the directors of Tolsta Community Development Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Mann Judd Gordon Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23 September 2026 and signed on the board's behalf by:

I Macritche - Trustee

Report of the Independent Auditors to the Trustees and Members of Tolsta Community Development Limited

Opinion
We have audited the financial statements of Tolsta Community Development Limited (the 'charitable parent company') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:
- give a true and fair view of the state of the group and the charitable parent company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and the charitable parent 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 trustees with respect to going concern are described in the relevant sections of this report.

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

Our opinion on the financial statements does not cover the other information and, 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Trustees and Members of Tolsta Community Development Limited

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:
- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees and Members of
Tolsta Community Development Limited

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach was as follows:
We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to employment matters and those relating directly the preparation of the financial statements, that is FRS102, Charities SORP and the Companies Act 2006.TCDL are also subject to data protection laws (GDPR) and health and safety within the workplace.

We assessed the risks of material misstatement in respect of fraud as follows:
As part of our audit team discussion, we identified if any particular area was more susceptible to misstatement. A list of the known related parties was compiled along with an expectation of transactions between them. We then made fraud enquires of those charged with governance and confirmed our related party list.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. We corroborated our enquiries of those charged with governance by a review of the board minutes to date, a review of the bank statements to date, a review of the service organisation's payroll files for the year and a review of legal fees charged in the year for any evidence of legal or regulatory issues. Our considerations at planning were corroborated and no further legal or regulatory issues were noted.

We considered the risk of fraud through management override. Given the size of the entity, no accounting software is used by the client, and so testing of journals for example was considered unnecessary. Instead, a review of the year of bank statements was undertaken, to identify any large or unusual transactions. No transactions outside the normal course of business were identified.
Given the size of the entity, segregation of duties is limited, so we designed our audit procedures to identify and to address any material misstatements arising from this. Appropriate approval controls were found to be in place.

As the parent charitable company of Tolsta Power Ltd, we have considered any instance of non-compliance by the subsidiary company and subsequent effect on the group. We are auditors for all entities within the group.

The engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations concluded that the overall risk was of fraud and misstatement was low and the experience of the audit team assigned was sufficient and no specialists were required. An appropriate level of materiality has been calculated in consideration of the inherent difficulty in detecting irregularities along with the perceived level of risk.

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

Report of the Independent Auditors to the Trustees and Members of Tolsta Community Development Limited

Use of our report

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

John E Moffat (Senior Statutory Auditor)
for and on behalf of Mann Judd Gordon Ltd
Chartered Accountants
& Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
26 Lewis Street
Stornoway
Isle of Lewis
HS1 2JF

23 September 2026

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Statement of Financial Activities- Group for the Year Ended 31 December 2025

	Notes	Unrestricted fund £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	340	-	340	-
Other trading activities	3	669,103	-	669,103	828,204
Investment income	4	2,894	-	2,894	3,997
Other income		1,588	-	1,588	4,403
Total		673,925	-	673,925	836,604
EXPENDITURE ON					
Raising funds	5	71,636	-	71,636	86,812
Charitable activities	6				
Charitable		347,070	4,840	351,910	501,682
Governance Costs		7,850	-	7,850	12,989
Total		426,556	4,840	431,396	601,483
NET INCOME/(EXPENDITURE)		247,369	(4,840)	242,529	235,121
RECONCILIATION OF FUNDS					
Total funds brought forward		2,079,184	183,931	2,263,115	2,027,994
TOTAL FUNDS CARRIED FORWARD		2,326,553	179,091	2,505,644	2,263,115

The notes form part of these financial statements

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Statement of Financial Activities – Charity Only
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2025

	Unrestricted fund £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	545,340	-	545,340	675,000
Other trading activities	90	-	90	1,680
Investment income	11,292	3,823	15,115	16,354
Other income	17,628	-	17,628	16,903
Total	574,350	3,823	578,173	709,937
EXPENDITURE ON				
Raising funds	8,383	-	8,383	8,398
Charitable activities				
Charitable	391,001	4,840	395,841	355,950
Total	399,384	4,840	404,224	364,348
NET INCOME/(EXPENDITURE)	174,966	(1,017)	173,949	345,589
RECONCILIATION OF FUNDS				
Total funds brought forward	1,260,470	180,109	1,440,579	1,094,990
TOTAL FUNDS CARRIED FORWARD	1,435,436	179,092	1,614,528	1,440,579

The notes form part of these financial statements

continued...

