

## Seallam! – Hebrides People Visitor Centre Community Share Offer Business Plan March 2022

Northton Heritage Trust  
Seallam! Hebrides People Visitor Centre  
Northton  
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HS3 3JA

<https://www.hebridespeople.com/>  
<https://www.facebook.com/seallamvisitorcentre/>  
<https://twitter.com/seallamcentre?lang=en>  
<https://www.instagram.com/seallamcentre/?hl=en-gb>



Northton Heritage Trust is a charitable community benefit society No 8676, SCO02519

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## 1. Executive Summary

Seallam! Hebrides People Visitor Centre is a unique project based in the Isle of Harris, Outer Hebrides which celebrates the culture and heritage of the people through their genealogical record, storytelling and history. It is owned by the community - Northton Heritage Trust (NHT), a charitable community benefit society (No 8676) (SCO 02519) which is now planning an exciting future for the project as a major visitor and learning destination celebrating the rich history of this remote island archipelago.

Bill and Chris Lawson began work developing the records over 40 years ago and they donated their life's work to the Trust some 20 years ago when funding was secured to build the current visitor centre. Chris is sadly, no longer with us and Bill, at 84 years of age is handing over the reins to the community (Trust) to develop their legacy as part of the Islands Destination Development Programme to provide a much-needed visitor and learning facility in south Harris.

Northton Heritage Trust (NHT) has prepared ambitious plans to bring all the land and buildings into community ownership (it already owns the centre and car park) and to develop them to enhance exhibition space, provide student accommodation and research facilities to create more local employment and stimulate local economic development. This will be carried out in two phases:

- **Phase one** which will see all the remaining land/ buildings brought into ownership of the Trust
- **Phase two** which will see development of these assets to provide new exhibition space, student and learning accommodation, a café and Seallam! Outdoors signposting the remarkable geography and geology of the area as part of Northton Bay a Site of Special Scientific Interest (SSSI).

The Trust is keen to engage both its local community (Island of Harris) and its wider community (the rest of the world with an interest or heritage in the islands) in this exciting development and is running a community share offer to enable supporters of the project **to contribute to delivery of phase one works- bringing the land/buildings into community ownership and finalising the plans for the second phase** which will see the buildings extended.

### The Share Offer

The Trust is aiming to raise £100,000 through the share offer **to progress the first phase of the development**. This will enable us to match funding secured to buy the land/ buildings, update our digital offer and finalise plans for phase two building works and the enhanced exhibition and learning offer. Investing in the share offer will enable the following – the share offer spend is highlighted in orange:

### Community Shares Match Funding

What is it funding?	Funding secured to date	Share offer match funding
Purchase of remaining land and buildings.	£218,500 (Scottish Land Fund)	£25,000
Enhanced digital offering for exhibitions and website	£30,000 (Heritage Lottery Fund)	£30,000
Working capital for planning and building warrants for new build works	£18,000	£45,000
		<b>£100,000</b>

If NHT is successful in raising £100,000, the planned expenditure would be as indicated above, should it raise less, say £75,000 then we will have less working capital and aim to secure this elsewhere from grant funding. Should we raise more, say £120,000 then we will have more working capital to finalise our plans. If we don't raise £75,000 in share income funds are returned to investors.

#### How you can invest?

If you are resident in the Outer Hebrides (have electoral voting rights there) you can buy shares at £25 per share up to a maximum of £10,000 and if you live elsewhere in the world, you can buy shares at £300 up to a maximum of £10,000 (10% of the planned share offer). Full details can be found in the section 5 of this business plan and our share offer document.

Community shares are a way of demonstrating community support for a project through investing in future development. Shares are withdrawable in the future once the development is complete and trading satisfactorily. NHT aims to pay 2% interest and offer share withdrawals from Year 2027. Share withdrawals will be offered on a first come first served basis with a total withdrawals limit of up to 10% of share capital per year.

The share offer will open on Friday 25 March 2022 and will run for six weeks until 6 May 2022.

***Community shares cannot rise in value, no matter how successful the enterprise but they can fall in value and your investment can be at risk. Please read this business plan and the associated share offer document so that you are aware of any risks related to investing.***

## What the community share offer will fund?

NHT has traded successfully for the last 20 years and although the pandemic affected our visitor numbers trading continued on line enabling the business to continue and learn more about the importance of our digital offer. Some of the share offer income will match funding we have already secured from the Heritage Lottery to fully implement our digital strategy.

NHT already holds £203,827 in capital assets (visitor centre building and car park), £25,000 from the share offer will be used to match funding secured from the Scottish Land Fund (£218,500) to buy the remaining land and buildings surrounding the centre, resulting in a total of £434,327 of capital assets being held by the community (Trust). Remaining share offer investment will be used as working capital to fund preparatory work for phase 2 of development – capital build works.

The projected income and expenditure figures demonstrate the potential for the business to build on its trading record and deliver a viable enterprise for the future.

Northton Heritage Trust										
Financial projections										
Balance Sheet										
	Year - 17/18 Actual £	Year - 18/19 Actual £	Year - 19/20 Actual £	Year - 20/21 Actual £	Year - 21/22 Forecast £	Year - 22/23 Forecast £	Year - 23/24 Forecast £	Year - 24/25 Forecast £	Year - 25/26 Forecast £	Year - 26/27 Forecast £
<b>Non-current assets (Fixed assets)</b>										
Original Seallam! Building	224,869	217,855	210,841	203,827	203,827	203,827	203,827	203,827	203,827	203,827
Other Land & Buildings	-	-	-	-	-	230,500	230,500	230,500	230,500	230,500
Alterations and extension to existing building assuming capital grants secured	-	-	-	-	-	-	3,552,531	3,552,531	3,552,531	3,552,531
<b>Total Fixed Assets</b>	<b>224,869</b>	<b>217,855</b>	<b>210,841</b>	<b>203,827</b>	<b>203,827</b>	<b>434,327</b>	<b>3,986,858</b>	<b>3,986,858</b>	<b>3,986,858</b>	<b>3,986,858</b>
<b>Current Assets &amp; Liabilities</b>										
Main Bank Account	- 16,060	- 16,947	- 18,901	7,594	268,472	207,575	126,796	114,900	172,062	229,224
Stock	11,505	10,104	8,608	8,658	7,759	7,759	7,759	7,759	7,759	7,759
Other creditors	- 7,636	- 6,235	- 4,739	- 4,789	-	-	-	-	-	-
<b>Net Current Assets</b>	<b>- 12,191</b>	<b>- 13,078</b>	<b>- 15,032</b>	<b>11,463</b>	<b>276,231</b>	<b>215,334</b>	<b>134,555</b>	<b>122,659</b>	<b>179,821</b>	<b>236,983</b>
<b>Non-current liabilities</b>										
Deferred income (grants for other lands and building and alterations/extension)					- 218,500	- 218,500	- 3,718,500	- 3,718,500	- 3,718,500	- 3,718,500
Deferred income (grant for original Seallam)	- 224,869	- 217,855	- 210,841	- 203,827	- 203,827	- 203,827	- 203,827	- 203,827	- 203,827	- 203,827
<b>Total Net Assets (should equal total equity)</b>	<b>- 12,191</b>	<b>- 13,078</b>	<b>- 15,032</b>	<b>11,463</b>	<b>57,731</b>	<b>227,334</b>	<b>199,086</b>	<b>187,190</b>	<b>244,352</b>	<b>301,514</b>
<b>EQUITY</b>										
<b>Capital and Reserves</b>										
Capital	-	-	-	-	-	-	-	-	-	-
Retained Earnings	- 12,191	- 13,078	- 15,032	11,463	57,731	127,334	99,086	87,190	144,352	201,514
Community Share Offer	-	-	-	-	-	100,000	100,000	100,000	100,000	100,000
<b>Total Capital and Reserves</b>	<b>- 12,191</b>	<b>- 13,078</b>	<b>- 15,032</b>	<b>11,463</b>	<b>57,731</b>	<b>227,334</b>	<b>199,086</b>	<b>187,190</b>	<b>244,352</b>	<b>301,514</b>

The balance sheet (above) demonstrates that NHT already has significant capital assets in addition to the intellectual property of the Lawson Library and the genealogical record and by the completion of phase one works will hold almost £400,000 of fixed tangible assets before investing in their development. This together with the trading history of the project make it a sound investment going forward for those wishing to secure this cultural and heritage resource for future generations.

## Is the business sustainable going forward?

As can be seen in the full business plan Seallam! Hebrides People Visitor Centre has traded well over the last 10 years although conditions have been a little tough in recent years as a result of the pandemic. Significant work has been carried out by the Board to strengthen and develop

the organisation and to prepare a sustainable plan for its expansion. Full details of are explained in the body of the plan but the following profit and loss projections indicate a healthy future for the organisation once the build works are completed.

