

Agenda Item	14
Report No	ECI/10/25

THE HIGHLAND COUNCIL

Committee: Economy and Infrastructure

Date: 13 February 2025

Report Title: Beinn Tharsuinn Windfarm Community Limited Annual Accounts 2023/24

Report By: Assistant Chief Executive - Place

1 Purpose/Executive Summary

- 1.1 This report details the activities of Beinn Tharsuinn Windfarm Community Limited during Financial Year 2023/24 and recommends that Members accept the Financial Statement as at 31 March 2024 on behalf of Highland Council.

2 Recommendations

- 2.1 Members are asked to:-

- i. **note** the activities of Beinn Tharsuinn Windfarm Community Limited; and
- ii. **agree** to accept, on behalf of Highland Council, the Financial Statement of Beinn Tharsuinn Windfarm Community Limited for year ending 31 March 2024.

3 Implications

- 3.1 There are no resource, legal, community, climate change/Carbon Clever, risk or Gaelic implications resulting from this report.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is a monitoring and update report and therefore an impact assessment is not required.

5 Background

5.1 Beinn Tharsuinn Windfarm Community Limited (hereafter referred to as the Company) is a Charitable Co. Ltd. by Guarantee of which Highland Council is the sole company member. The purpose of the Company is to distribute a community benefit fund paid to the Company by Scottish Power, the developer of the Beinn Tharsuinn Windfarm. Payment commenced in 2007 and will continue for 25 years. The community benefit comprises a fixed payment of £59,600 per year (£2,000 per MW installed capacity) which is due every 1 April plus a generating bonus due on 31 January in the year following the year to which it refers. The bonus payment paid in 2023/24 was £65,536.45 giving total income of £125,137.

5.2 Ten communities are eligible for funding: Alness, Ardgay, Ardross, Creich, Dornoch, Edderton, Invergordon, Kilmuir and Logie Easter, Kiltarn and Tain. The total fund is divided amongst the communities according to a percentage based on the impact of the windfarm on each community. The communities receiving the largest shares are those immediately neighbouring the windfarm: Ardgay (17.98%), Ardross (21.19%), Creich (18.59%) and Edderton (22.09%). The grant making decisions are made by each Community Council at Community Council meetings, recorded in the minutes and open to public scrutiny.

5.3 The Company business is managed by a Board of Directors comprising Directors (and alternate Directors) from each of the ten communities. The Senior Community Development Manager for Caithness, Sutherland and Easter Ross has attended to represent the Council. The Company is administered by the Company Secretary, Community Development Manager for Caithness, Sutherland and Easter Ross. Company accounts are managed through Highland Council financial systems.

6 Social Value Charter for Renewables Investment

6.1 Members will recall that Highland Council agreed a Social Value Charter for Renewables Investment at Full Council on 27 June 2024. The Charter asks developers to provide community benefit of £12,500 per megawatt of installed generating capacity divided between affected communities (£5,000) and a strategic Highland wide fund (£7,500). In this context, on 22 August 2024 Members agreed at Economy and Infrastructure Committee that the Council should write to Scottish Power seeking an increase of the community benefit paid per MW capacity with respect to Beinn Tharsuinn. Scottish Power has been contacted and a reply is awaited.

7 Summary of Company Activities in Financial Year 2023/24

7.1 Payment of Grants

The Company paid a total £134,465 in grants to 51 projects. The following table shows the amounts paid to projects in each of the ten communities:-

Community	No. projects supported	Total grant paid (£)
Alness	-	-
Ardgay	7	9,186.00
Ardross	3	68,676.00
Creich	9	11,861.00
Dornoch	5	6,540.00
Edderton	6	17,183.84
Invergordon	5	3,685.00
Kilmuir and Logie Easter	10	6,550.00
Kiltearn	3	6,829.00
Tain	3	3,531.05
Admin/Accountancy Fees	-	423.00
TOTAL	51	134,464.89

7.2 As detailed in **Appendix 1** the Financial Statement contains details of the Company's balance, income and expenditure.