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Balance Sheet - Group
31 December 2025

	Notes	Unrestricted fund £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
FIXED ASSETS					
Tangible assets	13	753,978	25,078	779,056	872,176
CURRENT ASSETS					
Debtors	14	116,893	-	116,893	185,662
Prepayments and accrued income		108,728	-	108,728	117,781
Cash at bank and in hand		1,557,620	154,013	1,711,633	1,655,981
		1,783,241	154,013	1,937,254	1,959,424
CREDITORS					
Amounts falling due within one year	15	(56,912)	-	(56,912)	(405,869)
NET CURRENT ASSETS		1,726,329	154,013	1,880,342	1,553,555
TOTAL ASSETS LESS CURRENT LIABILITIES		2,480,307	179,091	2,659,398	2,425,731
PROVISIONS FOR LIABILITIES	18	(112,954)	-	(112,954)	(118,416)
ACCRUALS AND DEFERRED INCOME	19	(40,800)	-	(40,800)	(44,200)
NET ASSETS		2,326,553	179,091	2,505,644	2,263,115

The notes form part of these financial statements

continued...

Balance Sheet - Group- continued
31 December 2025

FUNDS	20		
Unrestricted funds:			
General fund		2,326,553	2,079,184
Restricted funds:			
Tolsta Community Owned Windfarm		151,155	151,155
Buth Tholastaidh		9,324	11,655
Tigh Ceilidh		16,628	19,137
Accordion Tuition		185	185
Skills development project		1,118	1,118
Polytunnel project		681	681
		179,091	183,931
TOTAL FUNDS		2,505,644	2,263,115

The financial statements were approved by the Board of Trustees and authorised for issue on 23 September 2026 and were signed on its behalf by:

I Macritche - Trustee

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Balance Sheet – Charity Only
31 December 2025

	Unrestricted fund £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
FIXED ASSETS				
Tangible assets	114,672	25,078	139,750	170,979
Investments	2	-	2	2
	114,674	25,078	139,752	170,981
CURRENT ASSETS				
Debtors	114,020	153,119	267,139	288,014
Cash at bank	1,225,429	896	1,226,325	997,423
	1,339,449	154,015	1,493,464	1,285,437
CREDITORS				
Amounts falling due within one year	(18,687)	(1)	(18,688)	(15,839)
NET CURRENT ASSETS	1,320,762	154,014	1,474,776	1,269,598
TOTAL ASSETS LESS CURRENT LIABILITIES	1,435,436	179,092	1,614,528	1,440,579
NET ASSETS	1,435,436	179,092	1,614,528	1,440,579
FUNDS				
Unrestricted funds:				
General fund			1,435,436	1,260,470
Restricted funds:				
Tolsta Community Owned Windfarm			151,156	147,333
Buth Tholastaidh			9,324	11,655
Tigh Ceilidh			16,628	19,137
Accordion Tuition			185	185
Skills development project			1,118	1,118
Polytunnel project			681	681
			179,092	180,109
TOTAL FUNDS			1,614,528	1,440,579

The notes form part of these financial statements

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Balance Sheet – Charity Only- continued
31 December 2025

The financial statements were approved by the Board of Trustees and authorised for issue on 23 September 2026 and were signed on its behalf by:

I Macritche - Trustee

The notes form part of these financial statements

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Cash Flow Statement - Gruop
for the Year Ended 31 December 2025

	Notes	31.12.25 £	31.12.24 £
Cash flows from operating activities			
Cash generated from operations	1	389,416	354,621
Interest paid		(1,352)	(15,741)
Tax paid		(136,120)	66,725
Net cash provided by operating activities		251,944	405,605
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,034)	(74,374)
Sale of tangible fixed assets		7,867	8,000
Interest received		2,894	3,405
Net cash provided by/(used in) investing activities		8,727	(62,969)
Cash flows from financing activities			
Loan repayments in year		-	(51,105)
Capital repayments in year		(205,019)	-
Net cash used in financing activities		(205,019)	(51,105)
Change in cash and cash equivalents in the reporting period		55,652	291,531
Cash and cash equivalents at the beginning of the reporting period		1,655,981	1,364,450
Cash and cash equivalents at the end of the reporting period		1,711,633	1,655,981

The notes form part of these financial statements

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Notes to the Cash Flow Statement - Group
for the Year Ended 31 December 2025