Northton Heritage Trust											
Financial projections											
Statement of Financial Activities (Profit & Loss Account)											
	Year - 17/18 Actual £	Year - 18/19 Actual £	Year - 19/20 Actual £	Year - 20/21 Actual £	Year - 21/22 Forecast £	Year - 22/23 Forecast £	Year - 23/24 Forecast £	Year - 24/25 Forecast £	Year - 25/26 Forecast £	Year - 26/27 Forecast £	
<b>Income</b>											
Books	14,622	15,463	19,267	11,527	29,100	34,850	39,350	42,000	42,000	42,000	
Genealogy	9,485	7,807	7,338	7,946	8,614	12,000	12,000	12,000	12,000	12,000	
Admissions	4,437	4,682	5,925	559	6,642	16,300	13,700	41,000	70,560	70,560	
General Retail	6,507	9,588	11,517	1,232	9,235	22,100	12,300	26,500	61,200	61,200	
Commissions, Courses	1,885	1,590	1,682	372	400	4,150	5,250	5,250	5,250	5,250	
Food and Drink (net)	535	664	630	90	-	8,700	6,200	10,800	18,600	18,600	
Student Accommodation	-	-	-	-	-	-	-	24,202	32,926	32,926	
Revenue grants	-	-	2,888	53,910	77,060	69,350	-	-	-	-	
Donations	705	3,658	4,615	570	3,890	-	-	-	-	-	
<b>Total Income</b>	<b>38,176</b>	<b>43,452</b>	<b>53,862</b>	<b>76,206</b>	<b>134,941</b>	<b>167,450</b>	<b>88,800</b>	<b>161,752</b>	<b>242,536</b>	<b>242,536</b>	
<b>Expenditure</b>											
Purchase for resale	13,160	11,386	18,338	7,085	18,338	20,000	25,000	25,000	25,000	25,000	
<b>Total expenditure</b>	<b>13,160</b>	<b>11,386</b>	<b>18,338</b>	<b>7,085</b>	<b>18,338</b>	<b>20,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	
<b>Gross profit</b>	<b>25,016</b>	<b>32,066</b>	<b>35,524</b>	<b>69,121</b>	<b>116,603</b>	<b>147,450</b>	<b>63,800</b>	<b>136,752</b>	<b>217,536</b>	<b>217,536</b>	
<b>Overheads</b>											
Wages and pensions	9,125	14,635	17,128	14,999	48,176	48,792	48,792	109,132	121,200	121,200	
Overheads	14,706	14,861	17,009	17,191	19,207	26,103	36,564	36,564	36,159	36,159	
Bank charges, interest etc	2,267	2,461	2,381	1,780	1,692	1,692	1,692	1,692	1,755	1,755	
Professional fees	1,238	996	960	8,656	1,260	1,260	5,000	1,260	1,260	1,260	
<b>Total Overheads</b>	<b>27,336</b>	<b>32,953</b>	<b>37,478</b>	<b>42,626</b>	<b>70,335</b>	<b>77,847</b>	<b>92,048</b>	<b>148,648</b>	<b>160,374</b>	<b>160,374</b>	
<b>Operating profit</b>	<b>(2,320)</b>	<b>(887)</b>	<b>(1,954)</b>	26,495	46,268	69,603	<b>(28,248)</b>	<b>(11,896)</b>	57,162	57,162	
<b>EBITDA</b>											
Depreciation	7,014	7,014	7,014	7,014	-	-	-	-	-	-	
<b>Profit before Tax</b>	<b>(9,334)</b>	<b>(7,901)</b>	<b>(8,968)</b>	19,481	46,268	69,603	<b>(28,248)</b>	<b>(11,896)</b>	57,162	57,162	

## Timeline for phased development

The timeline for the phased development is as follows. The purchase of the land and buildings should be completed by the end of March 2022 in line with the launch of the share offer campaign. Redevelopment of our new website/digital offer will begin in April 2022 with a view to completion in the summer of 2022. Preparatory works for the build are already underway and will be completed by the autumn of 2022. Work is ongoing negotiating Phase Two funding with all relevant funders. More detail on this can be found in the body of the plan.

Seallam! Hebrides People Visitor Centre - Gantt chart												
Phase one and two development												
	2021					2022						
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
<b>Phase one</b>												
Purchase of Land and Buildings												
<b>Community Share Offer</b>												
Development of Digital Offer												
Finalise Seallam! Outdoors plans												
Finalise Seallam! Student accommodation plans												
Finalise Seallam! Exhibition and café space plans												
<b>Phase 2</b>												
Secure funding for capital works												
Regeneration Capital Grant Fund							application			Stage 2		
Islands Growth Deal - negotiations											Sign-off	
Levelling Up application (with CnES)							awaiting clarification from CnES					
UK Shared Prosperity Fund				fund announced						open for applications		

## Community Benefits

Investing in Northton Heritage Trust’s Community Share Offer will not only enable you to be a part of the future of this exciting project and celebrate Bill (and Chris) Lawson’s legacy to the community, its history, heritage and culture you will be:

- Helping provide a world class visitor destination in Harris
- Improve local services and educational opportunities
- Create sustainable local employment
- Make heritage assets more accessible to everyone
- Highlight local ecology: flora, fauna and rocks

The following business plan goes on to explain the business in more detail, its governance and financial projections. The accompanying share offer document goes on to focus on the actual share offer, how you can invest and any risks associated with doing so.

*Please read them both carefully before completing and returning the appropriate form with your investment.*

Funders already supporting this project include:



## 2. Introduction

This section of the plan looks at the history of the project, its trading, plans for redevelopment and community engagement.

Located in South Harris, Seallam! (Gaelic for Let's See!), is a purpose-built visitor centre, originally established around the genealogical resource Co Leis Thu? (Who do you belong to?) built up over the last forty years. The visitor centre houses exhibitions on Harris and St Kilda; island history, emigration and culture, together with a book shop which also sells local crafts and art. Additionally, the Old Schoolhouse is home to the genealogical records, family trees and croft histories for the whole of the Outer Hebrides from the 1750's to the 1920s including those for St Kilda. Prior to Covid around 2,000 visitors a year came to the centre with many others using its online services to trace ancestors or buy books related to the history and culture of the islands.

The current centre and exhibits were built over 20 years ago and could benefit from redevelopment through the use of new technologies to promote interactivity and wider access to increased audiences. It could also benefit from enhanced marketing of its unique resources both locally to its local community and those planning to visit from further afield. In November 2020 trustees undertook to explore becoming a charitable community benefit society with a view to enabling greater community engagement both locally and through its 500 plus supporters around the world. This was realised in the summer of 2021.

**This plan describes how this significant and unique resource will be celebrated and redeveloped as a world class visitor and learning centre for Gaelic and genealogy.**



Seallam! Hebrides People Visitor Centre – current photo - prime location adjacent to SSSI Northton Bay



## Trading History

The visitor centre, which is owned and run by the community as Northton Heritage Trust, has traded well over the last twenty years. It has provided exhibitions, talks and events for locals and visitors to the island and those from further afield via its website **Hebrides People** and social media. The long-standing expertise of its resident genealogist Bill Lawson, who created and developed the records and books, enables access to the vast database, its family histories and trees. Bill is now 84 years old and looking to reduce his input, so Seallam! is beginning a new phase of its history which aims to celebrate and build on the considerable legacy which he has donated to the community (NHT).

<b>Northton Heritage Trust</b>				
<b>Financial projections</b>				
<b>Statement of Financial Activities (Profit &amp; Loss Account)</b>				
<b>Actual figures for four years to 31 March 2021</b>				
	<b>Year - 17/18 Actual £</b>	<b>Year - 18/19 Actual £</b>	<b>Year - 19/20 Actual £</b>	<b>Year - 20/21 Actual £</b>
<b>Income</b>				
Books	14,622	15,463	19,267	11,527
Genealogy	9,485	7,807	7,338	7,946
Admissions	4,437	4,682	5,925	559
General Retail	6,507	9,588	11,517	1,232
Commissions, Courses	1,885	1,590	1,682	372
Food and Drink (net)	535	664	630	90
Student Accommodation	0	0	0	0
Revenue grants	0	0	2,888	53,910
Donations	705	3,658	4,615	570
<b>Total Income</b>	<b>38,176</b>	<b>43,452</b>	<b>53,862</b>	<b>76,206</b>
<b>Expenditure</b>				
Purchase for resale	13,160	11,386	18,338	7,085
Wages and pensions	9,125	14,635	17,128	14,999
Overheads	14,706	14,861	17,009	17,191
Bank charges, interest etc	2,267	2,461	2,381	1,780
Professional fees	1,238	996	960	8,656
<b>Depreciation</b>				
Original Seallam! Building	7,014	7,014	7,014	7,014
Total Depreciation	7,014	7,014	7,014	7,014
<b>Total Expenditure</b>	<b>47,510</b>	<b>51,353</b>	<b>62,830</b>	<b>56,725</b>
<b>Surplus / (Deficit)</b>	<b>(9,334)</b>	<b>(7,901)</b>	<b>(8,968)</b>	<b>19,481</b>

