



NORTH HARRIS TRADING LIMITED

ANNUAL REPORT

2023

North Harris Trading Company - Company Number: SC275446

north-harris.org

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CHAIRMAN'S REPORT

The past year proved to be lacking in new revenue generating opportunities as economic forecasts called for prudence and caution. New projects are very long term and we await the outcome of locally generated or supplied energy from the proposed offshore wind farms to kick start development for NHTC. Meantime we continued our roadmap to consolidate, improve and remove some existing development schemes.

The local wind turbines at Urgha and Huisinis are causing concerns as they age and the lack of service support could be an issue over the next year. Ongoing searches for support are proving difficult and the risk of failure of the installation may require investment in replacements. NHTC would seek support from NHT and external funders.

The recycling site at Urgha continues to be one of managed concern due to lack of available resource from CnES. The local crofting supplies and hardware sales outlet continues to expand as customers call for more products and supplies.

A review of the site and the land usage could offer expansion mainly for crofting materials as we investigate a potential move further back into the service area at Urgha.

As previously stated in past AGM's, housing continues as a priority as the company and NHT continue to seek and review suitable site(s) with other agencies.

As always, I am very grateful to the board of directors for continuing to give their time to the company. I also thank the Trust board and staff for their support, in particular, David Wake, Michael Hunter and Diana MacLennan for their consistent support, enthusiasm and professionalism.



*Photograph of Crofting Supplies
business office*

DEVELOPMENT OFFICERS REPORT

The North Harris Trading Company (NHTC) is the wholly-owned subsidiary of the North Harris Trust (NHT). It was established in 2003 to deliver new income streams to the Trust to allow it to expand its community development activities.

NHTC owns and operates three solar PV installations and three wind turbines.

The Urgha Westwind turbine is proving difficult to maintain. We had a commitment from a local service provider to carry out an inspection to reassure neighbours that the machine was safe to operate. This did not happen. Following the year end, the machine failed. Enquiries are being made with other maintainers.

One of the two Huisinis turbines was returned to the manufacturer for repairs in May. It appears to have suffered the same delamination problem as a number of others on island. It was returned to service in October after 5 months away—fortuitously during the calmer summer months.

NHTC continues to operate the North Harris Community Recycling Site on behalf of CnES. This year has once again been challenging. Despite Council investment in new skips, the lack of drivers and serviceable vehicles has led to the site being closed on over a dozen occasions when skips have filled.

There is some hope for the future with new vehicles on order and new staff in training.

Further investment has been made in the Urgha site. New wood panel fencing was installed to lessen the visual impact of our operations. A ramp was installed for easier access to the office, and additional stone laid to clean up part of the yard.

The Crofting Supplies business has grown throughout the year, in response to community feedback. The product range has developed with the recent addition of hardware and ironmongery on new display racks. We continue to look for alternative sources of products to improve pricing as well as responding to customer demand for new products.

A new till system was installed to improve retail accounting. NHT agreed to extend the contract of the Kickstart placement following the end of government funding. This has offered extra cover for the retail and recycling operation.



Ramp installed for easier access at office

FINANCIAL STATEMENT

THE NORTH HARRIS TRADING COMPANY LTD

Income Statement for the Year Ended 31 October 2022

	Notes	31.10.22 £	31.10.21 £
TURNOVER		66,185	56,701
Cost of sales		<u>52,465</u>	<u>36,582</u>
GROSS PROFIT		13,720	20,119
Administrative expenses		<u>27,027</u>	<u>33,095</u>
		(13,307)	(12,976)
Other operating income		<u>5,142</u>	<u>2,996</u>
OPERATING LOSS	4	(8,165)	(9,980)
Interest receivable and similar income		<u>7</u>	<u>3</u>
LOSS BEFORE TAXATION		(8,158)	(9,977)
Tax on loss		<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(8,158)</u></u>	<u><u>(9,977)</u></u>

FINANCIAL STATEMENT

THE NORTH HARRIS TRADING COMPANY LTD (REGISTERED NUMBER: SC275446)

Balance Sheet 31 October 2022

	Notes	31.10.22 £	£	31.10.21 £	£
FIXED ASSETS					
Tangible assets	5		67,478		60,234
CURRENT ASSETS					
Stocks		7,863		5,120	
Debtors	6	5,284		4,945	
Cash at bank and in hand		<u>33,231</u>		<u>48,913</u>	
		46,378		58,978	
CREDITORS					
Amounts falling due within one year	7	<u>6,973</u>		<u>4,171</u>	
NET CURRENT ASSETS			<u>39,405</u>		<u>54,807</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>106,883</u>		<u>115,041</u>
CAPITAL AND RESERVES					
Called up share capital			60,000		60,000
Retained earnings			<u>46,883</u>		<u>55,041</u>
SHAREHOLDERS' FUNDS			<u>106,883</u>		<u>115,041</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 25 April 2023 and were signed on its behalf by:

G R Ness - Director

BOARD OF DIRECTORS

Chairman - Gordon Ness

Vice - Chairman - Tim Langely

Directors - Steve McCombe

NHT/NHTC Directors - Barbara MacKay
Kirsty MacKay

Company Secretary - Michael Hunter



Some stock products from the Crofting Supplies business