Designation: Assistant Chief Executive - Place

Date: 18 December 2024

Author: Phil Tomalin, Community Development Manager

Background Papers: None

Appendices: Appendix 1 - Beinn Tharsuinn Windfarm Community Ltd Annual Accounts 2023/24

REGISTERED COMPANY NUMBER: SC319675 (Scotland)
REGISTERED CHARITY NUMBER: SC041233

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2024
for
Beinn Tharsuinn
Windfarm Community Limited

Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

Contents of the Financial Statements
for the Year Ended 31 March 2024

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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 March 2024. 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 principal aim of the company is to provide or assist in the provision of finance to community groups which must benefit the community within a 15km radius of the Beinn Tharsuinn Windfarm, and which must demonstrate community support and long-term sustainability.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2023/24 the company continued to assist community groups in the area in their charitable purposes, distributing grants totalling £134,042 (2023 - £74,206).

FINANCIAL REVIEW

Reserves policy

The company derives its funds from grants received from power generation from the Beinn Tharsuinn Windfarm.

The directors have established a policy whereby sufficient unrestricted funds are held to cover any short-term requirements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The governing documents of the company are the Memorandum and Articles of Association of the Company, which was incorporated on 27th March 2007.

Beinn Tharsuinn Windfarm Community Limited is a company limited by guarantee of £1 per member, and has no share capital. The company obtained charitable status on 1st February 2010.

The company is limited by guarantee, and, therefore, no director has an interest in the company.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC319675 (Scotland)

Registered Charity number

SC041233

Registered office

Highland Council Office
Drummuie
Golspie
Sutherland
KW10 6TA

Beinn Tharsuinn
Windfarm Community Limited

Report of the Trustees
for the Year Ended 31 March 2024

Trustees

P Allen Chairperson
R J Pope (resigned 19.2.24)
R J W Mercer
G Amos
M A S Brown
Ms M Stirling
Ms E H Wright (resigned 19.2.24)
A P Murray (resigned 18.10.23)
J M Edmondson
N J Macdonald
Mrs R M Fenton
E P McGarrity
J D McHardy (appointed 11.6.24)
A J Hope (appointed 18.3.24)

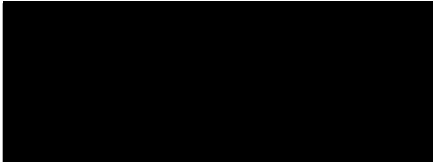
Company Secretary

P J Tomalin

Independent Examiner

Marcus D Maclver
Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

Approved by order of the board of trustees on 17 September 2024 and signed on its behalf by:



P J Tomalin - Secretary

Independent Examiner's Report to the Trustees of
Beinn Tharsuinn
Windfarm Community Limited

I report on the accounts for the year ended 31 March 2024 set out on pages four to eleven.

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) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) 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 the independent examiner's report

My examination was 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 seeking explanations from you as 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.

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

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.

Marcus D Maclver
The Institute of Chartered Accountants of Scotland

Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

17 September 2024

Beinn Tharsuinn
Windfarm Community Limited

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	31.3.24 Unrestricted fund £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		125,137	143,284
Investment income	2	-	999
Total		<u>125,137</u>	<u>144,283</u>
EXPENDITURE ON			
Charitable activities			
Provision of finance		<u>134,465</u>	<u>74,279</u>
NET INCOME/(EXPENDITURE)		(9,328)	70,004
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>469,027</u>	<u>399,023</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>459,699</u></u>	<u><u>469,027</u></u>

The notes form part of these financial statements

Beinn Tharsuinn
Windfarm Community Limited

Balance Sheet
31 March 2024

	Notes	31.3.24 Unrestricted fund £	31.3.23 Total funds £
CURRENT ASSETS			
Debtors	5	460,937	483,224
CREDITORS			
Amounts falling due within one year	6	(1,238)	(14,197)
NET CURRENT ASSETS		<u>459,699</u>	<u>469,027</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		459,699	469,027
NET ASSETS/(LIABILITIES)		<u>459,699</u>	<u>469,027</u>
FUNDS	7		
Unrestricted funds		<u>459,699</u>	<u>469,027</u>
TOTAL FUNDS		<u>459,699</u>	<u>469,027</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