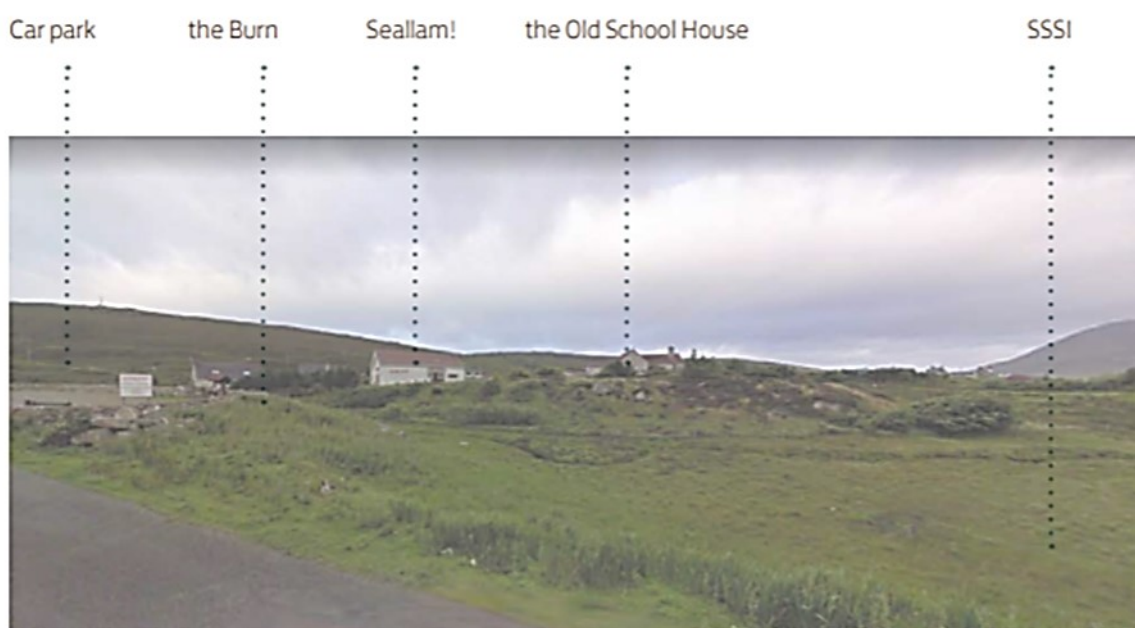
The table above illustrates the trading history over the last 4 years by department. Sales of books and genealogy services are the most significant sources of income and these held up relatively well during the pandemic as they were able to continue online. Income from visitors reduced significantly, with numbers overall relatively low given the number of visitors to the island during peak summer season months. In 2022 the projected visitor numbers for the Outer Hebrides are 202,769 with a projected spend of £75,193,591<sup>1</sup>. The projected visitor spend for Harris is £14,399,649, rising 2.5% per annum without uplift from new planned visitor attractions or an increase in cruise liner visitors.<sup>2</sup>

<sup>1</sup> Eksogen. Outer Hebrides Visitor Volume and Value Forecast. Outer Hebrides Tourism. June 2021

<sup>2</sup> Eksogen. Outer Hebrides Visitor Volume and Value Forecast. Outer Hebrides Tourism. June 2021

There is a view that Seallam! is still a well-kept secret which even islanders are not aware of. Student study groups (genealogy and geology have also fallen away in recent years on account of the lack of affordable accommodation on the island so there is considerable scope to reinstate these services and market them in conjunction with a range of academic institutions including the University of the Highlands and Islands (UHI) with whom Bill Lawson has run previously run courses.

The current food and drink offer comprises a flask of hot water and a donation system to make your own so there is scope to add a small café facility to encourage people to linger a bit longer and browse the books, talk to experts etc. Evidence from other studies locally (*The Harris Marketplace, Feasibility Study 2021*) found that the food and drink market on the south of Harris is seriously underprovided for, with only one or two providers, so there is scope for adding a new provider without any risk of displacement - there are currently no sit in cafes/restaurants operating south of Talla na Mara in West Harris.



Current site from main road approaching from North of island

## Redevelopment Plans

Plans for the current site will see it redeveloped to create an impressive **new visitor centre** with an **extended car park**. A new bridge will connect to an extension building which will have a roof inspired by Stac Lee, part of the St Kilda archipelago. The extended building will include **a café, bookshop and entertainment space** with **new interactive state of the art Harris and St Kilda exhibition spaces**. The centre will also form part of the Slighe Hiort (St Kilda Trail) destination development programme under the Islands Growth Deal (IGD) creating a much needed “destination” to meet visitor demand in south Harris.

A **12-bed student accommodation block** will also be developed to enable Gaelic centred student research and study based on the island. This will enable local people and those from further afield to gain qualifications and build careers locally as well as year-round courses around heritage and culture. The **Old Schoolhouse**, where the **Genealogy Centre** is based, will also be upgraded and brought into community ownership together with the land around the car park, which is part of the SSSI<sup>3</sup> Northton

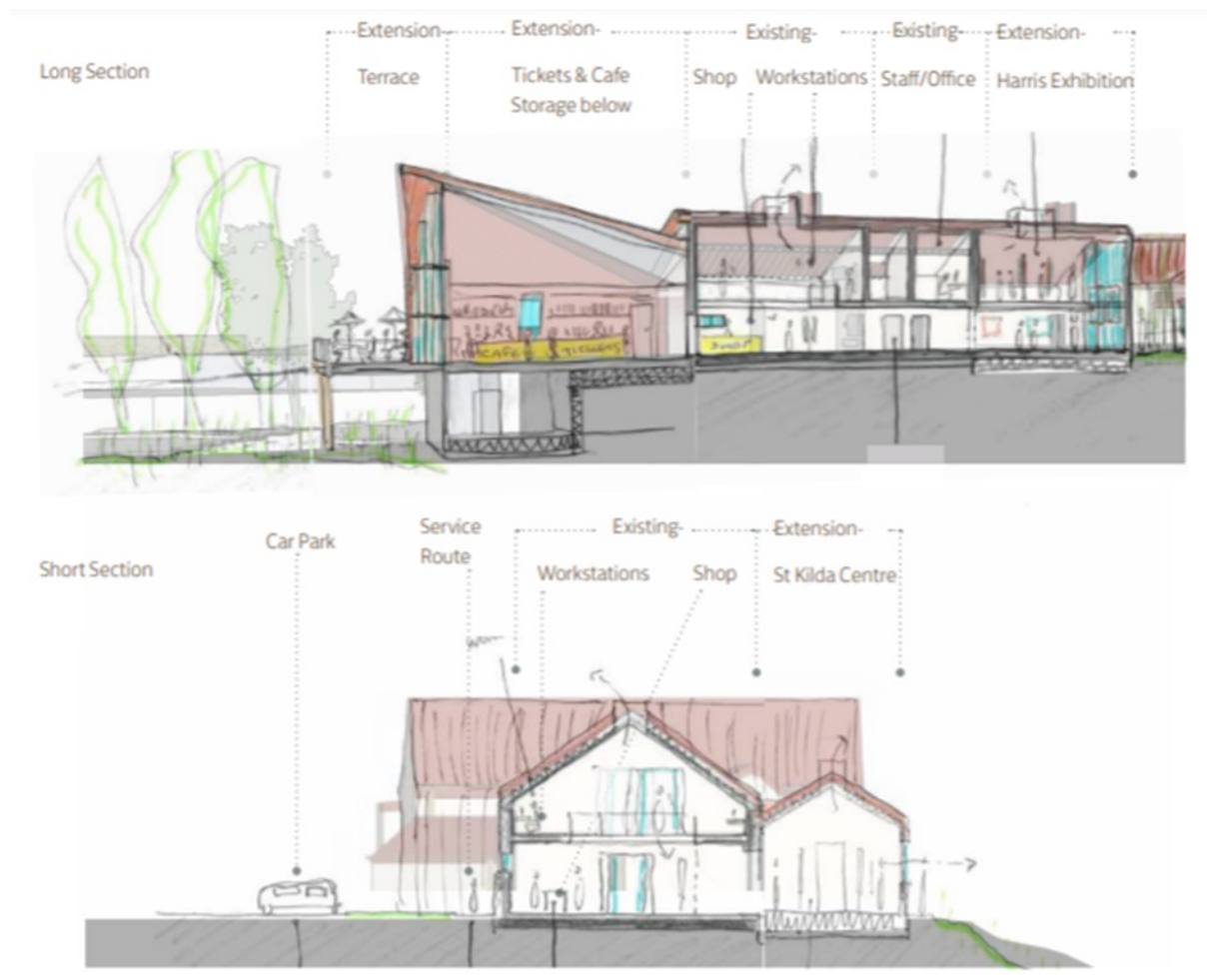
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<sup>3</sup> Site of Special Scientific Interest – [Northton Bay](#)

Bay. It will be sympathetically landscaped as ‘Seallam! Outdoors’ to provide outdoor learning exhibits celebrating the local wildlife of the surrounding area.



