Society registration number SP002751 (Scotland)

SHETLAND COMMUNITY BENEFIT FUND LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

SHETLAND COMMUNITY BENEFIT FUND LIMITED

CONTENTS

SHETLAND COMMUNITY BENEFIT FUND LIMITED

SOCIETY INFORMATION

Directors	Mr J Anderson	
	Mr L Bisset	(Appointed 11 June 2025)
	Mr G Booth	
	Ms A Brown (Treasurer)	
	Mr C Bunyan (Chair)	
	Mr Frances Christie-Henry (Secretary)	
	Mr C Clark	
	Mr D Cooper	
	Mr J Dally (Vice Chair)	
	Mr M Hannah	(Appointed 9 April 2025)
	Mr A Laurenson	
	Mr J Macbeath	
	Mr M MacBeath	(Appointed 11 September 2025)
	Mr J Milne	
	Mr J Parry	
	Mr J Smith	
	Ms S Smith	(Appointed 11 June 2025)
	Ms M Thomson	
Secretary	Mr FA Christie-Henry	
Society number	SP002751	
Registered office	Market House 14 Market Street Lerwick Shetland ZE1 0JP	
Accountants	A.J.B. Scholes Ltd St Olaf's Hall Church Road Lerwick Shetland Isles ZE1 0FD	

SHETLAND COMMUNITY BENEFIT FUND LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2026

The directors present their annual report and financial statements for the year ended 31 March 2026.

Principal activities
The principal activity of the society is to receive, manage and distribute the voluntary community benefit payments from renewable energy developers in Shetland.

The main Viking Community Fund of £2.2million (index linked) came online from the 1st of September 2024. Since then, over £2.8 million has been awarded to projects.

The first 5-year business plan 'A Lasting Legacy for Shetland' details the 6 strategic priorities, determined by the Shetland-wide community consultation and adopted by the SCBF board. These priorities are:

- More Younger People Wanting to Stay and/or Come Back to Shetland
- Better Transport Links Within and Between Communities
- Reduced Cost of Living in Shetland
- Better Broadband and/or Mobile Phone Connections
- Improved Housing Supply and Affordability
- Preservation and Enhancement of Shetland's Natural Environment

The Community Grant Scheme continues to support projects which 'Sustain and Develop' local communities throughout Shetland.

SCBF also administers the Shetland Aerogenerators Community Benefit Fund (SACBF). For 2024/25 to 2028/29 funding has been awarded in full to the Brae High School Parent Council, who are part of a larger steering group, for the reintroduction and establishment of the Shetland Science Fair, last held in 2009. This resulted in a very successful Shetland Science Fair at the Clickimin Leisure Centre in November 2025.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Anderson	
Mr L Bisset	(Appointed 11 June 2025)
Mr G Booth	
Ms A Brown (Treasurer)	
Mr C Bunyan (Chair)	
Mr Frances Christie-Henry (Secretary)	
Mr C Clark	
Mr D Cooper	
Mr J Dally (Vice Chair)	
Mr J Garrick	(Resigned 12 December 2025)
Mr M Hannah	(Appointed 9 April 2025)
Mr P James	(Resigned 11 June 2025)
Mr A Laurenson	
Mr J Macbeath	
Mr M MacBeath	(Appointed 11 September 2025)
Mr J Milne	
Mr J Parry	
Mr K Pottinger	(Resigned 11 June 2025)
Mr J Smith	
Ms S Smith	(Appointed 11 June 2025)
Ms M Thomson	

SHETLAND COMMUNITY BENEFIT FUND LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

On behalf of the board

....
Mr C Bunyan (Chair)
Director

....
Mr J Dally (Vice Chair)
Director

Date: 16/6/26

SHETLAND COMMUNITY BENEFIT FUND LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society and of the profit or loss of the society for that period.

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Cooperative and Community Benefit Societies Act 2014 . They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

SHETLAND COMMUNITY BENEFIT FUND LIMITED

INDEPENDENT ACCOUNTANTS' REVIEW REPORT TO THE DIRECTORS OF SHETLAND COMMUNITY BENEFIT FUND LIMITED

We have reviewed the financial statements of Shetland Community Benefit Fund Limited for the year ended 31 March 2026 which comprise the statement of comprehensive income, the statement of financial position 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the requirements of the Co-operative and Community Benefit Societies Act 2014.

Directors' responsibility for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' responsibility

Our responsibility is to express a conclusion on the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) 'Engagements to review historical financial statements'. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with United Kingdom Generally Accepted Accounting Practice. ISRE 2400 (Revised) also requires us to comply with the ethical and other professional requirements of our accounting body.

Scope of the assurance review

A review of financial statements in accordance with the ISRE 2400 (Revised) is a limited assurance engagement. We have performed procedures, primarily consisting of making enquiries of management and others within the society, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the society's affairs as at 31 March 2026, and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Use of our report

This report is made solely to the society's directors, as a body, in accordance with the terms of our engagement letter dated 13 May 2026. Our review work has been undertaken so that we might state to the society's directors those matters we have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's directors as a body, for our review work, for this report, or for the conclusions we have formed.

