

CROMARTY HALL TRUST

Charity Registration No. SC008281 (Scotland)

Company Registration No. SC272852 (Scotland)

CROMARTY HALL TRUST
ANNUAL REPORT AND UNAUDITED STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

CROMARTY HALL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Helen Butcher Gillian Drysdale Susan Graves Eve Hourston- Wells (Resigned 07/07/25) Edwina Lloyd Gina Penwarden Ruth Glover Susan Sinclair Mark Smith
Secretary	Gina Penwarden
Charity Number	SC008281
Company Number	SC272852
Principal Address	Sebay Back Road St. Margaret's Hope Orkney KW17 2SP
Registered Office	Sebay Back Road St. Margaret's Hope Orkney KW17 2SP
Independent Examiner	Anne Stacey MAAT Voluntary Action Orkney 6 Bridge Street Kirkwall Orkney KW15 1HR

CONTENTS

	Page
Directors' report	2-3
Independent examiners' report	4
Statement of financial activities	5-6
Balance Sheet	7
Notes to financial statements	8-14

CROMARTY HALL TRUST

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their report and financial statements for the year ended 31 December 2025.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice applicable of charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Objectives and activities

The main object of the charity is to maintain and manage the Cromarty Hall for activities promoted by the charity and to carry out any building or refurbishment works or any adaptation of the premises or facilities which may at any time be deemed necessary or desirable, and to do all such things as will further the attainment of this object and will contribute to the knowledge of the culture, history, environment and development of the Cromarty Hall, but subject to the proviso that nothing will be done which will or may prevent the object of the charity being deemed to be charitable.

Achievements and performance

Regular hires for Films, Yoga, Pilates, Table tennis and traditional dancing were all routine, and a good number of external hires helped boost funds. Bite and Blether has continued to be well supported. Funding was secured for lighting and leak repairs. Cruise ship visitors and a stint at the Pop Up Shop at St Margarets Hope School added a significant sum to Hall funds, as did a number of concerts, and the two events run by the local agricultural society in August and November. We held a book sale and exhibition of local photographs in June, and ran an Autumn Fair in October, both offering opportunities to open the cafe to further boost Hall funds. Book sales throughout the year provided another excellent boost to Hall funds.

Financial Review

Net outgoing resources for the year amounted to £20,873 (2024:£6,753). Last year the deficit was wholly the result of depreciation of the hall extension and equipment (£10,089). This year the deficit was due to depreciation of £9,767 plus planned maintenance of £15,984. This maintenance involved lock & door repairs, window repairs and wall and light repairs.

The charity finished the year with funds of £289,455 which includes fixed assets with a book value of £268,316. (2024: year end funds £310,328, assets book value £278,083).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. The directors 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 charity's current activities while consideration is given to ways in which additional funds may be raised.

The trust requires ready access to its funds, therefore the policy is to retain available funds in a current account.

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

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management

The charity is a company limited by guarantee and having no share capital, and a recognised Scottish charity.

The directors who served during the year were:

Helen Butcher
Gillian Drysdale
Susan Graves
Eve Hourston-Wells (Resigned 07/07/25)
Edwina Lloyd
Gina Penwarden
Ruth Glover
Susan Sinclair
Mark Smith

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

In accordance with the company's Articles of Association, all the directors appointed in the year and one third of the remaining directors shall retire from office at the AGM and, being eligible, offer themselves for re-election.

The company is managed by the Board of Directors who meet at least four times a year. Any strategic decisions are taken at board meetings.

The directors' report was approved by the Board of Directors.



Gina Penwarden
Director

Dated: 06.04.26

CROMARTY HALL TRUST

INDEPENDENT EXAMINERS' REPORT TO THE DIRECTORS OF CROMARTY HALL TRUST

I report on the financial statements of the charity for the year ended 31 December 2025, which are set out on pages 5 to 14.

Respective responsibilities of directors and examiner

The charities directors, are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts. I have carried out such investigations as were necessary to enable me to form an opinion as to whether proper accounting records adequate for the purposes of the charity have been kept and whether the accounts of the charity were in accordance with the accounting records.

