



## Shetland Recreational Trust

**'Shetland more active, more often'**

Trustees' Report and Financial  
Statements

Registered number SC002179

31 March 2025

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## Legal and Administrative Information

### Charity number

SC002179

### Principal address

Clickimin Leisure Complex  
Lochside  
Lerwick  
Shetland  
ZE1 0PJ

### Trustees

D H Thomson (Chair)  
I Cluness  
B Cumming  
G P Keith  
C Kirkness  
A Y Leask  
D Leask  
K McMillan  
M Summers  
E Robinson (From 26 June 2024)  
E Rathore (From 26 August 2024)  
V Waghanna (From 26 August 2024)

### Independent auditors

RSM UK Audit LLP  
St Olaf's Hall  
Church Road  
Lerwick  
Shetland  
ZE1 0FD

### Solicitors

Harper Macleod LLP  
St Olaf's Hall  
Church Road  
Lerwick  
Shetland  
ZE1 0FD

### Bankers

Virgin Money  
106 Commercial Street  
Lerwick  
Shetland  
ZE1 0JJ

### Management Team

R Geddes – Acting Chief Executive (To August 2024)  
R Geddes – Chief Executive (From August 2024)  
A Lyall – Head of Assets & Development (Seconded from November 2024)  
J Thomason – Head of Finance & Corporate Services (To January 2025)  
Shetland Arts Development Agency – Finance Management Role (from April 2025)

## Trustees' Annual Report - Introduction

The Trustees are pleased to present their annual Trustee's report and financial statements for the year ended 31 March 2025.

The Financial Statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Trust Deed, 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 (as amended for accounting periods commencing 1 January 2019) (the SORP).

Shetland Recreational Trust also prepares an Annual Report, which sets out details of all the services and activities during the year. The fortieth Annual Report relates to the 2024/25 Accounts. The Annual Report is available on our web-site at <http://www.srt.org.uk/about>

The Trust has been entered into the Scottish Charity Register and is entitled, in accordance with section 13(1) of the Charities and Trustee Investment (Scotland) Act 2005, to refer to itself as a charity registered in Scotland.



## Who we are

On 1 June 1982 the Clickimin Recreational Trust was established, and later changed to become the Shetland Recreational Trust (SRT). Its first facility, the Clickimin Leisure Complex was officially opened on 30 March 1985, after which additional centres opened across Shetland, culminating in the West Mainland Leisure Centre on 7 September 2002.

Shetland Islands Council (SIC) and the Shetland Charitable Trust (SCT) provided the initial capital funding necessary to create our eight centres, and SCT continue to provide annual revenue funding, and at times Capital Maintenance and other ad-hoc funding support.

**SRT Directory**

Clickimin Leisure Complex	01595 741 000
Unst Leisure Centre	01595 807 701
Yell Leisure Centre	01595 807 704
North Mainland Leisure Centre	01595 807 710
Whalsay Leisure Centre	01595 807 707
South Mainland Pool	01595 807 719
Scalloway Pool	01595 807 716
West Mainland Leisure Centre	01595 807 713

Email: [mail@srt.org.uk](mailto:mail@srt.org.uk) / website: [www.srt.org.uk](http://www.srt.org.uk)

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Available on the App Store Google Play

**OUR EIGHT LEISURE CENTRES**

## Charitable Objects

The **Charitable Objects** for which the Trust is established are:

- To provide, or assist in the provision of, facilities in the interest of social welfare for recreation and leisure time occupation with the object of improving the condition of life for the inhabitants of the Shetland Islands;
- In particular to secure the establishment, maintenance and management of a Recreational Centre at Clickimin, Shetland for activities in furtherance of this; and
- The Trustees shall hold the Trust Fund at their sole discretion to make grants, loans or payments out of the income or capital of the Trust Funds for these objects or any of them or for such other purpose or purposes charitable in law solely for the benefit of the Shetland Islands or of the inhabitants of those islands as the Trustees shall from time to time determine.

## OUR VISION

### 'Shetland more active, more often'

To be an organisation that is at the heart of our growing community, helping residents to improve their well-being, and offering opportunities for all to make healthy lifestyle choices and enjoy cultural activities.

Our service, facilities and sustainable business practices will enable us to re-invest for the benefit of future generations in Shetland, as a valued provider that is responsible for improving people's lives through health, education, sport, and physical activity.



Our Business Plan 2021/22 – 2024/25 identified the following strategic objectives:

#### 1. Facilities

- Ensure physical assets are maintained in a safe and satisfactory condition;
- Retain facilities in eight existing geographic communities; and
- Alter facilities to provide beneficial adaptations within the financial constraints of the Trust.

#### 2. Services

- Increase service offer to customers at home and in other locations;
- Work with partners to improve services to increase levels of activity within Shetland;

- Increase the service offer to reduce health inequalities;
- Provide opportunities for people to participate and influence decisions; and
- Work with partners to provide preventative services that improve the health and wellbeing of Shetland's communities, including any pandemic response.