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

	31.12.25	31.12.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	242,529	235,121
Adjustments for:		
Depreciation charges	84,680	71,881
Loss/(profit) on disposal of fixed assets	2,607	(3,727)
Interest received	(2,894)	(3,405)
Interest paid	1,352	15,741
Deferred tax movement	(5,462)	(4,300)
Decrease in debtors	77,822	63,180
Decrease in creditors	(11,218)	(19,870)
Net cash provided by operations	389,416	354,621

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.25	Cash flow	At 31.12.25
	£	£	£
Net cash			
Cash at bank and in hand	1,655,981	55,652	1,711,633
	1,655,981	55,652	1,711,633
Debt			
Debts falling due within 1 year	(205,019)	205,019	-
	(205,019)	205,019	-
Total	1,450,962	260,671	1,711,633

Cash Flow Statement – Charity Only
for the Year Ended 31 December 2025

	Notes	31.12.25 £	31.12.24 £
Cash flows from operating activities			
Cash generated from operations	1	216,789	349,675
Net cash provided by operating activities		216,789	349,675
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,034)	(74,375)
Sale of tangible fixed assets		1,200	8,000
Interest received		6,717	7,364
Net cash provided by/(used in) investing activities		5,883	(59,011)
Cash flows from financing activities			
Balance from Tolsta Power Ltd		6,230	(1,367)
Net cash provided by/(used in) financing activities		6,230	(1,367)
Change in cash and cash equivalents in the reporting period		228,902	289,297
Cash and cash equivalents at the beginning of the reporting period		997,423	708,126
Cash and cash equivalents at the end of the reporting period		1,226,325	997,423

The notes form part of these financial statements

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Notes to the Cash Flow Statement – Charity Only
for the Year Ended 31 December 2025

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

	31.12.25	31.12.24
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	173,949	345,589
Adjustments for:		
Depreciation charges	32,996	20,197
Profit on disposal of fixed assets	(933)	(3,727)
Interest received	(6,717)	(7,364)
Decrease/(increase) in debtors	14,645	(5,576)
Increase in creditors	2,849	556
Net cash provided by operations	216,789	349,675

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.25	Cash flow	At 31.12.25
	£	£	£
Net cash			
Cash at bank	997,423	228,902	1,226,325
	997,423	228,902	1,226,325
Total	997,423	228,902	1,226,325

1. ACCOUNTING POLICIES

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

The presentation currency of the accounts is Pound sterling (£).
The accounts are rounded to the nearest £1.

Consolidated financial statements
The consolidated accounts incorporate the accounts of the parent charitable company, Tolsta Community Development Limited and its wholly-owned subsidiary, Tolsta Power Ltd. All inter-company transactions and year-end balances are removed on consolidation.

Going Concern
The Charity is a going concern and there are no material uncertainties casting significant doubt over its ability to continue as a going concern.

Critical accounting judgements and key sources of estimation uncertainty
Fixed asset net book value and depreciation charges are the areas of the accounts which are affected by significant judgements and estimates. The trustees exercise judgement in determining both the useful economic life and the likely residual value of the charity's assets. This judgement affects the rates of and charge for depreciation as well as grant release in the accounts for the year. It also therefore affects the net book value of the assets in the balance sheet.

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

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

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

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

Freehold property	-	5% depreciation on cost
Plant and machinery	-	25% depreciation on cost
Fixtures and fittings	-	20% depreciation on cost
Motor vehicles	-	25% depreciation on cost
Computer equipment	-	25% depreciation on cost

1. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

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

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

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

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

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

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors and creditors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Government Grants
Income from government and other grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2025

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
Donations	340	-	340	-

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
Wind Farm income	667,304	-	667,304	824,363
Plant and feed sales	91	-	91	1,681
Loom income	1,708	-	1,708	2,160
	669,103	-	669,103	828,204

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
Rent received - other	-	-	-	592
Deposit account interest	2,894	-	2,894	3,405
	2,894	-	2,894	3,997

5. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
Operating leases - Windfarm	8,383	-	8,383	9,196
Windfarm operating costs	13,617	-	13,617	13,591
Depreciation	48,284	-	48,284	48,284
Interest payable and similar charges	1,352	-	1,352	15,741
	71,636	-	71,636	86,812

continued...

