

Sanday Development Trust



SANDAY DEVELOPMENT TRUST

ANNUAL REPORT



Directors, staff and members at Harbour House open day

Led by our community, for our community

CONTENTS

3 to 5	Reflections from the Chair
6 to 7	Report from the Treasury
8 to 11	Our main activities this year
12	Structure, governance and management
13	Our charitable objectives
14	Financial review
15	Summary of financial activities
16	Charity information

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From the Chair

**Reflections on the year April 2017 to March 2018 by
Sandra Towrie.**

In what has been a busy year for the Trust, I must pause as we approach the Annual General Meeting, and consider the work of the organisation as a whole, its sub-groups and its trading subsidiaries. Because of the need for a full audit last year which delayed the AGM until February of this year, I was actually only Chairman for the final two months of the year being reported.

The most ambitious project undertaken by the Trust so far, the redevelopment of part of Kettletoft, is at last making progress, after many frustrating delays in the purchase of some of the property. The refurbishment of Harbour House, to provide temporary rented accommodation for new residents while they make more permanent arrangements, is underway. This is the first part of the project, with work on the other properties following close behind.



Steve Ray at Harbour House
open day.

The bulk of the planning work around this project is being undertaken by the Kettletoft sub-group, which is made up of directors and relevant staff, who report regularly to the Board of Directors. There will be a display of what is planned at the AGM on 3rd December.

WELCOME

Another sub-group that has been working hard behind the scenes is the Care for Sanday group. This group was established to explore the options for providing care for elderly and other vulnerable members of the community. Funding was granted by the Islands Housing Fund for a Housing Needs and Demands survey, options appraisal, a valuation of land to be purchased, and production of preliminary architectural drawings. The funding was granted following a multi-island application from four island trusts, enabling the trusts to work collaboratively, with Sanday Development Trust as the lead partner. This group will also be presenting a display at the AGM and will be inviting comments and suggestions.

After frustrating delays in obtaining planning permission and spells of somewhat adverse weather conditions, the Community Garden project has made excellent progress this year. The sturdy polycrub has provided a growing environment for friendships between the generations as well as plants, both edible and decorative. A poly tunnel will follow soon to increase the sheltered growing area and as the trees and bushes that have been planted prosper they will help to shelter the outdoor plots. It is appropriate that a colourful bench in memory of the late Elizabeth Sichel has been placed in the garden. Elizabeth was a loyal supporter of the Trust and its work, as well as being a keen gardener. Funding for the Community Garden was granted by the People's Health Trust and our project was randomly selected for inspection earlier this year. I am very pleased to report that the project, and the governance and financial procedures of the Trust as a whole, passed muster and were given a very good report. This underlines the importance of having robust, transparent procedures in place for all of the Trust's activities.

Heilsa Fjold continues to be well used by members of the community as well as visitors, who write encouraging remarks in the visitors book. Young people drop in for organised sessions as well as coming to use the facilities on an individual basis. Other members of the community hire the premises for a variety of purposes, enjoy very good cake at the weekly café and use the Swishing Shed to donate unwanted or outgrown clothes or find just the garment they need. Businesses from outside Sanday welcome the opportunity to hire a room or just to drop in for an hour to use the wifi to catch up with work.

It has been very gratifying to welcome the Appiehouse Stone 'home' to the Heritage Centre. Considering the stone is not something that could be slipped out of the building in a hand-bag, a tremendous amount of planning, security and insurance had to take place before this was allowed. Local folk and visitors continue to visit the Heritage Centre, the Croft and the Burnt Mound, where there is always something interesting to see.

Another interesting place, the Re-use Centre, continues to be successful with a good turnover of items for sale, proving that one person's redundant 'bruck' is just what someone else needs. Funds raised by the volunteers help to support the work of the Trust.

Other well-established parts of the Trust continue to provide interest, education and entertainment in the community. The Ranger organises a variety of events as well as recording valuable data for research purposes. Skills for Sanday has offered opportunities to learn a wide range of skills from conversational Spanish to drystone walling. The Soulka group, in conjunction with other community groups, has organised weekend-long events of social activities including (not simultaneously!) music, dancing, eating, fishing, wine tasting, talks,

open studios, building sandcastles and much more.