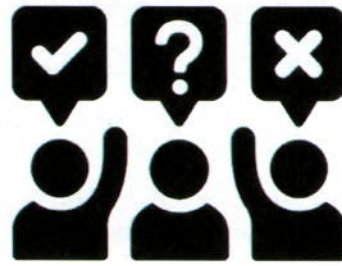
### 3. Finance

- Evaluate the strategic risks to ensure the viability of the Trust with mitigating measures and proposals;
- Improve financial sustainability; and
- Provide continuous and on-going assurance through audit functions.

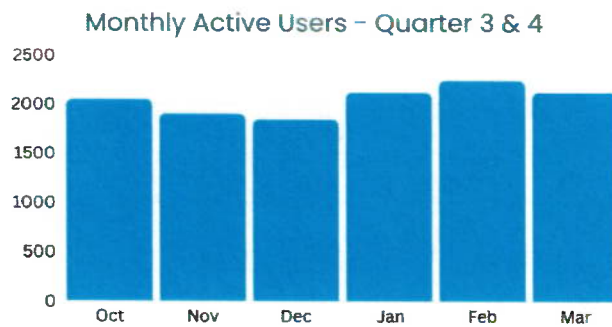
## Review of Achievements and Performance



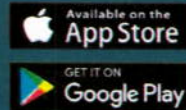
We have listened to our staff after the staff survey and are implementing changes as to how we create a staff voice and communicate with them in future.



**The SRT App was launched on 16 Sept '22**



**SRT App Downloads since launch 6,587**



If you haven't already, go to the above stores to download our app

**3.8K**  
Website Users  
[www.srt.org.uk](http://www.srt.org.uk)

**12.8K**  
Facebook Followers  
SRT CLC ULC YLC WLC WMLC NMLC SP SMP

**219**  
Twitter Followers  
<https://twitter.com/clickiminic>

**932**  
Instagram Followers  
<https://www.instagram.com/clickiminic/>  
<https://www.instagram.com/ehalsayic/>

In early 2023 we developed a Turnaround Plan to address the pressing financial position of the Trust, in which the General Reserves were no longer sufficient to meet budgeted costs. Work on the future sustainable model for the Trust continued in 2024/25.

Savings were achieved through a mix of cancellation of contracts, or reductions in purchases, and vacancies/maternalities not being filled, staff voluntarily reducing their hours, and two redundancies. Though successfully reducing costs in line with the Turnaround Plan, this opportunistic approach means that savings have not necessarily been achieved in the appropriate areas, and staff are therefore under considerable pressure to maintain facilities and services within the grant and other funding available.

We are grateful to all our staff for going above and beyond over the last year, to continue to provide excellent services to our community.

We welcomed three new Trustees in the year, Elizabeth Robinson, Ethan Rathore and Viraj Waghanna, bringing the current number of Trustees up to twelve.

We are particularly proud of the ongoing benefit our Access to Leisure membership scheme provides, allowing as many people as possible access to most of our services and facilities for £1.

## Financial Review

The financial position of the Trust is set out on pages 17 to 20.

Shetland Recreational Trust received a significant proportion - 59% (2024: 55%) of its income by way of a grant from SCT, its main funder.

The 2024/25 financial year was another difficult year, with significant on-going cost pressures across the board. The Trust budgeted for a deficit of £0.41m.

The Trust achieved an unrestricted surplus, before pension charges, of £317,293 for the year, mainly due to receipt of a Contingency Grant of £186,293 from SCT in respect of 2023/24. The underlying surplus was £131,000.

These results include additional grant funding from the SCT of £325,658 to cover the original unrestricted deficit for the year. This funding will be claimed based on the final signed financial statements.

A depreciation charge of £788,704 (2024: £781,363) has been made against the restricted fund which was provided for the purpose of the construction of the Trust's tangible fixed assets.

Taking these results together, covering both unrestricted and restricted funds, the net movement in funds for the year was a net expenditure of £222,854 (2024: £260,713).

The Trust de recognised the pension asset in the year due to the asset ceiling calculations.

At 31 March 2025, the Trust has an overall funds balance, for restricted and unrestricted funds, of £21,228,150 (2024: £27,108,004).

The financial statements have been prepared on the going concern basis, and no conditions have been identified which constitute a material uncertainty. See note 1 for further information.

Risks are mitigated by the Risk Management Strategy.

## Risk Management

In early 2023, the Board adopted a Turnaround Plan and Risk Register to achieve financial savings. Once the initial savings under the Turnaround Plan were achieved, the Trust held a Risk Management Workshop in October 2023, to consider and determine its risk appetite, and its strategic risk management arrangements going forward. Following the outcome of the funding bid to Shetland Charitable Trust, work is ongoing on the future financial model.

Work is ongoing to develop risk management arrangements to improve our Risk Register and the Strategic Risk Group oversight of risk, to ensure that the Trust continues to provide a positive risk management and health and safety culture.