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 7)	Support costs (see note 8)	Totals
	£	£	£	£
Charitable	70,276	246,271	35,363	351,910
Governance Costs	-	-	7,850	7,850
	70,276	246,271	43,213	359,760

7. GRANTS PAYABLE

	31.12.25	31.12.24
	£	£
Charitable	246,271	224,364

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

	31.12.25	31.12.24
	£	£
Buth Tholastaidh	36,500	28,436
Enable	8,678	-
Bethesda	-	30,000
Crossroads	15,000	-
Alzheimer Scotland	-	2,763
North Tolsta Youth Club	1,000	1,200
Dun Berisay	-	1,000
Back School	2,786	1,994
	63,964	65,393

8. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Charitable	30,786	944	3,633	35,363
Governance Costs	-	-	7,850	7,850
	30,786	944	11,483	43,213

continued...

9. NET INCOME/(EXPENDITURE)

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

	31.12.25	31.12.24
	£	£
Auditors' remuneration	8,133	9,420
Auditors' remuneration for non audit work	3,350	3,569
Depreciation - owned assets	84,680	71,881
Other operating leases	8,383	9,196
(Deficit)/surplus on disposal of fixed assets	2,607	(3,727)

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024.

11. STAFF COSTS

	31.12.25	31.12.24
	£	£
Wages and salaries	52,685	48,773
Other pension costs	886	1,031
	53,571	49,804

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

	31.12.25	31.12.24
Administration	2	2

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

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Other trading activities	828,204	-	828,204
Investment income	3,997	-	3,997
Other income	4,403	-	4,403
Total	836,604	-	836,604
EXPENDITURE ON			
Raising funds	86,812	-	86,812
Charitable activities			
Charitable	496,842	4,840	501,682
Governance Costs	12,989	-	12,989
Total	596,643	4,840	601,483
NET INCOME/(EXPENDITURE)	239,961	(4,840)	235,121
RECONCILIATION OF FUNDS			
Total funds brought forward	1,839,223	188,771	2,027,994
TOTAL FUNDS CARRIED FORWARD	2,079,184	183,931	2,263,115

continued...

13. TANGIBLE FIXED ASSETS - GROUP

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2025	171,374	1,335,375	53,171
Additions	-	2,034	-
Disposals	-	(18,415)	-
At 31 December 2025	171,374	1,318,994	53,171
DEPRECIATION			
At 1 January 2025	89,253	597,581	46,266
Charge for year	8,569	62,961	1,828
Eliminated on disposal	-	(8,208)	-
At 31 December 2025	97,822	652,334	48,094
NET BOOK VALUE			
At 31 December 2025	73,552	666,660	5,077
At 31 December 2024	82,121	737,794	6,905

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2025	47,344	4,753	1,612,017
Additions	-	-	2,034
Disposals	(1,500)	-	(19,915)
At 31 December 2025	45,844	4,753	1,594,136
DEPRECIATION			
At 1 January 2025	2,188	4,553	739,841
Charge for year	11,223	99	84,680
Eliminated on disposal	(1,233)	-	(9,441)
At 31 December 2025	12,178	4,652	815,080
NET BOOK VALUE			
At 31 December 2025	33,666	101	779,056
At 31 December 2024	45,156	200	872,176

continued...

13. TANGIBLE FIXED ASSETS – CHARITY ONLY

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2025	171,374	61,693	53,171
Additions	-	2,034	-
Disposals	-	-	-
At 31 December 2025	171,374	63,727	53,171
DEPRECIATION			
At 1 January 2025	89,253	25,096	46,266
Charge for year	8,569	11,277	1,828
Eliminated on disposal	-	-	-
At 31 December 2025	97,822	36,373	48,094
NET BOOK VALUE			
At 31 December 2025	73,552	27,354	5,077
At 31 December 2024	82,121	36,597	6,905

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2025	47,344	4,753	338,335
Additions	-	-	2,034
Disposals	(1,500)	-	(1,500)
At 31 December 2025	45,844	4,753	338,869
DEPRECIATION			
At 1 January 2025	2,188	4,553	167,356
Charge for year	11,223	99	32,996
Eliminated on disposal	(1,233)	-	(1,233)
At 31 December 2025	12,178	4,652	199,119
NET BOOK VALUE			
At 31 December 2025	33,666	101	139,750
At 31 December 2024	45,156	200	170,979

continued...