Initial plans for development of site at Seallam! (We are GLM)



Conceptual designs for the development of the buildings on site (We are GLM)

Pre **community share offer** research and community engagement surveys indicate that there are a significant number of local people and supporters elsewhere with an interest in buying shares with 87% of respondents (total 147) saying they will buy one or more community shares.

## Community Benefit and Engagement

What will be the community benefits of this significant investment in Seallam! Hebrides People Visitor Centre?

Northton Heritage Trust is updating and expanding Seallam! the Hebrides People Visitor Centre to celebrate Bill (and Chris) Lawson’s legacy to the community – its heritage, history and culture. This redevelopment will:

- **Provide a world class destination in Harris** – there are no such facilities at present
- **Celebrate local culture, heritage, history and Gaelic learning** – building on an existing resource developed over 20 years ago and now requiring updating so more people can participate
- **Improve local services and educational opportunities** – to stem the depopulation of a fragile rural community and promote economic growth
- **Create sustainable local employment** – to address depopulation and create consistent employment to support the local economy
- **Make heritage assets more accessible** – locally and globally at a time when there is significant and growing interest in “belonging” and where we come from and who we belong to
- **Highlight local ecology: flora, fauna and rocks** – rare machair and ancient geology

Seallam! has a number of local volunteers involved in the project, through the Board and helping to deliver its services. It is looking to increase engagement through the development of the project through creating new opportunities and ownership of a stake in the future of the project by buying shares. Various community consultation surveys carried out during the initial development phase of the project have indicated widespread support for the project and a commitment to ensure its future. Some comments from the market research surveys:

*We visit Harris regularly and have benefited from Bill's wisdom and knowledge in tracing ancestors over the last 40 years by mail and email. As long as we can keep visiting, we'll continue to do so.*

*Seallam!, provides an essential adjunct to DNA/genomic genealogy*

*An interactive display on history of Harris*

*perhaps a more relaxed atmosphere able to sit and browse*

### 3. What the business will offer – income streams, products and services

Here the business offer and how it will be developed and delivered are considered. The four-star Scottish Tourist Board accredited Seallam! Hebrides People Visitor Centre has been delivering visitor experiences and genealogy services for over 20 years. The plan going forward is to extend and develop the current facility. There will be a range of improved and new income sources for the new Seallam! venture with income derived from both on site activities and online services and sales. Full details of projected income and how it has been calculated can be found in the Finance section of this plan.

Seallam! Hebrides People Visitor Centre by department – the infographic illustrates how services and products are grouped, with the following section explaining how they operate and plan to develop in more detail.



Each element is developed further below.

Product or Service	Description and Potential Income
<b>Seallam! Hiort na Hearadh</b>  <b>Harris Exhibition</b>	<p>Harris, its people and heritage has always been the focus of Seallam! This will continue with some existing exhibits digitised so they can be shared more widely online. Materials are also being used as the basis for community, school and college/UHI courses and activities.</p> <p>There are currently 2,000 annual visits to the exhibitions @ £3 per head generating around £6,000. We anticipate that upgrades to and improved marketing of Seallam!’s existing offer and ensuring it is open</p>

	<p>six days per week (currently it is only Monday – Friday 10 – 5 pm) could double or even treble visitor numbers to 6,000. particularly if events targeted at children and young people are added to the programme during the school holidays. Once the new venture is fully developed it is anticipated that between 6 and 10 thousand visitors a year will use the services. Admission fees will be increased to £6 per head in line with the new enhanced offer.</p>
<b>St Kilda Exhibition and Trail</b>	<p>Harris was the registration centre and main point of contact for people living on St Kilda making Seallam! the natural choice of location for telling the story of the people, culture and heritage of St Kilda as part of the new St Kilda Trail - Slighe Hiort.</p> <p>The Lawson Library also has a rich archive of interviews and stories about St Kilda and life on the islands which will be brought to life in a new bespoke Hiort na Hearadh exhibition. The current building will be extended (2-storey extension linked to Harris exhibition) providing new space for displays relating to the people of St Kilda. Digital and App tools will be used to enable visitors’ access additional content via their own mobile devices and online. Visitor numbers as above.</p>
<b>Co Leis Thu? Genealogy</b>	<p>As an “<i>extraordinary and unique data base of Hebridean Family Heritage</i>”, the genealogy service has been strengthened through the addition of dedicated paid staff (Heritage Lottery Funded) to work alongside Bill Lawson. This is extending work with schools, universities and community groups.</p> <p>A digital improvement strategy commissioned in 2021 highlighted how improved operation of the website will increase the income generated by driving more traffic and enabling greater ease of use. The current system brings in £3,500 from the sale of search coupons and around £8,000 from Family Tree commissions. Increased traffic and capacity to deliver commissions, together with the community share offer could potentially double sales. The Hebridean Homecoming Year in 2023 would provide an ideal opportunity to focus such efforts and refocus an updated offer.</p> <p>Development of academic research opportunities together with affordable student accommodation available will also enable this.</p>
<b>Events and Courses - Heritage, Culture and Gaelic</b>	<p>Seallam! will be further developed as a focal point for heritage, culture and Gaelic events and courses. Courses related to genealogy, Gaelic and geology will further increase income, particularly off-season residential courses for those with a keen interest. Availability of accommodation on site will further enable this (as currently there is no-where affordable to stay).</p> <p>An events programme of talks, film shows, book launches and ceilidhs will be reinstated to bring local people and tourists together to celebrate all the rich heritage of Harris and St Kilda.</p>
<b>Seallam! Outdoors</b>	<p>A St Kilda themed adventure play ground will provide a memorable learning experience for younger visitors (and the young at heart) with QR codes and apps to learn fun facts about life on St Kilda. A picnic area will also be provided with picnic food available at the Tea Room</p>

	but also so it can be used as a base for walks which will be made accessible for everyone through paths and broadwalks. Bird hides and lookout posts will also signpost the very special local scenery and wildlife which is a site of special scientific interest (SSSI).
<b>Student accommodation</b>	There is shortage of affordable accommodation for students wishing to study on the island so an accommodation block (12 en-suite rooms) will be developed to encourage and enable such visits. It is hoped that there will be both short- and long-term use and provide a stable income. (Approximately 14% of annual turnover by year 3 of current business plan). Initial projections for this new addition to Seallam!’s offer suggest that it could add £20,000 to £35,000 per annum after staff and running costs depending on occupancy and type of use. (See financial projections).
<b>Wildlife and History Walks</b>	Seallam! has traditionally offered wildlife and history walks around the area, these will be reinstated and made available digitally for those not able to visit in person. The machair is a SSSI there are a number of historic walks including the pre reformation church (Teampull), significant geology and the magnificent scenery and wildlife.
<b>Books, maps, art and crafts</b>	The current offer will be enhanced and made available both on site and digitally via the website. Books currently provide one of the best income generators so increasing the space available for display and stock together with enhancing the online shop would provide an opportunity to increase sales from the current £20,000 per annum. Merchandise related to Harris and St Kilda could further add to this total along with the increased visitor numbers referred to above. An income target for this element of provision of £50,000 would not be unrealistic. Further relationships are being developed with local artists and makers to build the creative community around Seallam!
<b>Tea Room/cafe</b>	A self-service tea room/cafe is proposed. It will be run by an in-house team and will use local businesses like Croft 36 and the Clachan as suppliers. As highlighted, there are very few food and drink offers in the south of Harris and the addition of the Seallam! offer will cater to an under supplied market <sup>4</sup> providing tea, coffee, light lunches, picnics etc. On opening in 2024 the café will service 50% of current visitor numbers (1,000 with coffee/cake at £7.00 per head or panini and soup £7.95). Anticipated income in 2024 £14,000 rising to £35,000 once fully established in year 5 (2025).
<b>Public Toilets</b>	Toilets would be included and accessible out with centre opening hours to provide a much-needed service for visitors. A donation box will collect contributions towards costs.

The following cashflow summary for the next six years shows how each element of the business will contribute to the enhanced offer. Visitor numbers will increase as will entry charges for the enhanced visitor experiences – all in line with current local market offers. Enhanced digital engagement will bring services to wider audiences including those planning to visit the island to seek information on their ancestors and educational opportunities in conjunction with UHI and E Sgoil.

<sup>4</sup> The Harris Marketplace, Feasibility Study 2021. CaskieCo

Increased books sales and other craft and arts items, enabled as a result of more space, together with a café will enable visitors to stay a little longer and peruse the shop, picking up souvenirs as well as enjoying refreshment and the enhanced surroundings (an improved visitor experience).

The student accommodation will bring in a whole new income stream whilst enabling an increasing number of courses and learning opportunities, both on site and online.