Our Risk Register includes the following high risks:

- Governance and Compliance – planning and capacity
- Financial – meeting costs and achieving sustainability
- Staffing – capacity, morale and recruitment
- Asset Management – financial, internal and external capacity, and age of assets

We have an extensive estate, from which we provide our services to the Shetland community. The annual maintenance programme is created using information in the 30-year Asset Renewal and Maintenance Plan. This complements the knowledge of the staff at each location and the in-house technical services team. The annual programme of work is set in line with budget availability, and is reviewed regularly by Trustees.

## Reserves Policy

The Trust's reserves principally consist of its Restricted Fund, known as the Capital Fund, which holds grants received specifically for the purpose of the construction of the Trust's tangible fixed assets, and its the Unrestricted Reserves, which consist of the General Reserve, Partnership Development Fund, Facility Reserve, and the Pension Reserve.

The stated intention of the Trust's Reserves Policy, which relates to unrestricted reserves is that the Trust will work towards securing adequate reserves to meet current and potential future needs and aspirations.

The reserves balances movements are shown in note 10.

The General Reserve shows the movements in relation to ongoing operations.

The Capital Fund shows movements in relations to capital works on properties.

There were no movements on the Partnership Development Fund.

## Going Concern Statement

The Trust continues to work on its future business model to ensure it is fit for purpose and has resilience for coming years. The work already completed means that the Trust is in a position where the budget for 2025/26 shows a small surplus and it is expected this can be achieved. The confirmed support from Shetland Charitable Trust to 2030 has also given further confidence in the future.

Based on the above and positive cash flow projections to 31<sup>st</sup> October 2026 the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. As a result the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

## Plans for the Future

In 2025 the Trust has entered into the new large grant funding period with the Shetland Charitable Trust, which covers the period to March 2030. The Trustees have set the SRT strategy, aligned to the funding received with the focus on developing a sustainable model to protect the long term future of the Trust and to support and develop staff of the Shetland Recreational Trust.

Our plans for 2025/26 include:

- To finalise the facility model of the Shetland Recreational Trust. When deciding on the model, social impact will be the key criteria ensuring that communities of Shetland can still access high quality facilities and activities. The Trust also intends to build and develop the resilience of the staff to ensure the highest standard of service is provided.
- The membership model will be reviewed to ensure it is still fit for purpose and feedback through focus groups considered as we look to increase the number of individuals and family groups who hold membership
- Efficiencies are being investigated and implemented on plant and water treatment equipment
- The scheduled meetings of the Trustees has returned to a normal cycle of meetings, away from monthly emergency meetings with focus to deliver core activity to a high standard, and no planned additional development of infrastructure. Structured meetings to ensure governance is maintained and risk register regularly reviewed and mitigations implemented
- Continue to engage with key stakeholders to ensure we meet all required outcomes agreed with the SCT

## **Our Structure, Governance and Management**

Shetland Recreational Trust was constituted under a Deed of Trust registered in Edinburgh on 28 April 1982. Charitable status is conferred by HM Revenue & Customs based on the Trust Deed. A Supplementary Deed and Deed of Appointment were also registered in Edinburgh on 12 January 2011. The Trust's charity registration number is SC002179.

New applications for appointment to the position of Trustee are sought through public advertisement and a recruitment process to ensure that the Trustees have the appropriate skills, knowledge and experience to suit the needs of the Trust. The Trustees also have the power to assume new Trustees, if they so wish.

The Board of Trustees administers the charity and they met eleven times during the reporting period. The Board agrees the broad strategy and activity for the year ahead including approval of policies, budgets, reserves, risk management and performance arrangements.

Upon appointment, new Trustees discuss their role, responsibilities and training needs with the Chairman and Chief Executive. The overall governance arrangements are contained in a Trustee Handbook which is made available to each Trustee. The Trustee Handbook includes all the legal obligations of Trustees as well as relevant policies and best practice guidance from appropriate sources, such as the Office of the Charity Regulator (OSCR).

The Chief Executive, who is appointed by the Trustees, manages the day to day operations of the Trust on behalf of the Trustees. The Chief Executive has authority, within the terms of delegation approved by the Trustees, for operational matters including finance, employment and programming.

The Trust is part of Scottish and UK based networks of leisure based organisations which means access to expert help and guidance on many aspects of operating leisure centres.

## Key Management Personnel Remuneration

The Trustees, Chief Executive (Acting and permanent), Head of Operations, Head of Assets and Development, and Head of Finance and Corporate Services make up the key management personnel of the Trust. Trustees are volunteers and give freely of their time. The total employee benefits of the paid key management personnel was £297,194 (2024, £297,313). These figures are also included within the totals in Note 5 to the accounts.

Details of trustee expenses and related party transactions are disclosed in Notes 5 and 13 to the accounts.

The Trust has a Conflict of Interest Policy and maintains an up to date register of interests. Trustees withdraw from decisions where a conflict of interest arises.

Staff pay and remuneration, including the senior management team, is set by Trustees. It is based on a national framework for job evaluation, called Croner. Annual pay awards are linked to the Scottish Joint National Council negotiating arrangements.