Sanday Development Trust has two trading subsidiaries, both of which are Community Interest Companies. Sanday Enterprises (SECIC) operates the popular Sanday Bus which operates between Loth and the rest of the island, providing transport to and from the Ferry as well as running a weekly trip to the shops and being the transport for the Sanday Experience, a day long taste of Sanday aimed at visitors. Sanday Renewables (SRCIC) is the company that manages the co-venturing agreement with SSE in the Spurness Windfarm which generates valuable income to facilitate the work of the Trust.

I am proud to be a part of an organisation that is so involved in the community. It is easy, when getting overtaken by relatively minor, but time-consuming, issues, to lose sight of the vision, the reason for the Trust's existence: to develop a community where younger folk can find work and an inviting environment, and the more vulnerable members of the community can feel safe and cared for. Taking the time to list the work of the past year has reminded me of that vision.

If you would like to help make the vision a reality, please consider becoming a member of Sanday Development Trust or, if you are already a member, perhaps you might consider becoming a director.

I look forward to seeing you at the AGM on 3rd December

Sandra Towrie



Some younger members of the community in action at Heilsa Fjold

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Report from the Treasury

REPORT FROM THE TREASURY

The majority of the Trust's income for the year came from grant funding and from our share in the windfarm at Spurness. A little over £46000 was added to the Trust's unrestricted fund from Sanday Renewables Community Interest Company (SRCIC). SRCIC is wholly owned by the Trust and this income enables the Trust to cover running costs that are ineligible for funding, to cover costs of projects which are part funded, and to pay for work for which grant funding is retrospective. A secure financial position is essential in the current financial climate to enable the Trust to apply for grant funding. The income to the Trust from the windfarm is therefore vital to its ongoing work.

£6000 was awarded from Scottish Natural Heritage towards the cost of the Ranger. This level of funding is expected to continue until October 2019. The remainder of the cost was met from unrestricted funds, which were augmented by income from some Ranger activities. Although many activities were provided free of charge to allow full access to the Ranger services and to meet funding stipulations, we were able to charge for some services provided, for example to the RSPB and specially commissioned tours.

In addition, £1500 was received from the 'Your Islands Your Choice' initiative which enabled a group of volunteer rangers to be established. The funding is being used mainly for improving beach access.

Funding was received from Highlands and Islands Enterprise (HIE) for half of the employment cost of the Projects and Grants Officer, the remainder being met from unrestricted funds. As funding levels decrease, competition for funds increases, so it is essential to have a dedicated post for managing funding applications. Funding from HIE for this post was increased slightly for the following year.

A little over £3000 was raised towards the cost of running the Heritage Centre, through donations, profit from shop sales and fund raising. In addition, funding was received from SSE/Sanday Community Council for half of the employment cost of the Heritage Centre Assistant/Custodian. The remainder of the costs were met from unrestricted funds.

Skills for Sanday was supported by a combination of funding from SSE/Sanday Community Council and unrestricted funds. In

addition, £5000 is receivable from Scottish Sea Farms, but only one claim can be submitted after all eligible expenditure has been made. In the meantime this expenditure is met from unrestricted funds.

Nearly £136,000 was received from Scottish Land Fund, enabling purchase of Harbour House just prior to the financial year, and purchase of Kettletoft Stores towards the end of the financial year. Funding was also received to cover project management costs for three years. It is anticipated that funding will contribute towards the renovation of the properties but in the meantime work has begun which is being met from unrestricted funds.

Funding was received from the Islands Housing Fund which fully covered the costs of a housing needs survey, options appraisal, land valuation and initial architectural drawings for a potential care facility. This work has been largely completed and plans are underway for continuation of the project to provide residential care facilities on the island.

Setting up of the community garden was fully funded by the People's Health Trust and costs will continue to be met to March 2019.

A little under £3000 was raised through the reuse shop. This money adds to the Trust's unrestricted funds.

The costs of running Heilsa Fjold, including supervised drop-ins, and Trust administration were met from unrestricted funds. About half of the costs specific to Heilsa Fjold were met by rental income from the Coastguard, room hire income and donations.

The Trust were pleased to be able to donate about two and a half thousand pounds to community groups on the island and five and a half thousand pounds to THAW Orkney, towards their work to reduce fuel poverty in Orkney, including on Sanday.

Overall the income for the year enabled the Trust to continue to meet its ongoing commitments, maintain sufficient reserves, and to explore future projects for the benefit of the community. Directors continue to consider the need to generate income as funding sources decrease in order to sustain the organisation and its projects now and into the future.