A.J.B. Scholes Ltd
Chartered Accountants and Registered Auditor
St Olaf's Hall
Church Road
Lerwick
Shetland Isles
ZE1 0FD
Date: ....

SHETLAND COMMUNITY BENEFIT FUND LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	2026	2025
	£	£
Administrative expenses	(2,182,546)	(1,075,715)
Other operating income	2,117,205	1,064,815
Operating loss	(65,341)	(10,900)
Interest receivable and similar income	63,319	13,332
Increase in fair value of financial instruments	8,005	-
Profit before taxation	5,983	2,432
Tax on profit	(228)	(2,432)
Profit for the financial year	5,755	-

Society Registration No. SP002751

SHETLAND COMMUNITY BENEFIT FUND LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Tangible assets	3		849		1,699
Investments	4		287,426		280,000
			288,275		281,699
Current assets					
Debtors	5	3,437		3,354	
Investments	6	332,800		279,752	
Cash at bank and in hand		2,710,601		1,460,886	
		3,046,838		1,743,992	
Creditors: amounts falling due within one year	7	(2,627,628)		(1,941,770)	
Net current assets/(liabilities)			419,210		(197,778)
Total assets less current liabilities			707,485		83,921
Creditors: amounts falling due after more than one year	8		(701,451)		(83,646)
Net assets			6,034		275
Capital and reserves					
Memberships			30		26
Profit and loss reserves			6,004		249
Total equity			6,034		275

The society is satisfied that it is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The directors have not required the society to obtain an audit of its financial statements for the year in question in accordance with the Act.

The directors acknowledge their responsibilities for:

- ensuring that the society keeps proper accounting records which comply with section 75 of the Cooperative and Community Benefit Societies Act 2014 (the Act);
- establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its
- receipts and remittances in order to comply with section 75 of the Act; and
- preparing financial statements which give a true and fair view of the state of affairs of the society as at the end of the financial year and of its income and expenditure for the year in accordance with the requirements of section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

These financial statements have been prepared in accordance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2026

The financial statements were approved by the board of directors and authorised for issue on 10/06/2026 and are signed on its behalf by:

....
Mr C Bunyan (Chair)
Director

....
Mr J Dally (Vice Chair)
Director

....
Mr Frances Christie-Henry (Secretary)
Secretary

1 Accounting policies

Society information

Shetland Community Benefit Fund Limited is society registered under the Co-operative and Community Benefit Societies Act 2014 and incorporated in Scotland. The registered office is Market House, 14 Market Street, Lerwick, Shetland, ZE1 0JP.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Co-operative and Community Benefit Societies Act 2014. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies adopted are set out below.

Going concern

The directors believe that the society will continue to perform well and will have sufficient cash to achieve the society's goals and commitments for the foreseeable future. The directors do not consider any assets to be impaired and they continue to monitor the situation closely. The directors are therefore of the opinion it is appropriate to prepare the financial statements on a going concern basis.

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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% straight line basis

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 credited or charged to profit or loss.

Fixed asset investments

Investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed to profit or loss as incurred. Changes in fair value are recognised in other comprehensive income except to the extent that a gain reverses a loss previously recognised in profit or loss, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in profit or loss.

Financial instruments

Financial instruments are recognised when the society becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

1 Accounting policies **(Continued)**

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the society after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including accruals, 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.

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

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Taxation

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Employees

The average monthly number of persons (including directors) employed by the society during the year was:

	2026 Number	2025 Number
Total	-	-

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2025 and 31 March 2026	5,086
Depreciation and impairment	
At 1 April 2025	3,387
Depreciation charged in the year	850
At 31 March 2026	4,237
Carrying amount	
At 31 March 2026	849
At 31 March 2025	1,699

4 Fixed asset investments

	2026	2025
	£	£
Other investments other than loans	287,426	280,000

Movements in fixed asset investments

	Investments
	£
Cost or valuation	
At 1 April 2025	280,000
Additions	6,432
Valuation changes	8,005
Disposals	(7,011)
At 31 March 2026	287,426
Carrying amount	
At 31 March 2026	287,426
At 31 March 2025	280,000

5 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Prepayments and accrued income	3,437	3,354

6 Current asset investments

	2026	2025
	£	£
Other investments	332,800	279,752

7 Creditors: amounts falling due within one year

	2026	2025
	£	£
Corporation tax	-	2,432
Accruals and deferred income	2,627,628	1,939,338
	2,627,628	1,941,770

Accruals and deferred income includes £1,653,435 (2024 - £1,447,999) to be spent in future years.

8 Creditors: amounts falling due after more than one year

	2026	2025
	£	£
Other creditors	701,451	83,646