



## 7<sup>th</sup> ANNUAL REPORT 2023 - 24

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### Summary

The primary purposes of the charity as laid out in its constitution are related to the advancement of education, the arts, heritage, culture and science, and its stated charitable objects are:

*'The organisation's purposes are to collect, preserve and share the history, culture and natural history of St Kilda and other Hebridean islands.'*

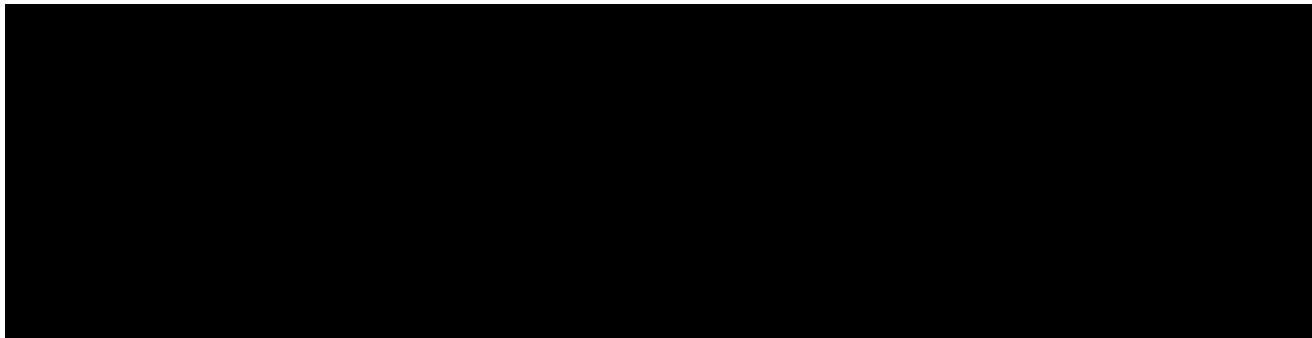
The charity's trustees plan to fulfil these purposes by:

1. The development of a visitor centre on North Uist.
2. When it is completed and opened to the public, activities will include the collection, archiving, interpretation and display of materials on St Kildan and Hebridean heritage.

Since the charity's establishment in 2017, trustees have initiated and overseen the design and completion of all pre-contact documentation and statutory consents for a 300m<sup>2</sup> St Kilda visitor centre located on the north-west coast of North Uist. Work since 2022 has been focussed on raising capital funding to implement the works and open the centre to visitors, but this has proved challenging to achieve in the current community-based project development environment.

### Trustees

During 2023-24 the trustees at 31<sup>st</sup> July 2024 were:



### Membership

Membership of the SCIO at 31<sup>st</sup> July 2024 stood at 65.



## **Fulfilment of Statutory Duties**

Publicity: Sealladh Hiort has communicated with both its members and the wider community to provide information regarding the St Kilda Viewpoint project status. These include articles in the local community newspaper and on local radio and the use of e-mail.

Public information: All requests for information from the general public are responded to without delay. The annual accounts for the financial year ending 31/07/24 were provided to all members four weeks before the AGM.

Providing information to OSCR: The charity's annual report will be filed with OSCR by the statutory deadline of 30<sup>th</sup> April 2025.

Consent for changes: There have been no changes to the charity during this reporting period.

Registers of trustees and members: The charity's secretary keeps a register of both current and former trustees and current and former members.

## **Report on the charity's activities for the year 2023-24**

The trustees' decision in the autumn of 2023 to withdraw from the application process for the Scottish Government's Regeneration Capital Grant Fund, despite having successfully negotiated the first round application stage, was a difficult one.

This was taken because it was clear from the project QS that inflation in larger project tender processes was still a significant problem and that it was extremely unlikely that a capital funding package developed for an estimated tender outcome would cover a likely lowest tender 6 months later. This was an issue affecting many construction projects in Scotland, but exacerbated on Uist by the need to get mainland contractors to tender, but their reluctance to do so because of ongoing ferry reliability issues.

Following a review by the trustees and subsequent discussions with the Comhairle and HIE, it was agreed that the financial risks of progressing the project at that stage were too great in terms of both capital costs and operating revenues. And in subsequent negotiations with the Comhairle and HIE, it was agreed that Sealladh Hiort could keep its Islands Deal funding allocation of £1.6m until the end of 2025, by which time it was hoped that the wider economic situation would have settled down after the UK General Election, and the Uist ferry issues would have been resolved.

In timing terms, the agreed revised development timetable was to re-start a funding process in the spring of this year (2025), re-apply for RCGF funding this summer, and have a full funding package ready in time for the agreed IGD deadline of December 2025, ready to go out to tender in early 2026. If the outcome was successful, work would start on site in the spring of 2026 and the centre open to the public in time for Easter 2028.