Northton Heritage Trust										
Financial projections										
Statement of Financial Activities (Profit & Loss Account)										
	Year - 17/18 Actual £	Year - 18/19 Actual £	Year - 19/20 Actual £	Year - 20/21 Actual £	Year - 21/22 Forecast £	Year - 22/23 Forecast £	Year - 23/24 Forecast £	Year - 24/25 Forecast £	Year - 25/26 Forecast £	Year - 26/27 Forecast £
<b>Income</b>										
Books	14,622	15,463	19,267	11,527	29,100	34,850	39,350	42,000	42,000	42,000
Genealogy	9,485	7,807	7,338	7,946	8,614	12,000	12,000	12,000	12,000	12,000
Admissions	4,437	4,682	5,925	559	6,642	16,300	13,700	41,000	70,560	70,560
General Retail	6,507	9,588	11,517	1,232	9,235	22,100	12,300	26,500	61,200	61,200
Commissions, Courses	1,885	1,590	1,682	372	400	4,150	5,250	5,250	5,250	5,250
Food and Drink (net)	535	664	630	90	-	8,700	6,200	10,800	18,600	18,600
Student Accommodation	-	-	-	-	-	-	-	24,202	32,926	32,926
Revenue grants	-	-	2,888	53,910	77,060	69,350	-	-	-	-
Donations	705	3,658	4,615	570	3,890	-	-	-	-	-
<b>Total Income</b>	<b>38,176</b>	<b>43,452</b>	<b>53,862</b>	<b>76,206</b>	<b>134,941</b>	<b>167,450</b>	<b>88,800</b>	<b>161,752</b>	<b>242,536</b>	<b>242,536</b>
<b>Expenditure</b>										
Purchase for resale	13,160	11,386	18,338	7,085	18,338	20,000	25,000	25,000	25,000	25,000
<b>Total expenditure</b>	<b>13,160</b>	<b>11,386</b>	<b>18,338</b>	<b>7,085</b>	<b>18,338</b>	<b>20,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Gross profit</b>	<b>25,016</b>	<b>32,066</b>	<b>35,524</b>	<b>69,121</b>	<b>116,603</b>	<b>147,450</b>	<b>63,800</b>	<b>136,752</b>	<b>217,536</b>	<b>217,536</b>
<b>Overheads</b>										
Wages and pensions	9,125	14,635	17,128	14,999	48,176	48,792	48,792	109,132	121,200	121,200
Overheads	14,706	14,861	17,009	17,191	19,207	26,103	36,564	36,564	36,159	36,159
Bank charges, interest etc	2,267	2,461	2,381	1,780	1,692	1,692	1,692	1,692	1,755	1,755
Professional fees	1,238	996	960	8,656	1,260	1,260	5,000	1,260	1,260	1,260
<b>Total Overheads</b>	<b>27,336</b>	<b>32,953</b>	<b>37,478</b>	<b>42,626</b>	<b>70,335</b>	<b>77,847</b>	<b>92,048</b>	<b>148,648</b>	<b>160,374</b>	<b>160,374</b>
<b>Operating profit</b>	<b>(2,320)</b>	<b>(887)</b>	<b>(1,954)</b>	26,495	46,268	69,603	<b>(28,248)</b>	<b>(11,896)</b>	57,162	57,162
<b>EBITDA</b>										
Depreciation	7,014	7,014	7,014	7,014	-	-	-	-	-	-
<b>Profit before Tax</b>	<b>(9,334)</b>	<b>(7,901)</b>	<b>(8,968)</b>	19,481	46,268	69,603	<b>(28,248)</b>	<b>(11,896)</b>	57,162	57,162

### Delivery of the new Seallam! Hebrides People Visitor Centre

Development of the new offer is an ambitious plan by NHT, but very much in line with other Destination Development plans throughout the Hebrides. It will be delivered in two phases

- **Phase one** which will see all the remaining land and buildings brought into ownership of the Trust
- **Phase two** which will see development of these assets to provide new exhibition space, student and learning accommodation, a café and Seallam! Outdoors signposting the remarkable geography and geology of the area as part of Northton Bay a Site of Special Scientific Interest (SSSI).

The Trust is keen to engage further with both its local community (Island of Harris) and its wider community (the rest of the world with an interest or heritage in the islands) in this exciting development and is running a community share offer to enable supporters of the project to **contribute to delivery of phase one works- bringing the land and buildings into community ownership and finalising the plans for the second phase** which will see the buildings extended.

A community share offer will provide an opportunity for supporters of the project (its community) to buy into helping make the vision happen and feel part of it. Funds raised in 2022



– a target of £100,000 will provide working capital during a key development phase as all the land is brought into the ownership of the Trust and the vision is refined through physical plans and permissions. Assuming the proposed timetable is realised full trading should come on stream in 3 years with a plan to buy back (enable withdrawal of shares) and payment of interest at 2% from year 6.

## 4. Financing the Redevelopment of Seallam! Hebrides People Visitor Centre

This section outlines the financial plans underpinning the delivery of phases 1 and 2 of the redevelopment works considering key stakeholders and the timeline for realisation of the aspiration.

### Phase one

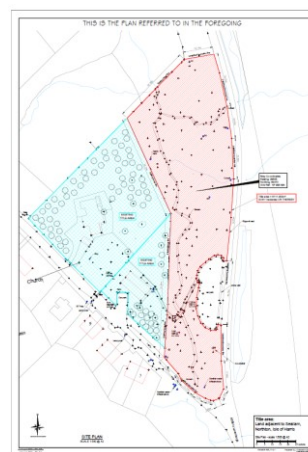
Will see and the necessary **land and buildings brought into the ownership of the Trust, enhancement of the centre’s digital offer and working capital to enable the completion of works in preparation for Phase 2** the delivery of the build works. Finance for the majority of Phase one works has been secured from the Scottish Land Fund and the Heritage Lottery Fund with a community share offer planned to match these resources and demonstrate support for the project.

### Purchase of Land and Buildings

All the land and buildings not currently owned by the Trust are being purchased by the community, which has secured funding from the Scottish Land Fund (SLF) (December 2021)- £239,000 to enable the purchase of the Old School House, the land under the centre<sup>5</sup> and the land surrounding the current car park (Bays of Harris Estate). The purchase of these assets is currently underway and will result in the Trust owning in excess of £434,327 worth of land and buildings (tangible assets) prior to development. The Trust currently owns centre building and car park representing £203,827 in tangible assets. The Trust requires to invest £25,000 to match this funding to secure the assets and this will be funded through the community share offer.



Plan indicating plots



Total site to be owned by NHT

### Enhancement of Digital Offer

NHT commissioned a Digital Development Strategy in 2021 and secured funding to develop its website through a successful Heritage Lottery Fund application. In order to fully deliver planned developments, it is proposed to match the secured funding with income from the

<sup>5</sup> Currently owned by Comhairle nan Eilean Siar (Western Isles Council)

share offer, this would amount to £30,000 towards a trading, learning and exhibition website for the centre enabling our unique resources to be experienced wherever you are in the world.

### Working Capital

There are preparatory works which require to be delivered ahead of Phase Two – transport, flood risk survey, planning permission and building warrants for Seallam! Build and Outdoors projects. Whilst funding will be applied for to deliver these elements, it is always useful if an organisation has access to working capital to lever in funds. Up to £45,000 of the share offer income could be allocated to supporting working capital in the phase. Approaches are planned to Architectural Heritage Fund (RIBA Stage 3 costs) and Garfield Western Foundation (RIBA Stage 4 costs) as work progresses to reduce the requirement to use share capital as working capital.

The table below explains the financing of Phase one with the proposed income from the community share offer highlighted in orange.

#### Community Shares Match Funding

What is it funding?	Funding secured to date	Share offer match funding
Purchase of remaining land and buildings.	£218,500 (Scottish Land Fund)	£25,000
Enhanced digital offering for exhibitions and website	£30,000 (Heritage Lottery Fund)	£30,000
Working capital for planning and building warrants for new build works	£18,000	£45,000
		<b>£100,000</b>

### Phase Two

This phase will see the land and buildings developed to create new exhibition space, student and learning accommodation, a café and Seallam! Outdoors signposting the remarkable geography and geology of the area as part of Northton Bay a Site of Special Scientific Interest (SSSI). Initial costs (RIBA 0-2) have been prepared for the planned build works and similar work is underway for Seallam! Outdoors with total development costs currently standing at £3,552,531. It is likely that these costs will rise given the volatility of the building market at present. Provision has been made for this in the funding plans (below).