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity Only	
	31.12.25	31.12.24	31.12.25	31.12.24
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	-	-	-	-
Amounts owed by group undertakings	-	-	94,402	104,455
Other debtors	116,893	185,662	25,029	39,674
	116,893	185,662	119,431	144,129
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	147,708	143,885
Aggregate amounts	116,893	185,662	267,139	288,014

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity Only	
	31.12.25	31.12.24	31.12.25	31.12.24
	£	£	£	£
Bank loans and overdrafts	-	205,019	-	-
Trade creditors	6,554	1,173	6,554	1,173
Taxation and social security	12,349	137,736	-	-
Other creditors	38,009	61,941	12,134	14,666
	56,912	405,869	18,688	15,839

continued...

16. LOANS

An analysis of the maturity of loans is given below:

	31.12.25	31.12.24
	£	£
Amounts falling due within one year on demand:		
Bank loans	-	205,019

17. LEASING AGREEMENTS

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

	31.12.25	31.12.24
	£	£
Within one year	10,097	10,098
Between one and five years	36,142	37,840
In more than five years	58,787	67,186
	105,026	115,124

Tolsta Community Development Limited is party to a 25 year lease of the turbine site in Tolsta, From Stornoway Trust.Tolsta Community Development Limited also rents out a printer/photocopier for a period of up to 5 years at a time.

18. PROVISIONS FOR LIABILITIES

	31.12.25	31.12.24
	£	£
Provisions	112,954	118,416

19. ACCRUALS AND DEFERRED INCOME

	31.12.25	31.12.24
	£	£
Accruals and deferred income	40,800	44,200

continued...

20. MOVEMENT IN FUNDS

	At 1.1.25	Net movement in funds	At 31.12.25
	£	£	£
Unrestricted funds			
General fund	2,079,184	247,369	2,326,553
Restricted funds			
Tolsta Community Owned Windfarm	151,155	-	151,155
Buth Tholastaidh	11,655	(2,331)	9,324
Tigh Ceilidh	19,137	(2,509)	16,628
Accordion Tuition	185	-	185
Skills development project	1,118	-	1,118
Polytunnel project	681	-	681
	183,931	(4,840)	179,091
TOTAL FUNDS	2,263,115	242,529	2,505,644

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	673,925	(426,556)	247,369
Restricted funds			
Buth Tholastaidh	-	(2,331)	(2,331)
Tigh Ceilidh	-	(2,509)	(2,509)
	-	(4,840)	(4,840)
TOTAL FUNDS	673,925	(431,396)	242,529

continued...

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted fund	1,839,223	239,961	2,079,184
Restricted funds			
Tolsta Community Owned Windfarm	151,155	-	151,155
Buth Tholastaidh	13,986	(2,331)	11,655
Tigh Ceilidh	21,646	(2,509)	19,137
Accordion Tuition	185	-	185
Skills development project	1,118	-	1,118
Polytunnel project	681	-	681
	188,771	(4,840)	183,931
TOTAL FUNDS	2,027,994	235,121	2,263,115

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted fund	836,604	(596,643)	239,961
Restricted funds			
Buth Tholastaidh	-	(2,331)	(2,331)
Tigh Ceilidh	-	(2,509)	(2,509)
	-	(4,840)	(4,840)
TOTAL FUNDS	836,604	(601,483)	235,121

continued...

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.24	Net movement in funds	At 31.12.25
	£	£	£
Unrestricted fund	1,839,223	487,330	2,326,553
Restricted funds			
Tolsta Community Owned Windfarm	151,155	-	151,155
Buth Tholastaidh	13,986	(4,662)	9,324
Tigh Ceilidh	21,646	(5,018)	16,628
Accordion Tuition	185	-	185
Skills development project	1,118	-	1,118
Polytunnel project	681	-	681
	188,771	(9,680)	179,091
TOTAL FUNDS	2,027,994	477,650	2,505,644

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted fund	1,510,529	(1,023,199)	487,330
Restricted funds			
Buth Tholastaidh	-	(4,662)	(4,662)
Tigh Ceilidh	-	(5,018)	(5,018)
	-	(9,680)	(9,680)
TOTAL FUNDS	1,510,529	(1,032,879)	477,650

21. RELATED PARTY DISCLOSURES

Tolsta Power is the wholly owned subsidiary of Tolsta Community Development Limited. Tolsta Power is the special purpose vehicle set up to own and operate the Charity's community owned wind turbine.