## Statement of Trustees' responsibilities

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

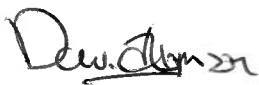
Under charity law, the trustees are responsible for preparing a Trustees' Annual Report and financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under the Charities and Trustee Investment (Scotland) Act 2005, those statements of accounts comply with the requirements of regulations under that Act. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the Trustees on 29 September 2025 and signed on their behalf by:



**D H Thomson**

Chairman

29 September 2025

# Independent Auditor's Report

## Independent auditor's report to the Trustees of Shetland Recreational Trust

### Opinion

We have audited the financial statements of Shetland Recreational Trust (the 'charity') for the year ended 31 March 2025 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Basis for opinion

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out on pages 12 and 13 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Data Protection Act 1998, Employment law and Health and Safety at Work Act 1974. We performed audit procedures to inquire of management whether the charity is in compliance with these law and regulations and inspected the risk register for controls in place as well as relevant policies and procedures and relevant website and national registers. We tested payroll transactions and evaluated the compliance with associated employment and tax legislation.

The audit engagement team identified the risk of management override of controls and revenue recognition (cut-off in relation to grants and completeness of other revenue) as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates. In relation to revenue recognition we have tested grant letters and documentation in relation to other revenue.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor'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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



RSM UK Audit LLP

Statutory Auditor

Chartered Accountants

St Olaf's Hall

Church Road

Lerwick

Shetland

ZE1 0FD

29 September 2025

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## Balance sheet

as at 31 March 2025

	Note	2025	2024
		£	£
<b>Fixed assets</b>			
Tangible assets	6	<b>20,386,207</b>	<b>20,897,316</b>
Total Fixed Assets		<b>20,386,207</b>	<b>20,897,316</b>
<b>Current assets</b>			
Stocks		11,472	11,870
Debtors	7	918,259	132,801
Cash at bank and in hand		560,953	1,004,722
Total Current Assets		<b>1,490,684</b>	1,149,393
<b>Liabilities</b>			
<b>Creditors: amounts falling due within one year</b>	8	(648,741)	(464,705)
Net current assets		841,943	684,688
<b>Total assets less current liabilities and net assets excluding pension asset</b>		<b>21,228,150</b>	<b>21,582,004</b>
Defined benefit pension scheme asset	12	-	<b>5,526,000</b>
<b>Total Net Assets</b>		<b>21,228,150</b>	<b>27,108,004</b>
<b>Funds</b>			
Unrestricted funds - general fund	10	<b>841,943</b>	<b>684,688</b>
- pension fund	10	-	<b>5,526,000</b>
Total unrestricted funds	10	<b>841,943</b>	<b>6,210,688</b>
Restricted fund	11	<b>20,386,207</b>	<b>20,897,316</b>
<b>Total funds</b>		<b>21,228,150</b>	<b>27,108,004</b>

These financial statements were approved by the board of Trustees on 29 September 2025 and were signed on its behalf by:



**D H Thomson**  
Chairman

The notes on pages 21 to 34 form part of these financial statements.

## Statement of financial activities

for the year ended 31 March 2025 (incorporating the income and expenditure account)

	Note	Unrestricted funds £	Restricted funds £	Total funds 2025 £	Total funds 2024 £
<b>Income From:</b>					
Charitable activities:					
Leisure and recreation services	2	6,711,792	-	6,711,792	6,353,037
Donations and legacies	2	268,899	253,337	522,236	43,584
Investments		21,527	-	21,527	14,767
Other income	2	24,203	-	24,203	1,217
<b>Total</b>		<b>7,026,421</b>	<b>253,337</b>	<b>7,279,758</b>	<b>6,412,605</b>
<b>Expenditure on:</b>					
Charitable activities:					
Leisure and recreation services	3,11	(6,709,128)	(793,484)	(7,502,612)	(6,676,892)
<b>Total</b>		<b>(6,709,128)</b>	<b>(793,484)</b>	<b>(7,502,612)</b>	<b>(6,676,892)</b>
<b>Net Income/(Expenditure)</b>		<b>317,293</b>	<b>(540,147)</b>	<b>(222,854)</b>	<b>(264,287)</b>
<b>Transfer between Funds</b>		(29,038)	29,038	-	-
<b>Other recognised gains /(losses):</b>					
Actuarial gains/(losses) on defined benefit pension scheme	12	(5,657,000)	-	(5,657,000)	525,000
<b>Net movement in funds</b>		<b>(5,368,745)</b>	<b>(511,109)</b>	<b>(5,879,854)</b>	<b>260,713</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		6,210,688	20,897,316	27,108,004	26,847,291
<b>Total funds carried forward</b>	10, 11	<b>841,943</b>	<b>20,386,207</b>	<b>21,228,150</b>	<b>27,108,004</b>

All activities arose from continuing operations. The unrestricted general fund includes the income and expenditure wholly and exclusively related to the running of the Trust's leisure centres. The £1 capital on formation is also included within the unrestricted general funds. The transfer between funds relates to an adjustment in respect of the funding of capital expenditure.