Our main activities this year

Redevelopment of Kettletoft Village

Progress continued in the planned redevelopment of Kettletoft village. Harbour house was purchased in March 2017, with assistance from the Scottish Land Fund. The intention was to renovate the building and let it as a gateway house, allowing prospective new residents a chance to live on the island temporarily while completing arrangements for permanent residency.

Agreement was reached to purchase the old Kettletoft stores building and yard in October 2017, with financial assistance from the Scottish Land Fund, but the Trust were not able to take possession until March 2018. The long wait to take possession delayed progress considerably but the Trust were in a position to begin to take plans forward by the end of the year.

This project principally relates to Object 1 (Management of community land and assets)

and Object 6 (To preserve, restore and improve the environment).



Opening Harbour House (!)

Ranger service

The Ranger continued to provide a valuable service to the local and wider community throughout the year. This part time post was supported by Scottish Natural Heritage.

Activities included a programme of events throughout the year, such as Orca Watch Week, puffin walks, health walks, archaeology walks and birdwatching workshops and assisting outside organisations such as Scottish Natural Heritage, Scottish Water, the Orkney Nature Festival, and the Royal Society for the Protection of Birds.

Additional funding from Your Islands Your Choice enabled the establishment of a group of volunteer rangers with a particular focus on improving accessibility of beaches. Volunteers carried out improvements to the wooden benches around the island, repaired and

renovated one of the old bird survey hides and updated information boards on some of the beaches. Although numbers were lower than hoped, a committed group continued to meet and it was hoped that numbers might increase the following year.

Other services included organising a Shorewatch workshop in conjunction with WDC (Whale and Dolphin Conservation), supporting volunteers monitoring movement of cetaceans and other marine mammals and basking sharks and administering avian first aid.

Principal objectives met: 2 (To provide facilities for recreation); 3 (To advance education); 6 (To preserve, restore and improve the environment); 10 (To promote volunteering) and 12 (To promote well-being and physical health of residents).

The Heritage Centre

The Heritage Centre, in Lady Village, was open for its fourth full year of displays and events, managed by a group of volunteers and a part time employee. Assistance for the part time post was received from SSE/Sanday Community Council, and the OIC Culture Fund helped fund new displays.

Thanks to the help of volunteers, the Heritage Centre was able to open seven days a week from April to October, as well as weekends and other times by arrangement from November to March. The Heritage Centre was the last stop on the Sanday Experience tour, run by the bus company through the summer months, and visitor numbers overall were up on the previous year.

New exhibits included a display on Sir Peter

Maxwell Davies, a time line and a display of the archaeological dig at Cata Sand. Old favourites included streamed footage from sea life cams.

As well as continuing interest from residents, visitors included holiday makers, family tree researchers and a PhD researcher.

Heritage Centre activities primarily relate to Object 2 (Facilities for recreation), Object 3 (Promotion of opportunities for learning), Object 5 (Management of a museum), Object 10 (To encourage and support volunteering) and Object 11 (Preservation of heritage).

Heilsa Fjold Youth and Community Centre

Drop-in facilities were available for extended hours for residents and visitors, allowing access for people of all ages to a warm, dry place to sit, meet friends, make drinks, and use the wifi, xbox, TV and toilets. The Centre was managed by a part time employee and supervised drop-ins for children were run by a part time employee twice a week.

A number of group events were hosted, such as Skills for Sanday courses and Craft Club, encouraging learning and new social links between residents.

A café, provided by a franchisee, was available on one or two days a week, depending on the time of year, providing a focus for meeting socially.

The swishing shed remained popular, helping people to meet short and long term clothing needs, a service of particular value to people on low incomes.

Heilsa Fjold was hired on a regular basis by service providers, such as Kirkwall veterinary practices, and a podiatry practice, and also for privately organised events

including yoga, private parties and public meetings. Occasional events were held, including exhibitions of art and crafts, cookery demonstrations and games.



Jane in the Swishing Shed

The visitors book was signed by over 2000 people, in addition to those attending for regular and organised events.

Main objects met: 2 (Facilities for recreation); 3 (Promotion of learning opportunities); 8 (Relief of poverty); 4 (Promotion of the arts).

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Skills for Sanday

Skills for Sanday continued, managed by a part time employee. The project, supported in part by SSE/Sanday Community Council, provided training opportunities on Sanday, as well as opportunities for residents to share their skills professionally.