At the balance sheet date the company owes Tolsta Community Development Ltd the sum of £242,111 (2024:£248,340) in respect of funding received towards the cost of the turbine project and the purchase of looms for rent by weavers in the Tolsta community. Notional interest of £3,823 (2024: £3,959) was charged in the year.

During the year the company paid donations of £545,000 (2024: £675,000) to Tolsta Community Development Limited.

During the year the company paid rent of £8,398 (2024: £8,398) to Tolsta Community Development Limited in respect of the turbine site. At the year end, a liability of £Nil (2024: £9,296) was due from Tolsta Power to Tolsta Development Limited for rent.

continued...

21. RELATED PARTY DISCLOSURES - continued

During the year the Board of Tolsta Community Development Ltd approved a management charge be levied on Tolsta Power in recognition of the administration support provided by charity staff. The sum of £12,500 for the year(2024: £12,500) has been accrued at the year end.

One director was paid a fee of £1,150 (2024: £750) in relation to work on call outs to turbines

Fuel poverty gift cards - 4 Trustees and 6 Directors as residents of Tolsta - £3,000 (2024 : ££3,000).

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Detailed Statement of Financial Activities for the Year Ended 31 December 2025

	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	340	-	340	-
Other trading activities				
Wind Farm income	667,304	-	667,304	824,363
Plant and feed sales	91	-	91	1,681
Loom income	1,708	-	1,708	2,160
	669,103	-	669,103	828,204
Investment income				
Rent received - other	-	-	-	592
Deposit account interest	2,894	-	2,894	3,405
	2,894	-	2,894	3,997
Other income				
Gain on sale of tangible fixed assets	(2,607)	-	(2,607)	3,727
Laundry income	4,195	-	4,195	676
	1,588	-	1,588	4,403
Total incoming resources	673,925	-	673,925	836,604
EXPENDITURE				
Other trading activities				
Operating leases - Windfarm	8,383	-	8,383	9,196
Windfarm operating costs	13,617	-	13,617	13,591
Plant & machinery depreciation - windfarm	51,684	-	51,684	51,684
Grant Release - Windfarm	(3,400)	-	(3,400)	(3,400)
Bank interest - windfarm	1,352	-	1,352	15,741
	71,636	-	71,636	86,812
Charitable activities				
Wages	52,685	-	52,685	48,773
Pensions	886	-	886	1,031
Rates and water	266	-	266	367
Other professional fees	16,193	-	16,193	9,653
Carried forward	70,030	-	70,030	59,824

TOLSTA COMMUNITY DEVELOPMENT LIMITED

Detailed Statement of Financial Activities for the Year Ended 31 December 2025

	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
Charitable activities				
Brought forward	70,030	-	70,030	59,824
Supplies for Polytunnel	246	-	246	1,572
Grants to institutions	63,964	-	63,964	65,393
Grants to individuals	182,307	-	182,307	158,971
	316,547	-	316,547	285,760
Support costs				
Management				
Insurance	44,581	-	44,581	41,951
Light and heat	12,487	-	12,487	9,110
Telephone and internet	1,571	-	1,571	2,501
Postage, stationery and advertising	2,633	-	2,633	4,115
Travel and subsistence	45	-	45	253
Sundries	6,898	-	6,898	7,506
Repairs and renewals	65,365	-	65,365	59,950
Tax	-	-	-	66,725
Cleaning	4,979	-	4,979	5,560
Motor expenses	812	-	812	2,163
Deferred tax	(5,461)	-	(5,461)	(4,300)
Over provision of CT	(136,120)	-	(136,120)	-
Depreciation of freehold property	3,729	4,840	8,569	8,569
Depreciation of plant & machinery	11,276	-	11,276	9,200
Depreciation of fixtures and fittings	1,828	-	1,828	1,284
Depreciation of motor vehicles	11,223	-	11,223	1,044
Depreciation of computer equipment	100	-	100	100
	25,946	4,840	30,786	215,731
Finance				
Bank charges	944	-	944	191
Governance costs				
Auditors' remuneration	8,133	-	8,133	9,420
Auditors' remuneration for non audit work	3,350	-	3,350	3,569
	11,483	-	11,483	12,989
Total resources expended	426,556	4,840	431,396	601,483
Net income	247,369	(4,840)	242,529	235,121

This page does not form part of the statutory financial statements