Seallam! Hiort na Hearadh - Capital Works Projections	
Capital Works	Totals
Student accommodation	£ 966,807.00
Alterations and extension to existing building	£ 1,202,365.00
Co Leis Thu? Upgrading facilities	£ 50,000.00
Bridge	£ 50,000.00
Car Park Extension	£ 36,093.00
Adventure /learning playground/ landscaping	£ 150,000.00
Fees and Contingency	£ 597,266.00
Exhibition Development (Harris and St Kilda)	£ 500,000.00
<b>Total Capital Costs projected</b>	<b>£ 3,552,531.00</b>
NB these are preliminary costs which may increase in light of a very volatile construction sector	

These costs form the basis for funding plans which have been developed over the last year with a range of partners. The proposed costs for developing the site and the exhibitions are currently estimated at £3.6 m. The proposed sources of capital are as follows, ***NB the proposed budget exceeds current costs as costs are expected to rise.***

Seallam! Hiort na Hearadh - Sources of capital to deliver project		
Funding Sources	Status	Amount
Regeneration Capital Grant Fund with CnES	Stage 1 application June 2022	£ 800,000.00
Islands Deal Destination Development Programme	Economic outline business case prepared as part of consortium bid	£ 1,600,000.00
levelling Up Fund with CnES and UK Government	Stage 1 application submitted to CnES	£ 1,000,000.00
Highlands and Island Enterprise	agreement to apply as required	£ 100,000.00
UK Prosperity Fund	Opens summer 2022	£ 1,000,000.00
<b>Total</b>		<b>£ 4,500,000.00</b>

### Funding sources explained:

#### Regeneration Capital Grant Fund

An application to the Regeneration Capital Grant Fund (RCGF) in conjunction with the local authority (CnES) is planned for June 2022. This will seek £800,000 towards the development of the student accommodation block, regarded as essential to stem the outward flow of population to centres of education on the mainland as well as increase the opportunity of on island educational tourism related to culture, heritage and language.

#### Island Growth Deal

NHT is also part of the Destination Development Programme under the Islands Growth Deal (IGD), working in collaboration with four other projects across the Outer Hebrides to secure funding to enable development of world class visitor destinations based on the heritage and culture of the islands. Negotiations on this funding are at an advanced stage with the Outline Business Case currently being considered by the Scottish and UK Governments. Fund managers

for the project indicate that the Full Deal will be signed off in October 2022 when funding can then be disbursed – Seallam! is close to the top of this list at present.

### **Levelling-Up Fund**

An application was made to the UK Government’s Levelling Up Fund in the summer of 2021 and this is going forward as part of the CNES portfolio of projects. The outcome of this is anticipated late in 2022 early 2023.

### **Highlands and Islands Enterprise**

Highlands and Islands Enterprise (HIE), a partner in the IGD above, has also promised funding in the first instance of £100,000, but as the funder of last resort they are also open to further requests once there is greater certainty on final costs.

### **UK Prosperity Fund**

The UK Prosperity Fund is expected to open in the summer of 2022 and NHT has been encouraged to apply. An application of up to £1 million is anticipated as there will be great cost certainty on planned build works by this time.

While funding for the project is never guaranteed, the project is well placed given its strategic position geographically (south Harris), its existing assets (land, buildings and genealogical record/library) and trading history. It had also been involved in detailed negotiations with key agencies such as the Scottish Government, HIE, CnES for the last 18 months.

**Note** - current advice from the profession suggests a very volatile market in the construction sector with very little “price certainty”, a challenge given the build start would still be over a year away. Allowances have been made for contingency and inflation but these may increase or have to be reduced in scope.

## 5. Community Share Offer

### 5.1 Introduction

Here we consider why the Trust chose to become a charitable ben com and why a community share offer at this point in the life of the project is a good idea. The Trust is aiming to raise £100,000 through the share offer **to progress the first phase of the development**. This will enable us to match funding secured to buy the land and buildings, update our digital offer and finalise plans for phase two building works and the enhanced exhibition and learning offer.

### 5.2 A charitable ben com

NHT elected to transfer to become a charitable community benefit society in November 2021. The Trust has had charitable status since inception in 1996, its objectives were reviewed and deemed to be still relevant and applicable. The DTAS Rules for a charitable ben com were adopted and amended to meet the needs of the Trust and were registered with the FCA 9 July 2021 (No 8687). The Rules were approved by OSCR (the charity regulator in Scotland) in December 2021 (SCO 02519). All the assets of the previous company limited by guarantee with charitable status are being transferred to the new Society and a new bank account.

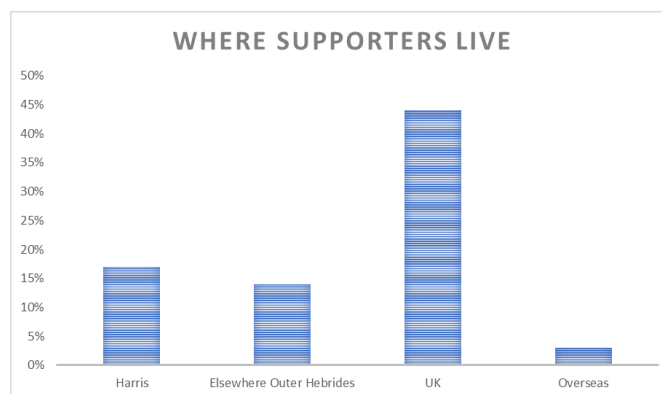
Northton Heritage Trust is a community owned and run Trust and whilst reviewing its governance it was exploring ways in which it could promote greater engagement with its community, both locally and further afield. Running a community share offer membership and investment opportunities was deemed to be a win win scenario and community consultation and research further endorsed this, so it was agreed to proceed with an initial share offer.

### 5.3 Community Share Offer

**The community share offer is planned to launch 25 March 2022 and run for six weeks till 6 May 2022. The aim is to raise £100,000 towards the development and delivery of the vision for Seallam! Hebrides People Visitor Centre** described above. Should the share offer be successful in raising more than this target, say up to £120,000 this will enable further costs to be met such as architectural fees and permissions related to building works. If the share offer is less successful than anticipated e.g. £75,000 this will still contribute valuable working capital for the Trust to progress plans related to securing land and building assets, developing its digital platforms and initial RIBA Stage 3 design costs.

### 5.4 Member control and involvement

Northton Heritage Trust Ltd has a wide spread community some who live locally and others in different parts of the world, where people, originally from the islands, have settled. A recent pledge campaign to inform the share offer found that 17% of supporters live in Harris, 14% elsewhere in the Outer Hebrides but 44% live elsewhere in the UK. 3% live overseas in countries from Australia to USA and Canada. 147 people responded to the survey with 87% interested in buying one or more shares to support the project.



### **An invitation to help us achieve the vision and own part of the future**

5.5 We are inviting supporters of the project from all over the world to buy shares in the future of Northton Heritage Trust Ltd and we hope to raise £100,00 to demonstrate support for the project and a contribution towards the development costs. The money raised through the share offer will help us complete the purchase of the land and buildings (match to SLF and legal costs), adapt the Old School House, improve our website for the new digital offer and complete design of buildings etc to planning and building warrant stage.

#### **What you get back from buying shares**

5.6 If you buy shares in NHT Ltd you are contributing towards this target of £100,000 to help us with working capital during the development phase of the project. Once the works are complete and the project is successfully trading as a world class heritage and culture facility (hopefully by 2027) the Trust will then aims to be able to:

- Keep you informed about development and opportunities at the Trust
- to pay interest on your investment at 2% per annum
- buy back shares should you wish to sell them, on a first come first served basis with a total a withdrawals limit of 10% of share capital per year. The buyback price will be the same as you paid for them.
- As per our Rules, both interest payments and share withdrawals are at the discretion of the Board – this decision will be based on the financial health of the business at the time. We will also aim to involve members in this decision process with a vote at an AGM/EGM and updated financial information will be provided at the time.
- 51% of shareholders must live in Harris (be over 16 years of age and registered to vote
- The right to stand for election to the NHT Board and get involved in the delivery of the organisation
- If you are a UK tax payer your investment may qualify for tax relief – we are applying to HMRC for Advance Assurance for Social Investment Tax Relief which could see you get 30% relief on the money you invest or Social Enterprise Investment Scheme which offer 50% relief.

## 5.7 Member control and involvement

Anyone over 16 who supports the society's aims can apply for membership, provided they agree to act in the interests of the society.

There will be two classes of Shares:

**Community Member Shares** – Only available to those residents on the Island of Harris (the area defined as “community” in our governing Rules). These will be of the nominal value of £1 each, with no-one being entitled to hold more than one Community Member Share. Community Member Shares are withdrawable but carry no right to payment of interest.

**Contributor Member Shares** – Available to any individual or corporate body regardless of location. Contributor Member Shares are withdrawable and do carry a right to payment of interest (at the discretion of the management committee).

In order to become a member of the society, an individual or body must apply for a share or shares issued by the society and if they cease to hold a share or shares issued by the society, he/she/it will automatically cease to be a member.

**As a condition of being supported by the Scottish Land Fund, our Rules require that at least 51% of our members need to hold community member shares, that is, be resident on the Island of Harris. Additionally, 51% of the management committee must be resident primarily on the Island of Harris.**

### Can I just donate money rather than buy shares?

You can choose to make a simple donation to the Trust which can attract Gift Aid if you are a UK tax payer adding 25p for every £1 you donate. A donation will not attract interest or be refundable. Please let us know if you would prefer this option and we can advise accordingly.