Many courses and workshops were put on through the year including an introduction to felting, patchwork and quilting, ceramics workshops, laptop and tablet clinics, sheep shearing, car maintenance, contemporary drawing, a Spanish language course, MiDAS training, dry stone walling, and British sign language training. Regular monthly needlework sessions were held, enabling residents to meet informally and to share skills. A craft group was set up, members of which subsequently developed a craft hub, run by volunteers external to the Trust. This was instrumental in enabling one resident to set up an on-line business.

Preparations were ongoing into provision of more employment based skills, including touch typing and computer skills.

This project primarily relates to Object 2 (Facilities for leisure and recreation), Object 3 (Opportunities for learning) and Object 9 (Training, particularly in employment skills).

Care for Sanday

The Development Trust took responsibility for a group which was set up to explore and meet housing needs for residents with long term and acute care needs which were not met by existing arrangements.

Funding was granted by the Islands Housing Fund for a Housing Needs and Demands survey, options appraisal, a valuation of land to be purchased, and production of preliminary architectural drawings. The funding was granted following a multi-island application from four island trusts, enabling the trusts to work collaboratively, with Sanday Development Trust as the lead partner.

The Care for Sanday group was managed mainly by volunteers.

This project relates primarily to Object 1 (Management of community land and assets), Object 7 (Providing housing for those in need) and Object 12 (To promote and protect the wellbeing and physical health of residents).

Community Garden

The Community Garden, funded by The People's Health Trust, was launched in May 2017 and was run by two part-time employees, with the intention of utilising volunteer workers.

Progress was obstructed by delays granting planning permission. Nevertheless weekly volunteer sessions were held to prepare the ground and plants. A good number of people attended the sessions, including people who did not regularly attend events as well as newcomers to the island.

This project relates to Object 1 (Management of community land and assets), Object 2 (Facilities for leisure and recreation) and Object 10 (Promotion and support of volunteering).



Working in the community garden polycrubb.

Sanday Soulka and Reuse Centre

The seventh annual Sanday Soulka contributed to the social calendar of the island, primarily relating to Object 2 (Facilities for recreation), Object 3 (Opportunities for learning) and Object 4 (Promotion of the arts).

The Soulka ran almost entirely thanks to a number of hard working volunteers, thus also relating to Object 10 (Promotion and support of volunteering). redistributed useable unwanted goods, reducing waste, helping people out by providing low cost goods, and raising funds to help towards the work of the Trust.

The Reuse Centre continued its operation in one of the business units in Lady Village, run mainly by an enthusiastic band of volunteers. Throughout the year they collected and redistributed useable unwanted goods, reducing waste, helping people out by providing low cost goods, and raising funds to help towards the work of the Trust.

This project relates mainly to Object 6 (Provision of amenities for improvement of the environment), Object 8 (Relief of poverty) and Object 10 (Promotion and support of volunteering).

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Structure, governance, management and objectives

Structure and governance

Sanday Development Trust is registered as a charity with the Office of the Scottish Charities Regulator. Sanday Development Trust is also a company limited by guarantee and, as such, is governed by its Memorandum and Articles of Association.

The volunteer trustees, who are also the directors for the purpose of company law, use their skills and expertise to ensure the health and growth of the Trust, administering the charity and ensuring the organisation stays on track and delivering against its stated objectives. The board meets regularly and there are sub-committees covering various projects.

There are two categories of trustee; individual and nominated. An individual trustee must be over the age of 16 and have their main residence in Sanday. Three organisations are invited to nominate trustees: Sanday Community Council; Sanday Community Association; and Orkney Islands Council.

Any new appointments are at the recommendation of the board of trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

New trustees are advised of their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the board and decision-making process, the business plan and recent financial performance of the charity.