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Account Regulations have not been met, or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Anne Stacey

Anne Stacey MAAT
Independent Examiner

6 Bridge Street
Kirkwall
Orkney
KW15 1 HR

Dated: 19/5/26

CROMARTY HALL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
<u>Income from:</u>					
Donations and legacies	3/5	1,426	1,000	2,426	2,519
Charitable activities	4	9,299	200	9,499	6,406
Other trading activities		3,735	-	3,735	4,824
Other		-	-	-	-
Total income		14,460	1,200	15,660	13,749
<u>Expenditure on:</u>					
Raising funds		-	-	-	-
Charitable activities	4	34,726	1,807	36,533	20,502
Total resources expended		34,726	1,807	36,533	20,502
Net (expenditure)/income for the year/Net movement in funds		(20,266)	(607)	(20,873)	(6,753)
Transfer between funds					
					-
Fund balances at 1 January 2025		308,083	2,245	310,328	317,081
Fund balances at 31 December 2025		287,817	1,638	289,455	310,328

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

All incoming 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.

CROMARTY HALL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT PRIOR YEAR COMPARISON FIGURES

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
<u>Income from:</u>					
Donations and legacies	3/5	2,044	475	2,519	6,010
Charitable activities	4	6,406	-	6,406	5,765
Other trading activities		4,824	-	4,824	5,021
Other					-
Total income		13,274	475	13,749	16,796
<u>Expenditure on:</u>					
Raising funds		-	-	-	-
Charitable activities	4	19,712	790	20,502	22,473
Total resources expended		19,712	790	20,502	22,473
Net (expenditure)/income for the year/Net movement in funds		(6,438)	(315)	(6,753)	(5,677)
Transfer between funds					
		-	-	-	-
Fund balances at 1 January 2024		314,521	2,560	317,081	322,758
Fund balances at 31 December 2024		308,083	2,245	310,328	317,081

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

All incoming 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.

CROMARTY HALL TRUST

BALANCE SHEET AS AT 31 DECEMBER 2025

		2025		2024	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	8	5,148		6,435	
Heritage assets		<u>263,168</u>		<u>271,648</u>	
			268,316		278,083
Current Assets	10				
Debtors		241		2,722	
Cash at bank and in hand		<u>21,554</u>		<u>30,715</u>	
		21,795		33,437	
Creditors: amounts falling due within one year	11	<u>(656)</u>		<u>(1,192)</u>	
Net current assets			<u>21,139</u>		<u>32,245</u>
Total assets less current liabilities			<u>289,455</u>		<u>310,328</u>
Deferred income			-		-
Net assets			<u>289,455</u>		<u>310,328</u>
Income funds					
Restricted funds			1,638		2,245
Unrestricted funds	12		<u>287,817</u>		<u>308,083</u>
			<u>289,455</u>		<u>310,328</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2025. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Directors on 06.04.2026


Gina Perwarden
Director

Company registration No. SC272852

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting Policies

Charity Information

Cromarty Hall Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Sebay, Back Road, St. Margaret's Hope, Orkney, KW17 2SP.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2022). The charity is a public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provision in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statement have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the same time of the donation.

Donations, legacies and other forms of voluntary income are recognised as incoming resources in the Statement of Financial Activities (SOFA) when receivable, except insofar as they are incapable of financial measurement. The value of services provided by volunteers has not been included in these accounts.

Grants, including grants for the purchase of fixed assets, are recognised in full in the SOFA in the year in which they are receivable. Grants relating to future accounting periods are deferred.

Incoming resources from services are included when receivable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is included in resources expended on an accruals basis, inclusive of any VAT which cannot be recovered.

Cost of generating funds comprise the costs associated with attracting voluntary income and the costs of fundraising events.