## 5.8 Forthcoming Share Offer

For the forthcoming community share offer (March 2022) NHT Board of Trustees has agreed that the option to buy shares will be as follows:

- **Community Member Shares** – residents aged 16 and over and entitled to vote in Harris (as defined by the community council areas of South Harris, North Harris and Scalpay) can buy shares at £1 per share. No-one is entitled to hold more than one Community Member Share and a Community Member Share can only be held by an individual – it cannot be held by a body or organisation.



There will be two levels of Contributor investment for the duration of the share offer

- **Contributor Member Shares (Outer Hebrides)** – aged 16 and over and registered to vote in the Outer Hebrides – who can buy shares at **£25 per share** and multiples thereof up to a maximum of 400 shares (£10,000). The minimum investment is £25 - 1 share at £25 per share.
- **Contributor Member Shares (Elsewhere UK/worldwide)** – aged 16 and over living elsewhere in the UK or overseas – who can buy shares at **£25 per share** with the minimum investment 12 shares i.e. £300 and a maximum investment £10,000

So, if you live in Harris and would like to buy into the share offer you will buy a Community Member Share at £1 and also have the option to buy one or more **Contributor Member Shares at £25** each up to a maximum of £10,000.

If you live in Canada, you cannot be a Community Member, but you may buy **Contributor Member Shares at £25 per share with a minimum investment of 12 shares (£300)** up to a maximum of £10,000.

Organisations or businesses can also buy Contributor Member Shares **at £25 per share with a minimum investment of 12 shares (£300)** and up a maximum of £10,000

*Individuals, companies and organisations are all entitled to buy shares according to the above categories but must name one person to be responsible for the shares and associated voting rights.*

## 5.9 Some important issues addressed in the Rules of the Society

**Asset Lock** – as a charity, if the Society is wound up at any stage in the future, shareholders are entitled to receive the value of any remaining share capital they have in the Society repaid to them from the Society’s assets after all creditors have been satisfied. Any additional monies, after repaying shareholders, would be passed to another charity with similar objects and not to shareholders.

**Eligibility for membership** – membership is open to anyone 16 or over or to any organisation.

**One member one vote** – each member of the NHT shall have one vote irrespective of the number of shares held (interest is paid in proportion to the number of shares held). Community shareholders and contributory shareholders may have different voting rights in relation to certain resolutions – see below

**For the avoidance of doubt:**

- an individual who holds both a Community Member Share and Contributor Shares shall have only one vote
- a holder of Contributor Shares shall have only one vote, irrespective of the number of Contributor Shares which he/she/it holds.

- In relation to any resolution of the nature referred to in Rule 99 which is proposed at a general meeting (or which is the subject of any written resolution by the members), the holders of the Community Member Shares shall be the only members of the society who are eligible to vote on that resolution.

**Tax Relief** - NHT is seeking “Advanced Assurance” from HMRC (Her Majesty’s Revenue and Customs) and if successful this will enable shareholders who pay tax to reclaim Social Investment Tax Relief (SITR) at 30% on their investment. Shareholders will be issued with a share certificate and a form confirming this so that they can claim relief either via their PAYE or Self-Assessment processes.

Once the new venture is successfully trading (Year 6 projection at present), it is the intention of NHT to pay interest on shares at a rate of 2% per annum and enable those who wish to sell back shares to the Trust. The Board of Trustees will determine whether trading is able to sustain the payment of interest and/or the withdrawal of shares and that this will not risk the viability of the business. If agreed, up to 10% of shares per annum may be bought back from Year 6 on a first come first serve basis with the buyback price the same as the purchase price. ***NB the value of the shares will not change although there is a risk that share capital may be lost should the business fail.***

The community share offer is seeking the Community Shares Standard Mark awarded by the Community Shares Unit. This award demonstrates that national standards of good practice have been met in the preparation of the share offer and that it complies with [Standard Mark](#) guidance.



The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. These standards ensure that:

- The offer document and application form are easy to understand
- You are provided with all the facts you need to make an informed decision
- The facts are supported by the annual accounts and/or business plan for the society
- Nothing in the documents is purposefully incorrect, confusing or misleading Societies are asked to sign a Code of Practice requiring them, among other things, to give the public a right of complaint to the Community Shares Unit. For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to: [communityshares.org.uk](http://communityshares.org.uk)

**Eligibility for membership** – membership is open to anyone 16 or over or to any company or organisation. In order to become a member of the society, an individual or body must apply for a share or shares issued by the society.

**Transfer of Contributor Shares** – Contributor Shares are non-transferrable so cannot be traded or passed on to anyone else. They can however, on death be transferred to a nominated person or sold back to the Society at the purchase price (or less depending on the nominal value at the time).

**The Board of Trustees** – The Society shall elect a board of up to 12 trustees from its membership. Two may be co-opted for their skills, seven must be Community Member Shareholders (primarily resident in Harris) and three must be Contributor Member Shareholders (hold shares in the Society but live elsewhere than Harris). For further details of the governance of the Society, please see the next section on Governance and the Rules of the Society.

### **Community Share Offer Risk Warning**

All projects involve risks. Successful projects manage to take steps to mitigate the risks appropriately. In planning this project NHT has identified a number of risks, or areas of risk, and will seek to manage these and any further emerging risks as the project goes forward.

*Although NHT Trustees will endeavour to implement prudent management policies, there is always the risk that you could lose some or all of your share capital.*

As with any investment, there is risk involved. Should NHT get into financial difficulties you should be aware of the following:

- We may not be in a position to pay interest
- We may have to suspend your right to withdraw shares
- You may lose some or all of the money you pay for your shares

As Northton Heritage Trust has been incorporated with limited liability, the liability of its members will be limited to the amount paid for their shares.

### **Risk Assessment**

All the information is in this business plan and our Society Rules. Whilst not exhaustive, these documents will provide you with the necessary information to seek professional advice should you wish to. Prior to your decision to buy shares in NHT – Hebrides People, you should carefully consider the above and if you have any questions with regard to risks, please contact us.

### **How safe is your investment?**

Investing in NHT's Hebrides People Project should be viewed as both a social and financial investment. Although NHT can never guarantee a safe haven for your money or even that you will ever receive back all of the money you invest, our projections, experience to date and risk assessment would indicate that Hebrides People will produce sufficient revenue to be able to meet its obligations, pay interest on shares and offer the option to withdraw shares at a future date as intended.

### **Increase in costs and overspend**

NHT is embarking on a significant build project during uncertain times and it will keep investors informed of any significant changes to construction costs and timetable. It is intended that the funds raised through this share offer fund the next phase of development of the project as indicated above, full capital build works will form the next phase of the project and a detailed funding matrix for their delivery. However, this risk has been mitigated by careful budgeting and experienced professional advice. All build contracts will also be subject to due diligence and scrutiny for the major capital funders also supporting the project. There is contingency built into the financial projections. The capital costs are based on estimates and quotations obtained at this point in the project. Any subsequent increase in capital costs will be met through seeking additional funding as part of the capital build works plan.

### **Delays in purchase of land and buildings**

Funding is in place (SLF) and initial negotiation have taken place with vendors so every effort will be made to secure these in line with SLF requirements by end March 2022.

### **The legal position of Northton Heritage Trust and its Share Offer**

As a Charitable Community Benefit Society, NHT is registered and regulated by the Financial Conduct Authority (FCA), but this share offer is not regulated or authorised by them. Any money you pay for shares is not safeguarded by any depositor protection or dispute resolution scheme. There is not right of complaint to the Financial Ombudsman service nor any access to the Financial Service Compensation Scheme.

### **Data Protection**

Your personal details as submitted on the application form will be held by the Society and used in accordance with the provisions of the rules and of the 2014 Co-operative and Community Benefit Societies Act. Only Members can inspect the members register and view names and addresses (but not how much you have invested). The Society will not share, sell or provide your details to any other individual or organisation and will ensure compliance with the European GDPR regulations. We do however, reserve the right to communicate with you about activities, opportunities and events taking place as part of the Hebrides People project/Northton Heritage Trust.

### **Interest on share capital and provision for share withdrawal**

NHT aims to pay 2% interest and offer share withdrawals from Year 2027. Share withdrawals will be offered on a first come first served basis with a total withdrawals limit of up to 10% of share capital per year.

As per our Rules, both interest payments and share withdrawals are at the discretion of the Board – this decision will be based on the financial health of the business at the time. We will also aim to involve members in this decision process with a vote at an AGM/EGM and updated financial information will be provided at the time.

It has been calculated that after year 3 (2026/27) of the new venture trading 10% of shares can be purchased back each year (on a first come first served basis) for 10 years = £10,000 per annum.

Interest would be paid from year 3 of successful trading (2026/27) with the liability being £2,000 per annum should each shareholder opt for interest.

Total liability for buying back of shares and payment of interest is £12,000 per annum (from year 6 of business plan which is not done this far) for foreseeable future. This should be containable based on current projections.

## 6. Governance

Northton Heritage Trust (NHT) will be legally responsible for taking the project forward. It will buy and own the land and will continue to seek funding, commission build works and employ staff. The Trust has a long track record of securing funding and built the original Seallam! Hebrides People Visitor Centre 20 years ago. NHT is well placed to do this with strong governance systems in place and access to a wide range of advice and support should it be required.

