

North Harris Trading Company Limited

Annual Report

November 2014 – October 2015

Board of Directors

Chairman

Tim Langley

Vice Chair

Richard Barrett

Directors

Shaun Hayes
Donnie MacLeod

NHT/NHTC Directors

Iain MacSween
Steve McCombe

Barbara MacKay

Company Secretary

Alistair MacLeod

Chairman's Report

Year ending 31st October 2015

I am pleased to report another successful year for the company, in which it has completed two flagship projects and started construction of a third.

The Monan windfarm was fully commissioned in March 2015. Since then its three turbines have been generating reliably, and as anticipated the project has started to bring in financial rewards for the company which will be put to use in the Trust's other projects.

The Iomairt an Obain business units in East Tarbert were completed in February 2015 and now provide much-needed office and light industrial premises for the area. It is still early days for the tenants, but we hope that in time the facilities will enable them to expand and so create jobs in the local economy.

Construction of the hydro-electric scheme at Bunavoneadar started in the summer and should be completed, and generating, by August 2016.

As is apparent from the Development Officer's Report, the recycling site at Urgha is very well run and is a popular and valuable resource for the community, not only as a recycling facility but also for providing employment opportunities.

Unfortunately, this year saw the departure of Donnie Mackay as a director. Donnie was involved in the Trust from its beginning, and over the years we have benefitted greatly from his considerable knowledge and experience of community-led projects. On behalf of the board of directors I would like to thank Donnie for his contribution.

As always, I am very grateful to David Wake, the Development Officer, for his hard work throughout the year in progressing all of the company's projects so effectively, and for his assistance to the board.

Finally, I thank the directors for their time and input during the year, and the North Harris Trust board and staff for their support.

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Development Officer's Report

Year ending 31st October 2015

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.

After over ten years developing a windfarm at Monan, the third and last turbine was commissioned on site in March. Owned by Monan Wind Company Limited (MWC) – a joint venture between the NHTC and Windflow UK, the machines have worked well through the summer. As they approach the windy season, the machines are being tuned for the turbulent conditions, allowing the maximum energy to be extracted from the difficult conditions at Monan.

Work got underway to construct the 100kW hydro-turbine at Bunavoneader in July. Financial close was reached in May with the creation of River Generation Limited (RGL), a joint venture between NHTC and Sustainable Technology Investors Limited. RGL has engaged Duncan MacKay and Sons to carry out the civil works. At the end of the reporting year, the intake was complete and work was underway on the turbine house. Both the Bunavoneader and Monan schemes will deliver a guaranteed rental income, eligibility for a share of the distributed profits and the opportunity to increase our minority stake in the future.

Over the Clisham from Bunavoneader, we made progress towards developing a similar scheme at Maraig. After successfully securing funding from the Scottish Government's Community and Renewable Energy Scheme, planning approval, a SEPA licence and a grid connection were secured. Unfortunately in July, SSE closed the Western Isles grid to all new connections. This stalls the majority of community energy projects in the isles, including our own, until the interconnector is installed to Ullapool – currently forecast for 2021.

In addition to the above renewable energy schemes, NHTC has been progressing two building projects. With funding from Big Lottery, HIE, CnES and NHT, three business units were completed at the Iomairt an Obain development on the edge of Tarbert in February. Despite extensive advertising in trade magazines, we were unsuccessful in attracting tenants from off the island but have now secured three local businesses who have each signed up to create new employment and training opportunities.

The second building project is the creation of the Huisinis Gateway. Planning permission was secured to redevelop the existing toilet block to include changing facilities and an indoor meeting space. The search is still on for funding.

NHTC continues to operate the North Harris Community Recycling Site at Urgha on behalf of CnES. This year the Urgha operations received an EXCELLENT assessment during its annual SEPA review. Once again an application to the Community Jobs Scotland scheme for out-of-work under 25's has been successful. We now have our fourth placement through the scheme.

Finally, after securing planning permission for a 50kW wind-turbine at Outend in Scalpay, we have struggled to make the project viable. An agreement has been

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signed with Ecodyn Ltd and Orenda (the turbine manufacturer) allowing them to develop the site.