Charitable expenditure comprises those costs incurred in the delivery of the charity's activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them, and governance costs which include those costs associated with meeting the constitutional and statutory requirements of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Heritage asset	50 years straight line
Fixtures, fittings and equipment	20% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdraft. Bank overdrafts are shown within borrowing in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and Legacies

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £
Donations and gifts	1,166	1,000	2,166	1,774	-	1,774
Grants receivable	-	-	-	-	475	475
Membership fees	260		260	270	-	270
For the year ended 31 December	1,426	1,000	2,426	2,044	475	2,519

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

4 Charitable activities

	2025 £	2024 £
Charitable rental income	4,598	5,998
Events	4,701	408
	<u>9,299</u>	<u>6,406</u>

Charitable expenditure includes £600 charged by the independent examiner for accounts preparation and independent examinations services (2024: £600).

5 Grants received

	2025 £	2024 £
VAO Community Mental Health & Wellbeing		475
Orkney Islands Council – Repairs	200	-
		-
	<u>200</u>	<u>475</u>

5 Directors

During the year three directors received reimbursed expenses of £1,748 (2024: 4 directors £909).

6 Employees

There were no employees during the year.

7 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

CROMARTY HALL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

8 Tangible fixed assets

	Land and Buildings £	Fixtures, Fittings & Equipment £	Computer £	Total £
Cost				
At 1 January 2025	423,985	50,609	-	474,594
Additions				
At 31 December 2025	423,985	50,609	-	474,594
Depreciation and impairment				
At 1 January 2025	152,338	44,173	-	196,511
Depreciation charged in the year	8,480	1,287	-	9,767
At 31 December 2025	160,818	45,460	-	206,278
Carrying amount				
At 31 December 2024	271,648	6,435	-	278,083
At 31 December 2025	263,168	5,148	-	268,316

	Land and Buildings £	Fixtures, Fittings & Equipment £	Computer £	Total £
2024 comparison				
Cost				
At 1 January 2024	423,985	50,609	-	474,594
Additions				
At 31 December 2024	423,985	50,609	-	474,594
Depreciation and impairment				
At 1 January 2024	143,858	42,564	-	186,422
Depreciation charged in the year	8,480	1,609	-	10,089
At 31 December 2024	152,338	44,173	-	196,511
Carrying amount				
At 31 December 2023	280,128	8,044	-	288,172
At 31 December 2024	271,648	6,435	-	278,083

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

The Cromarty Hall was donated to the people of South Ronaldsay in 1878 by local businessman and philanthropist William Cromarty. It has served as the community hall ever since and over the years has hosted innumerable dances, concerts, weddings, parties and pantomimes, as well as countless fundraising events and even military funerals.

For many years it served as the local cinema and the original screen is still in place, in perfect condition, in the hall. The unique stage with its proscenium arch and gallery, along with the balcony with its pew seating, were saved from demolition and fully integrated into the extension and refurbishment work undertaken by the charity.

The gift of the Hall to the charity in 2005 is not recognised in these accounts as the cost of obtaining a valuation of the gift is thought likely to exceed the benefits of obtaining the valuation.

The cost of the extension and refurbishment works undertaken by the charity between 2005 and 2014, a total of £423,985, has been capitalised at cost and depreciated on a straight-line basis over fifty years.

It is the policy of the charity to maintain and preserve the Hall in perpetuity.

9 Financial instruments

	2025 £	2024 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	-
Carrying amount of financial liabilities		
Measured at amortised cost	-	-

10 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Prepayments and accrued income	241	2,722

11 Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals and deferred income	656	1,192

CROMARTY HALL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

12 Analysis of net assets between funds

Fund balances at 31 December represented by:

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £
Tangible assets	266,678	1,638	268,316	276,035	2,048	278,083
Current assets/(liabilities)	21,795	-	21,795	33,240	197	33,437
Provisions and deferred income	(656)	-	(656)	(1,192)	-	(1,192)
	<u>287,817</u>	<u>1,638</u>	<u>289,455</u>	<u>308,083</u>	<u>2,245</u>	<u>310,328</u>

13 Security

As part of the contract for lottery grant funding, a standard security has been granted in favour of the National Lottery Charities Board over the land and buildings of the Cromarty Hall. The conditions of the contract apply for a period of 80 years from the date of improvement of the Cromarty Hall. If the company is in breach of any of the grant conditions during this period, then the grant shall be repayable, and the standard security may be called up.