Governance costs are included in expenditure on Leisure and Recreation services.

## Cash flow statement

for the year ended 31 March 2025

	2025 £	2025 £	2024 £	2024 £
<b>Net cash (used in)/provided by operating activities</b> (see page 20)		<b>(182,921)</b>		422,891
<b>Cash Flows from Investing Activities:</b>				
Interest	<b>21,527</b>		14,767	
Purchase of property, plant and equipment	<b>(282,375)</b>		(5,489)	
<b>Net cash (used in)/provided by investing activities</b>		<b>(260,848)</b>		9,278
<b>Net decrease in Cash and Cash Equivalents in the reporting period</b>		<b>(443,769)</b>		432,169
Cash and Cash Equivalents at the beginning of the reporting period		<b>1,004,722</b>		572,553
Cash and Cash Equivalents at the end of the reporting period		<b>560,953</b>		1,004,722

## Notes to the cash flow statement

Reconciliation of net expenditure to net cash flow from operating activities

	2025 £	2024 £
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>(222,854)</b>	(264,287)
<b>Adjustments for:</b>		
Depreciation charges	<b>788,704</b>	781,363
Loss on disposal of fixed assets	<b>4,780</b>	-
Pension costs less contributions payable	<b>(131,000)</b>	(244,000)
Interest	<b>(21,527)</b>	(14,767)
Decrease in stocks	<b>398</b>	1,963
Increase/(decrease) in debtors	<b>(785,458)</b>	263,856
Increase/(decrease) in creditors	<b>184,036</b>	(101,237)
<b>Net cash (outflow from)/used by operating activities</b>	<b>(182,921)</b>	422,891

Analysis of Cash and Cash Equivalents	At 31 March 2024 £	Cash flow £	At 31 March 2025 £
Cash at bank and in hand	1,004,722	<b>(443,769)</b>	560,953
<b>Total Cash and Cash Equivalents</b>	<u>1,004,722</u>	<u><b>(443,769)</b></u>	<u>560,953</u>

## Notes

(forming part of the financial statements)

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust’s financial statements, except as noted.

#### **Basis of preparation**

The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards. They have been prepared to comply in all other respects with the provisions of the Trust Deed, Statement of Recommended Practice ‘Accounting and Reporting by Charities’ and the Charities Accounts (Scotland) Regulations 2006.

The functional currency of Shetland Recreational Trust is considered to be pounds sterling because that is the currency of the primary economic environment in which the charity operates. All figures within the financial statements are rounded to the nearest pound. Shetland Recreational Trust meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in compliance with FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### **Going concern**

The Trust continues to work on its future business model to ensure it is fit for purpose and has resilience for coming years. The work already completed means that the Trust is in a position where the budget for 2025/26 shows a small surplus and it is expected this can be achieved. The confirmed support from Shetland Charitable Trust to 2030 has also given further confidence in the future.

Based on the above and positive cash flow projections to 31<sup>st</sup> October 2026 the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. As a result the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at historical cost. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

## Notes (continued)

Buildings	over 25 - 50 years
Plant and equipment	over 3 – 5 years
Artificial Pitch,	over 20 years
Containers	over 30 years
Bike Shelter	over 20 years
Clickimin 60:40 facility	over 25 years
Climbing Wall	Over 15 years

No depreciation is charged on land.

Expenditure incurred on the acquisition of tangible fixed assets is capitalised irrespective of its value, except in respect of plant and equipment which is only capitalised above £5,000 with no grouping applied to purchases below this value. Gains and losses arising on disposals of fixed assets purchased from capital grants are credited or charged to restricted funds.

### Grants receivable

Grants receivable for the construction of tangible fixed assets, and the interest receivable on those grants pending deployment, with the exception of interest applied in meeting the mobilisation cost of fixed assets, are treated as construction capital. Grants receivable for specific revenue purposes, mainly running costs grants, are recognised as incoming resources to match the related running costs. Deferred income at the year-end represents revenue grants receivable for which authority has been received from the donor to retain to be used against expenditure incurred in future periods.

It is released to incoming resources only when the related expenditure has been incurred.

### Centre operating income and investment income

Income generated from the operation of the Trust’s leisure centres and investment income is recognised in the year in which it is receivable.

### Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All of the expenditure incurred in connection with the operation of the Trust’s leisure centres, including related support and governance costs, is recorded as charitable activities.

### Fund accounting

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the Trust’s charitable objects.

Restricted income funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the provider of grant funding.

## **Stocks**

Stocks are valued at the lower of cost and net realisable value.

## **Pension costs**

The Trust participates in the local government pension scheme operated by Shetland Islands Council. This scheme provides benefits based on career average pay. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as market value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. The net return obtained on scheme assets is recorded as investment income. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

## **Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. There is no similar exemption for VAT.

## **Cash and liquid resources**

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable within three months, less overdrafts payable on demand.

Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or close to their carrying values or traded in an active market. Liquid resources comprise term deposits of less than one year.