The first issue that arose with this plan came in April 2024 when the Scottish Government decided not to initiate a new RCGF process that year and hinted that this might happen again in 2025 (as was borne out by events). Instead it would focus on funding the increased costs of developments already approved within the scheme. At the same time, both the Comhairle and HIE announced that because of budget challenges they could no longer support community-based projects with annual revenue grants – a funding requirement safety net already anticipated within the Viewpoint operating plan in the initial years. The availability of this support was required due to ongoing

uncertainties with predicted visitor numbers caused by the continuing ferry reliability issue and a slow recovery of visitor numbers to Uist in the post-Covid years.

A broader issue was that Sealladh Hiort was not the only project within the Islands Growth Deal (IGD) struggling with increased building and operating costs and reduced funding opportunities. This had resulted in a number of projects within the original Islands Growth Deal being postponed or abandoned altogether, and others such as Calanais on Lewis proceeding to a construction phase with much higher costs than originally anticipated and requiring additional shares of Islands Growth Deal funds. After the new UK government came to power in June 2024, the three Islands Councils who were members of the Islands Growth Deal were each asked to prepare updated Growth Deal plans, within which projects would be required to present clear evidence of viable operating and capital funding proposals.

Sealladh Hiort was advised of this change in September 2024. Unfortunately, the revised Islands Growth Deal project funding and operating plans had to be ready and submitted by the end of March 2025 – in effect the starting date for the previously agreed revised pre-development timetable. A further cost forecast from the project QS for the Viewpoint shortly afterwards increased likely capital costs yet again to £5.6m and with the Scottish Government's Regeneration Capital Grant Fund effectively suspended, the Sealladh Hiort board felt they had no option but to seek independent advice as to the risks for the charity in proceeding with the project within the timeframe given. At the same time the Comhairle agreed to fund a renewal of the existing detailed planning permission for the Viewpoint which was due to expire in January 2025.

Through the Support for Communities Framework operated by HIE, Sealladh Hiort were able to appoint consultants Hall Aitken to carry out an independent strategic review into the risks to the charity posed by the new capital and operating funding regimes for the Viewpoint project. Following a briefing in late November and preliminary reporting and discussions before the year end, Hall Aitken produced their final report at the end of January. This was unequivocal in its advice that the risks posed by proceeding with the Viewpoint development at this time were too great for a charity with limited resources like Sealladh Hiort. The main reasons cited were the challenge of matching funding to project costs, and the lack of reliable information about Uist visitor numbers currently which in turn made accurate forecasting of annual income in the early years post-opening almost impossible. Furthermore, Hall Aitken did not believe that these questions could be resolved in the near future, and thus a revised development timetable for the Viewpoint might well fall outwith the time limits of the Islands Growth Deal.

As a result, the directors felt they had no choice, but to pause any further work on the Viewpoint development until conditions become more favourable. They subsequently wrote to the Comhairle advising that the decision had been taken not to pursue its development as part of the Islands Growth Deal Destination Development funding strand. Sealladh Hiort members were informed of the decision at the same time along with partners working on the project.

Earlier in January 2025, I, as Chair, was contacted by a trustee of Comunn Eachdraidh Ubhist a Tuath to ask if Sealladh Hiort would be interested in mounting an exhibition about St Kilda at their Carinish School project. This proposal was discussed by the board and it was agreed that there could be some benefits in doing this on a temporary basis, particularly in terms of keeping the Viewpoint project alive in Uist residents' and visitors' minds until the development could begin.

Realising that Sealladh Hiort had given up its £1.6m allocation of Islands Growth Deal funding, the Comunn Eachdraidh then approached the Comhairle about the possibility of that money being made available for the realisation of its wider plans for its development of Carinish School. After some

discussion, the Comhairle advised that no new Growth Deal projects were being permitted at this late stage, but that if the Comunn Eachdraidh and Sealladh Hiort wanted to merge their projects and for Carinish School to be substituted as the Uist St Kilda visitor centre development, such an application could be considered.

Sealladh Hiort trustees discussed this proposal, but decided that pursuing this option would not be in the best interests of the charity at this stage, especially as the detailed planning consent for the Viewpoint development had just been renewed for a further five years.

Although conditions for community-based development are very challenging at this time, trustees believe that there is every possibility these could improve in the next few years. There is also the prospect of the St Kilda evacuation centenary in 2030 which will present an excellent opportunity for marketing a new St Kilda centre on Uist, when the islands and their history will undoubtedly be in the forefront of the public's minds. After a few months' pause in 2025, the Sealladh Hiort board plans to start a new funding campaign in 2026 with the aim of having the Viewpoint open to visitors for this important event, and if any members wish to join the board to support that process, the trustees would be very pleased to hear from them.

### **Funding and Banking Summary 2023-24**

The annual accounts for August 2023 to July 2024 issued last month and prepared by our auditor Angus MacIntyre, show that Sealladh Hiort's turnover was minimal during the year. This was due to the completion of the main pre-contract works for the Viewpoint development the previous financial year. These are appended to this annual report.

Income comprised donations of £25 and expenditure a single payment to our auditors for the previous financial year's audit of £420. The charity ended the year with a balance of around £490.