Art at Heilsa Fjold

Our charitable objectives

1. To manage community land and associated assets for the benefit of the Community and the public in general as an important part of the protection and sustainable development of Scotland's natural environment, where 'sustainable development' means development which meets the needs of the present without compromising the ability of future generations to meet their own needs.
2. To provide in the interests of social welfare, facilities within the Community for recreation and other leisure time occupation available to the public at large.
3. To advance education and in particular to promote opportunities for learning for the benefit of the general public.
4. To advance education through promotion of the arts.
5. To advance education and advance culture by managing a museum for the benefit of the community and the general public.
6. To preserve, restore and improve the environment through the provision, maintenance and/or improvement of public open space and other public amenities and other environmental and regeneration projects (but subject to appropriate safeguards to ensure that the public benefits so arising clearly outweigh any private benefit thereby conferred on private landowners).
7. To provide or assist in the provision of housing for people in necessitous circumstances within the Community.
8. To relieve poverty particularly among the residents of the Community.
9. To promote training, particularly among residents of the Community, and with particular reference to skills which will assist the participants in obtaining paid employment.
10. To encourage, stimulate and support volunteering principally in the Community.
11. To preserve, for the benefit of the general public, the historical, architectural and constructional heritage that may exist in and around the Community in buildings (including any structure or erection, and any part of a building as so defined) of particular beauty or historical, architectural or constructional interest.
12. To promote and protect the wellbeing and physical health of the residents of the Community and to assist in the relief of ill health and the provision of health education for such residents.
13. To advance education through (i) the provision and supervision of learning-orientated activities for school and pre-school children, (ii) the provision of care, guidance, instruction, activities and support directed towards addressing the special educational needs of school and pre-school children who come from a single parent family or other home environment where there are necessitous circumstances and/or to relieve poverty among the residents in the Community in particular by releasing poor individuals (whether parents or guardians) having the care of school and/or pre-school children to attend training courses and programmes which are directed towards the acquisition of skills which will assist such individuals in obtaining employment or by allowing poor individuals (whether parents or guardians) having the care of school and/or pre-school children to maintain themselves in paid employment.
14. To promote, establish, operate and/or support other schemes and projects of a charitable nature for the benefit of the residents of the Community.

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Financial review

Incoming resources for the year totalled £158,586 whilst expenditure amounted to £176,366. Funds at the balance sheet date stood at £862,702, of which £752,442 was held for restricted purposes. Funds at the balance sheet date include tangible fixed assets with a book value of £656,008.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The main risk is that funding sources cease. Directors are aware that this is an ongoing issue and it is discussed regularly at board meetings. The board aims to ensure that projects are within capacity of organisation and will not become long term problems. The possibility of selling Harbour House was discussed for example, if, after renovation, it becomes unsustainable. Project staff are employed on fixed term contracts where appropriate if dependent on funding.

There is also a risk posed by over-dependency on unrestricted income from the wind farm, which itself is dependent on maintaining generation levels. The trust's liability for the loan would cease if production decreased to the point that the loan could not be paid back. However, in the event that this occurs, distribution income would also cease. Other potential ways of raising unrestricted income are discussed regularly.

Summary of financial activity, including income and expenditure

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income from:					
Donations and legacies	3	288	93,203	93,491	233,202
Charitable activities	4	7,282	-	7,282	8,502
Other trading activities	6	3,201	2,365	5,566	4,518
Investments	5	52,247	-	52,247	86,189
Total income		63,018	95,568	158,586	332,411
Expenditure on:					
Raising funds	8	809	2,090	2,899	2,949
Charitable activities	7	59,879	113,588	173,467	148,824
Total resources expended		60,688	115,678	176,366	151,773
Net incoming/(outgoing) resources before transfers		2,330	(20,110)	(17,780)	180,638
Gross transfers between funds		(42,421)	42,421	-	-
Net (expenditure)/income for the year/ Net movement in funds		(40,091)	22,311	(17,780)	180,638
Fund balances at 1 April 2017		150,351	730,131	880,482	699,844
Fund balances at 31 March 2018		110,260	752,442	862,702	880,482

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Full accounts are available on request from the Trust office at Heilsa Fjold.

Printed copies will also be available at the AGM on 3 December 2018.

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Charity information

Sanday Development Trust is a registered charity in Scotland (No. SC 035495) and a company limited by guarantee (No. 263577).

Board of Directors	S Towrie	Chair of the board
	P Allan	
	E Brown	
	T Brown	(Appointed 13 February 2018)
	F Campbell	(Resigned 29 May 2017)
	H Collinson	
	M Knowles	(Appointed 26 February 2018)
	C Leslie	
	A Muir	
	S Pugh	(Resigned 26 July 2017)
	S Ray	
	M Stockton	
	J Walker	

Projects and Grants Officer Imogen Sawyer

Finance and Administration Officer Kate Howe

Registered office and principal address Heilsa Fjold, Sanday, Orkney KW17 2BN

Registered Auditors AJB Scholes Ltd, 8 Albert Street, Kirkwall, Orkney KW15 1HP

Principal Bankers Royal Bank of Scotland, 1 Victoria Street, Kirkwall, Orkney KW15 1DP



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