## **Measurement of Financial Assets and Liabilities**

The measurement bases and accounting policies used for financial instruments are:

Cash is measured at the value of the cash held and Bank deposits are measured as the cash amount of the deposit.

Debtors and creditors, including trade debtors (trade accounts and notes receivable) and trade creditors (trade accounts and notes payable), are measured at their settlement amount after any trade discounts (provided normal credit terms apply).

**Notes** *(continued)*

**Critical Accounting Estimates and Areas of Judgement**

The following judgements and estimates have had the most significant effect on the amount recognised in the financial statements.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. These are re-assessed and amended when necessary.

The trust recognised a defined benefit pension asset on the balance sheet. At 31 March 2025 the gross asset was nil (2024: £5,657,000). Changes to the actuarial assumptions could result in material changes within the next financial year. On the recognition of pension scheme assets, the Trust have not recognised the pension scheme asset as the impact of the asset ceiling is to reduce the net pension asset to nil.

**2. Income**

	2025	2024
	£	£
<b>Restricted Funds</b>		
Other Grants and Donations	253,337	544
	_____	_____
<b>Sub Total: Restricted Funds</b>	<b>253,337</b>	<b>544</b>
	_____	_____
<b>Unrestricted Funds</b>		
<b>Income from Charitable Activity:</b>		
Grants from Shetland Charitable Trust	4,141,869	3,796,054
Operating income	2,739,716	2,555,312
Other – Insurance claims	26,502	23,299
Other	96,807	22,629
	_____	_____
<b>Sub Total: Income from Charitable Activity</b>	<b>7,004,894</b>	<b>6,397,294</b>
	_____	_____
Investment Income	21,527	14,767
	_____	_____
<b>Sub Total: Unrestricted Funds</b>	<b>7,026,421</b>	<b>6,412,061</b>
	_____	_____
Total Income	<b>7,279,758</b>	<b>6,412,605</b>
	=====	=====

**Notes** *(continued)*

**3. Expenditure**

<b>Unrestricted funds</b>	<b>2025</b>	2024
	<b>£</b>	<b>£</b>
Centre operating expenditure is analysed by type as follows:		
Staff costs	<b>3,729,843</b>	3,729,329
Property management costs (including repairs and maintenance)	<b>1,408,731</b>	892,763
Heat, light and power	<b>1,075,022</b>	1,021,387
Other expenditure	<b>626,532</b>	496,050
	<hr/> <b>6,840,128</b>	<hr/> 6,139,529
	<hr/> <hr/>	<hr/> <hr/>
Centre operating expenditure is analysed by activity as follows:		
Clickimin Leisure Complex	<b>3,302,573</b>	3,187,700
Rural leisure centres	<b>2,203,132</b>	2,092,932
Planned maintenance programme	<b>1,295,209</b>	826,595
Other specific purposes	<b>39,214</b>	32,302
	<hr/> <b>6,840,128</b>	<hr/> 6,139,529
Net pension cost less contributions paid	<b>134,000</b>	(17,000)
Pension finance costs	<b>(265,000)</b>	(227,000)
	<hr/> <b>6,709,128</b>	<hr/> 5,895,529
Total expenditure on unrestricted funds	<b>6,709,128</b>	5,895,529
Total expenditure on restricted funds	<b>793,484</b>	781,363
	<hr/> <b>7,502,612</b>	<hr/> 6,676,892
<b>Total expenditure on charitable activities</b>	<b>7,502,612</b>	6,676,892
	<hr/> <hr/>	<hr/> <hr/>

**Notes** (continued)

**4. Governance costs**

	<b>Unrestricted Fund 2025 £</b>	<b>Restricted Fund 2025 £</b>	<b>Total 2025 £</b>	Total 2024 £
Allocation of staff and support costs	55,792	-	55,792	71,650
External auditors’ remuneration: Audit of these financial statements	17,800	-	17,800	19,233
	<u>73,592</u>	<u>-</u>	<u>73,592</u>	<u>90,883</u>

Governance costs of £55,792 (2024 £71,650) are included within staff costs (note 3).

**5. Staff numbers and costs**

	<b>Unrestricted Fund £</b>	<b>Restricted Fund £</b>	<b>Total 2025 £</b>	Total 2024 £
Wages and salaries	2,952,858	-	2,952,858	2,931,067
Social Security	229,790	-	229,790	230,350
Pension costs	404,719	-	404,719	315,652
Other	11,476	-	11,476	8,260
	<u>3,598,843</u>	<u>-</u>	<u>3,598,843</u>	<u>3,485,329</u>

The average number of employees paid during the year was 168 (2024: 173).

One employee (2024: one) received emoluments between £80,000 and £89,999, no employees (2024: one) received emoluments between £70,000 and £79,999 and one employee (2024: two) received emoluments between £60,000 and £69,999.

Retirement benefits are accruing to these employees under a defined benefit pension scheme.