Trustees set a target of raising £7,000 to cover fees for the renewal of our detailed planning permission during the current financial year. This sum was raised and exceeded thanks to the generosity of the Comhairle, and the planning consent renewal was secured in January this year.

### **Acknowledgments and thanks**

The Trustees wish to make a special mention of the contribution to the charity and its St Kilda Viewpoint project [REDACTED] who served as a trustee from 2017 until his untimely passing in October 2023. His knowledge of the social and natural history of St Kilda was second to none and he is sorely missed.

Trustees would also like to thank the project design team headed by Fraser Architecture and the many officers at Comhairle Nan Eilean Siar and Highlands and Islands Enterprise for their continued support throughout the year.

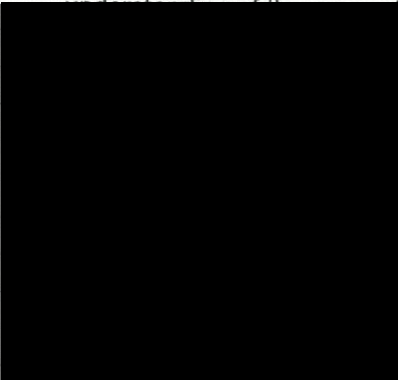
[REDACTED]

Secretary, [REDACTED] March 2025



# OSCr

Office of the Scottish Charity Regulator

		Independent examiner's report on the accounts				v2	
Report to the trustees/members of  Registered charity number On the accounts of the charity for the period  Set out on pages	Charity name	Sealladh Hiort					
		SC047571					
	Period start date				Period end date		
	Day 1	Month August	Year 2023	to	Day 31	Month July	Year 2024
							(remember to include the page numbers of additional sheets)
Respective responsibilities of trustees and examiner	The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) 2005 Act and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the 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 my 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 accounts.						
Independent examiner's statement	In the course of my examination, no matter has come to my attention						
	1. which gives me reasonable cause to believe that in any material respect the requirements: <ul style="list-style-type: none"><li>• to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and</li><li>• to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations</li></ul>						
	have not been met, or						
	2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.						
Signed:				Date:	15 October 2024		
Name:							
Relevant professional qualification(s) or body (if any):							
Address:							

\*Please delete the words in the brackets if they do not apply. If the words do apply, set out those matters which have come to your attention on the following page.



**Receipts and payments accounts**

For the period from	Period start date			to	Period end date		
	Day	Month	Year		Day	Month	Year
	1	August	2023		31	July	2024

**Section A Statement of receipts and payments**

	Unrestricted funds to nearest £	Restricted funds to nearest £	Expendable endowment funds to nearest £	Permanent endowment funds to nearest £	Total funds current period to nearest £	Total funds last period to nearest £
<b>A1 Receipts</b>						
Donations	25				25	
Legacies					-	
Grants					-	
Receipts from fundraising activities					-	
Gross trading receipts					-	
Income from investments other than land and buildings					-	
Rents from land & buildings					-	
Gross receipts from other charitable activities					-	
FIT Monies from Turbine					-	
<b>A1 Sub total</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>-</b>
<b>A2 Receipts from asset &amp; investment sales</b>						
Proceeds from sale of fixed assets					-	
Proceeds from sale of investments					-	
<b>A2 Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total receipts</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>-</b>
<b>A3 Payments</b>						
Expenses for fundraising activities					-	
Gross trading payments					-	
Investment management costs					-	
Payments relating directly to charitable activities					-	
Grants and donations					-	
Governance costs:	427				427	
Audit / independent examination					-	
Preparation of annual accounts					-	
Legal costs					-	
Other - Hall Upgrade					-	
Consultancy Fees					-	
<b>A3 Sub total</b>	<b>427</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>427</b>	<b>-</b>
<b>A4 Payments relating to asset and investment movements</b>						
Purchases of fixed assets					-	
Purchase of investments					-	
<b>A4 Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total payments</b>	<b>427</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>427</b>	<b>-</b>
<b>Net receipts / (payments)</b>	<b>(402)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(402)</b>	<b>-</b>
<b>A5 Transfers to / (from) funds</b>					-	
<b>Surplus / (deficit) for year</b>	<b>(402)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(402)</b>	<b>-</b>



**SEALLADH HIORT****INCOME AND EXPENDITURE REPORT FOR YEAR TO 31 JULY 2024****INCOME**

Donations	0	
Subscriptions	25	
Grants	0	
Sundry Income	0	
		25

**EXPENDITURE**


Consultancy Fees	0	
Venue Hire	0	
Audit Fee	420	
Sundry Expenditure	7	
		427

PROFIT FOR YEAR	<u><u>-402</u></u>
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**Represented by:**

Bank Account Opening Balance	889
Add Profit for Year	<u>-402</u>
Bank Account Closing Balance	<u><u>487</u></u>

Income and Expenditure Report prepared from records and information provided.

  
Independent Examiner  
15 October 2024