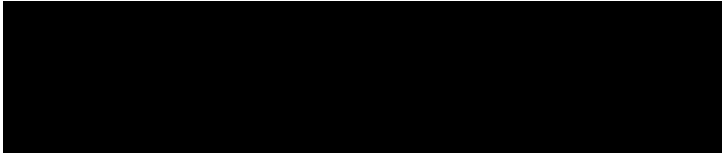
- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

Beinn Tharsuinn
Windfarm Community Limited

Balance Sheet - continued
31 March 2024

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

The financial statements were approved by the Board of Trustees and authorised for issue on 17 September 2024 and were signed on its behalf by:



P Allen - Trustee

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.

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.

Taxation

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

Fund accounting

All funds are unrestricted and as such can be used in accordance with the charitable objectives at the discretion of the trustees.

2. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Deposit account interest	-	999
	<u> </u>	<u> </u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	143,284
Investment income	999
Total	<u>144,283</u>
EXPENDITURE ON	
Charitable activities	
Provision of finance	<u>74,279</u>
NET INCOME	70,004
RECONCILIATION OF FUNDS	
Total funds brought forward	399,023
TOTAL FUNDS CARRIED FORWARD	<u><u>469,027</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Funds held in Highland Council Loans Fund	460,937	483,224
	<u>460,937</u>	<u>483,224</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Accrued expenses	1,238	14,197
	<u>1,238</u>	<u>14,197</u>

7. MOVEMENT IN FUNDS

	At 1.4.23	Net	At
	£	movement	31.3.24
		in funds	£
		£	
Unrestricted funds			
General fund	469,027	(9,328)	459,699
	<u>469,027</u>	<u>(9,328)</u>	<u>459,699</u>
TOTAL FUNDS	<u>469,027</u>	<u>(9,328)</u>	<u>459,699</u>

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

	Incoming	Resources	Movement
	resources	expended	in funds
	£	£	£
Unrestricted funds			
General fund	125,137	(134,465)	(9,328)
	<u>125,137</u>	<u>(134,465)</u>	<u>(9,328)</u>
TOTAL FUNDS	<u>125,137</u>	<u>(134,465)</u>	<u>(9,328)</u>

Comparatives for movement in funds

	At 1.4.22	Net	At
	£	movement	31.3.23
		in funds	£
		£	
Unrestricted funds			
General fund	399,023	70,004	469,027
	<u>399,023</u>	<u>70,004</u>	<u>469,027</u>
TOTAL FUNDS	<u>399,023</u>	<u>70,004</u>	<u>469,027</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

7. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	144,283	(74,279)	70,004
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>144,283</u>	<u>(74,279)</u>	<u>70,004</u>

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

	At 1.4.22 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	399,023	60,676	459,699
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>399,023</u>	<u>60,676</u>	<u>459,699</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	269,420	(208,744)	60,676
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>269,420</u>	<u>(208,744)</u>	<u>60,676</u>

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

Beinn Tharsuinn
Windfarm Community Limited

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Contributions received	125,137	143,284
Investment income		
Deposit account interest	-	999
Total incoming resources	<u>125,137</u>	<u>144,283</u>
EXPENDITURE		
Charitable activities		
Grants refunded/returned	-	(350)
Voluntary grants	134,042	74,206
	<u>134,042</u>	<u>73,856</u>
Support costs		
Governance costs		
Accountancy fees	385	385
Companies House Fee	38	38
	<u>423</u>	<u>423</u>
Total resources expended	<u>134,465</u>	<u>74,279</u>
Net (expenditure)/income	<u><u>(9,328)</u></u>	<u><u>70,004</u></u>

This page does not form part of the statutory financial statements