**Redundancy and termination payments**

Statutory redundancy costs for the year were nil (2024: £7,395), and were accounted for when paid. Redundancy costs were met from operating expenditure.

**Notes** *(continued)*

**Trustees' remuneration**

Trustees received no remuneration from the Trust during the year (2024: nil).

No Trustees received any other benefits (2024: nil).

No travel expenses (2024: nil) were paid to Trustees during the year.

**Key Management Personnel**

Information on key management personnel is given on page 3.

**6. Tangible fixed assets**

	Freehold land and buildings £	Equipment and vehicles £	Total £
<b>Cost</b>			
At 1 April 2024	37,517,755	2,199,091	39,716,846
Additions	237,958	44,417	282,375
Disposals	(4,945)	(31,407)	(36,352)
	<u>37,750,768</u>	<u>2,212,101</u>	<u>39,962,869</u>
<b>Depreciation</b>			
At 1 April 2024	16,644,571	2,174,959	18,819,530
Charge for the year	784,940	3,764	788,704
Disposals	(165)	(31,407)	(31,572)
	<u>17,429,346</u>	<u>2,147,316</u>	<u>19,576,662</u>
<b>Net book value</b>			
At 31 March 2025	<u>20,321,422</u>	<u>64,785</u>	<u>20,386,207</u>
At 31 March 2024	<u>20,873,184</u>	<u>24,132</u>	<u>20,897,316</u>

All fixed assets are used for charitable purposes. The assets comprising Clickimin Phase II, Scalloway Pool, South Mainland Pool and West Mainland Leisure Centre may not be disposed of without the permission of Shetland Charitable Trust and, if permission is forthcoming, these assets must be offered in the first instance to Shetland Charitable Trust, or their nominee, for nominal consideration.

**Notes (continued)**

**7. Debtors**

	2025	2024
	£	£
Trade debtors	<b>301,506</b>	100,298
Recoverable VAT	<b>34,130</b>	-
Prepayments and accrued income	<b>582,623</b>	32,503
	<hr/> <b>918,259</b> <hr/>	<hr/> 132,801 <hr/>

**8. Creditors**

	2025	2024
	£	£
Amounts falling due within one year		
Trade creditors	<b>367,468</b>	204,792
Social security costs and other taxes	<b>55,511</b>	54,666
Accruals and deferred income	<b>225,762</b>	167,523
VAT payable	-	37,724
	<hr/> <b>648,741</b> <hr/>	<hr/> 464,705 <hr/>

**9. Analysis of net funds**

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2025 are represented by:			
Tangible fixed assets	-	20,386,207	20,386,207
Current assets	1,490,684	-	1,490,684
Current liabilities	(648,741)	-	(648,741)
Net pension asset/(liability)	-	-	-
	<hr/> <b>841,943</b> <hr/>	<hr/> <b>20,386,207</b> <hr/>	<hr/> <b>21,228,150</b> <hr/>
Total net assets (liabilities)			

**Notes** *(continued)*

**10. Unrestricted funds**

	<b>General Fund</b>	<b>Pension Reserve</b>	<b>Total Unrestricted Income Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2024	684,688	5,526,000	6,210,688
Net Income/(Expenditure)	317,293	-	317,293
Actuarial gains for the year	-	(5,657,000)	(5,657,000)
Transfer between unrestricted funds	(131,000)	131,000	-
Transfer to Restricted fund – fund capital expenditure	(29,038)	-	(29,038)
	<hr/>	<hr/>	<hr/>
At 31 March 2025	<b>841,943</b>	<b>-</b>	<b>841,943</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The charity is aiming to have 3 months operating costs as unrestricted/general reserves which would be approximately £2.2m. Current unrestricted reserves fall short of this target and the plan is to work towards this over the current 5 year funding cycle.

**11. Restricted fund**

	<b>Capital</b>	<b>2025 Total</b>	<b>2024 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April	20,897,316	20,897,316	21,673,191
Income	253,337	253,337	544
Expenditure	(793,484)	(793,484)	(781,363)
Transfer- Unrestricted fund	29,038	29,038	4,944
	<hr/>	<hr/>	<hr/>
At 31 March	<b>20,386,207</b>	<b>20,386,207</b>	20,897,316
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Notes** *(continued)*

**12. Employee Benefits**

The Trust participates in the Shetland Islands Pension Fund which provides benefits based on career average pay. The assets of the scheme are held separately from those of the Trust. The information disclosed below in respect of the Trust’s share of the assets and liabilities throughout the periods shown. The latest full actuarial valuation was carried out at 31 March 2023 and was updated for FRS 102 purposes to 31 March 2025 by a qualified independent actuary.

	<b>2025</b>	2024
	<b>£000</b>	£000
Present value of funded defined benefit obligations	<b>(15,281)</b>	(17,630)
Fair value of plan assets	<b>23,845</b>	23,205
	<hr/>	<hr/>
	<b>8,564</b>	5,575
Present value of unfunded defined benefit obligations	<b>(43)</b>	(49)
	<hr/>	<hr/>
Net asset/(liability)	<b>8,521</b>	5,526
	<hr/> <hr/>	<hr/> <hr/>
Amounts in the balance sheet:		
	<b>2025</b>	2024
	<b>£000</b>	£000
Assets	-	5,526
Liabilities	-	-
	<hr/>	<hr/>
Net pension asset/(liability)	-	5,526
	<hr/> <hr/>	<hr/> <hr/>

On the recognition of pension scheme assets the Trust have not recognised the defined benefit pension scheme asset as the impact of the asset ceiling is to reduce the net pension asset to nil.

**Notes** *(continued)*

**12 Employee Benefits** *(continued)*

Movement in the present value of defined benefit obligation

	<b>2025</b>	2024
	<b>£</b>	<b>£</b>
At 1 April	<b>17,679</b>	15,801
Current service cost	<b>671</b>	545
Interest Cost	<b>864</b>	759
Actuarial (gains)/losses	<b>(3,536)</b>	831
Contributions by members	<b>138</b>	135
Benefits paid	<b>(492)</b>	(392)
	<hr/>	<hr/>
At 31 March	<b>15,324</b>	17,679
	<hr/> <hr/>	<hr/> <hr/>

Movement in the fair value of plan assets

	<b>2025</b>	2024
	<b>£</b>	<b>£</b>
At 1 April	<b>23,205</b>	20,558
Expected return on plan assets	<b>1,129</b>	986
Actuarial (loss)/gains	<b>(672)</b>	1,356
Contributions by employer	<b>537</b>	562
Contributions by members	<b>138</b>	135
Benefits paid	<b>(492)</b>	(392)
	<hr/>	<hr/>
At 31 March	<b>23,845</b>	23,205
	<hr/> <hr/>	<hr/> <hr/>

**Notes** *(continued)*

**12 Employee Benefits (continued)**

The expense is recognised in the following line items in the statement of financial activities:

	<b>2025</b>	2024
	<b>£000</b>	£000
Charitable activities: Leisure and recreational services	<b>(864)</b>	(759)

The total actuarial gain recognised in the other recognised gains and losses section of the statement of financial activities is a loss of £5,657,000 (2024: gain of £525,000).

The fair value and breakdown of plan assets was as follows:

	<b>2025</b>	2024
	<b>£000</b>	£000
Equities	<b>18,361</b>	18,100
Corporate bonds	<b>1,192</b>	2,785
Property	<b>4,054</b>	2,088
Cash	<b>238</b>	232
	<b>23,845</b>	23,205
	<b>23,845</b>	23,205

The expected rates of return on plan assets are determined by reference to the historical actual returns on the Fund as provided by the administering authority and index returns where necessary.

Principal actuarial assumptions (expressed as long term weighted averages) at the year-end were as follows:

	<b>2025</b>	2024
	<b>%</b>	%
Discount rate	<b>5.80</b>	4.85
Expected rate of return on plan assets	<b>2.0</b>	15.0
Future salary increase rate	<b>2.75</b>	2.75
Consumer Price Index (CPI) - pension increase rate	<b>2.75</b>	2.75
Retail Price Index (RPI)	<b>3.05</b>	3.05

**Notes** (continued)

**12 Employee Benefits (continued)**

In valuing the liabilities of the pension fund at 31 March 2025, mortality assumptions have been made as indicated below. The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows:

- Current pensioner aged 65: 21.1 years (male), 23.4 years (female); and
- Future retiree upon reaching 65: 21.5 years (male), 25.1 years (female).

The assumptions in the previous accounting period were as follows:

- Current pensioner aged 65: 21.2 years (male), 23.4 years (female); and
- Future retiree upon reaching 65: 21.6 years (male), 25.2 years (female).

The Trust expects to contribute approximately £476,000 to its defined benefit plans in the next financial year to 31 March 2026.

The SRT is aware that the Court of Appeal has recently upheld a decision in the Virgin Media vs NTL Pensions Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgement means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government’s Actuary’s Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

**Notes** (continued)

**13 Related parties**

Transactions with Trustees are disclosed in note 5.

- A company, Anderson & Cluness, to which a Trustee, Mr I Cluness, is related was paid £948 (2024: £631) for painting materials.
- A company, Shetland Heat, Energy & Power Ltd, to which a Trustee, Mr D Leask, is related was paid £193,610 (2024: £203,498) for heating services.

No amount was due to or owed to related parties at the year end.

These transactions were managed through a specific decision of the Trust, taken in December 2014.

A charity, Shetland Arts Development Agency (SADA), provided key management personnel services to Shetland Recreational Trust. SADA was paid £11,500 (2024: £nil) for the services of a Finance Manager. No amounts were outstanding at the year end.

**14 Leases**

At the 31 March 2025, the Trust had outstanding commitments for future lease payments under operating leases, which fall due as follows:

	<b>2025</b>	2024
	<b>£</b>	£
Within one year	<b>41,368</b>	12,669
Between one and five years	<b>64,568</b>	410

The payments made in 2024/25 totalled £136,145 (2024 £111,285).