### 6.1 Current Governance Structure

As mentioned under the Community Share Offer, Northton Heritage Trust was originally constituted in 1999 as a company limited by guarantee with charitable status. In July 2021, Northton Heritage Trust secured approval from members to convert to a charitable community benefit society. This legal structure, registered with the Financial Conduct Authority (registration number **8676**) is necessary in order to undertake a community share offer. As with the previous company limited by guarantee, the new community benefit society has a 2-tier member-controlled structure that complies with the Scottish Land Fund and Community Empowerment legislation. Charitable status for the new society was confirmed by OSCR on 23 December 2021 (SCO 02519).

### 6.2 Management Committee

The Northton Heritage Trust Management Committee was appointed on 21 October 2021 and is comprised of 11 directors.

The current management committee is elected from the local community and they bring a wide range of professional skills from teaching and journalism to local government, planning, business, broadcasting and hospitality. A Skills Audit was recently conducted with the current management committee with a view to identifying any training needs - the only training needs identified were related to the legal guidance pertaining to fundraising and State Aid and workplace health and safety. A brief bio of each board member can be found below:

**Rebecca Hutton** (Chair) – was born in Northton and has been involved with the Northton Heritage Trust Ltd Board since 2018. She is a carer for her disabled brother and also an independent Harris Tweed weaver and business owner. She is a native Gàidhlig speaker and is passionate about protecting and promoting the local culture, language and heritage.

**Stephen Mackinnon** (secretary) – born in Ayrshire but raised in Leverburgh since he was 6. Stephen has a business degree and is Business Manager at Seallam! Hebrides People.

**Morris Macleod** (treasurer)– also born and brought up in Harris, Morris is retired after 26 years in the retail industry and latterly school support work. He has recently completed the Hebrides People Genealogy Course with Bill.

**Bill Lawson** – local genealogy expert and creator of the unique resource which is Seallam! Hebrides People. He is still working on developing family trees and writing publications.

**Hugh Maclean** (former chair) – a retired teacher and hotelier from Quidinish, with many years’ experience in community ventures from Oban to Leverburgh. Keen to see Bill Lawson’s legacy developed.

**Marion Morrison** – now retired from her post as Registrar for the District of Harris, Marion has been involved with Seallam! since its inception in 1996 so brings a wealth knowledge on how it has developed

**Chrissie Cumming** – originally from Harris, Chrissie spent her working life in the NHS and care sector before returning home in 2014. She is very involved in the “Gaelic scene” and music through Gaelic choir.

**Kenny Macleod** – originally from Scalpay and with 30 years’ experience as a customs officer he now runs his own maritime business and chairs Harris Development Limited among other local organisations.

**Catriona MacLennan** – a former BBC journalist born and raised in Leverburgh she runs several businesses including a fishing boat, is mother to two little girls and involved in many other local projects.

**Peter Godfrey** – is a journalist, writer and musician who has lived on Harris for the last 10 years.

**Margarita Williams** – a locally born artist and Gael who studied at Glasgow School of Art and taught in various Scottish schools before returning to Harris where she paints and runs a gallery in Quidinish.

**Angus Morrison** – a teacher who lives in Tarbert.

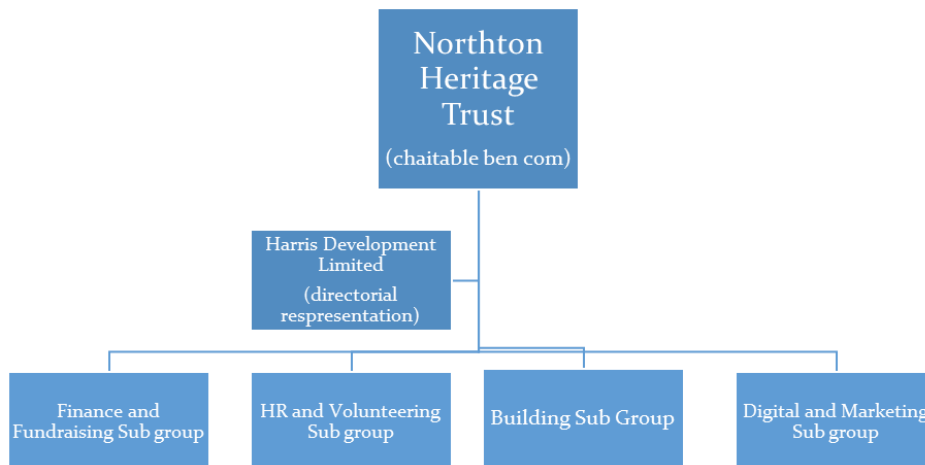
The management committee is elected from the membership and by the membership at each AGM. Every member has the opportunity to stand for election to the management committee. The management committee may also co-opt people onto the management committee in the period between AGMs if they have skills that are required. Representation on the Board shall be as follows: Community Directors (drawn from those holding Community Member Shares) shall have no more than 7 places on the Board, Contributor Directors (drawn from those holding Contributor Shares) shall have no more than three places on the Board and there shall be no more than 2 Co-opted directors. Harris Development Limited is also involved in supporting the project going forward and is represented on the Board by a co-opted director. Community Member Shareholders must constitute a majority of the members present (or be represented by proxy) to deem a meeting quorate.

The Society Rules outline the full procedure for Director election, retiral, re-election.

### 6.3 Organisational Structure

As NHT grows and delivery of the project becomes more complex it will be necessary to set up a number of sub groups to manage activities. The organigram below shows the proposed structure for the NHT Board going forward. A time limited Building Sub Group will be required to plan and execute the proposed building and site works, a Digital and Marketing Sub Group will co-ordinate the implementation of the Digital Strategy and Heritage Lottery digital

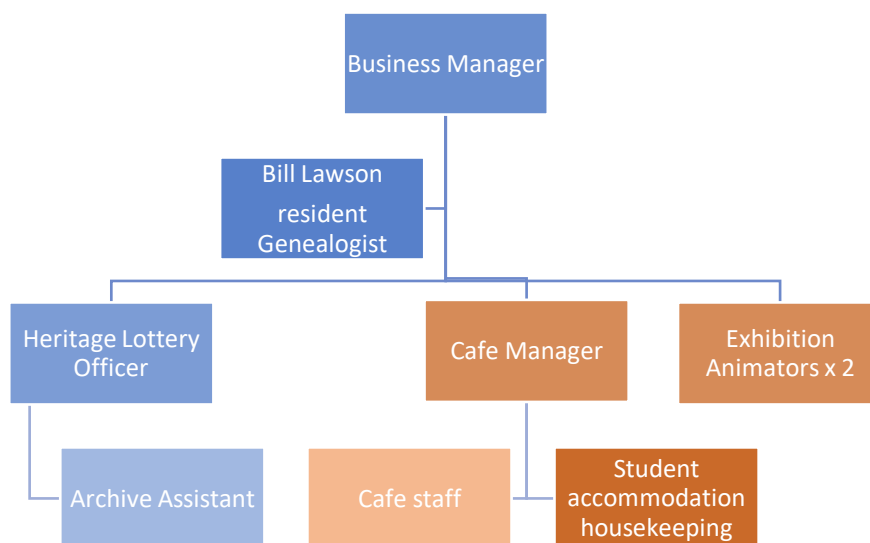
activities, the Finance and Fundraising Sub Group will scrutinise finances, manage the community share offer and ensure the fundraising strategy is taken forward and the HR and Volunteering will look after staff and people at the Trust. The structure going forward will be as follows:



#### 6.4 Staffing Structure

The current staffing structure of NHT is as follows (in blue) with new posts indicated in orange. New posts will be brought on in line with the growth of the business and in line with the expenditure forecast in the business plan. Increasing the number of paid, permanent posts at NHT is seen as a significant economic development outcome for the project.

The current staffing provides for 2 FTE posts and one part time post – a Business Manager, Heritage Officer and a Visitor/Archive Assistant. This has grown by 150% over the last year as new funds have been secured to develop the Heritage/genealogy work (Heritage Lottery Grant) with the aim of having this post self-financing by the summer of 2023 when the current funding comes to an end. The Business Manager post is funded through current trading and as such is self-sustaining.





## Northton Heritage Trust – Community Share Offer Business Plan 4.2

As the facility is fully developed and operational it will provide 7 FTE posts, sustainable from income generated by trading. The current staffing portfolio will be maintained and new posts will be added to deliver the new services. The Tea room/café will have a full-time manager to run and plan the offer assisted by a kitchen assistant full time, the new visitor exhibits will be supported by two full time animators covering the six-day opening of the centre, the student accommodation will manage bookings through the centre admin services (Business Manager) with additional staff for housekeeping. Any food requirement will be met through the tea room/café. All staff costs are containable in the forward cash flow plans (currently year 4 onwards) creating five new FTE posts to add to the existing establishment, six including the recently created Heritage Lottery officer post.

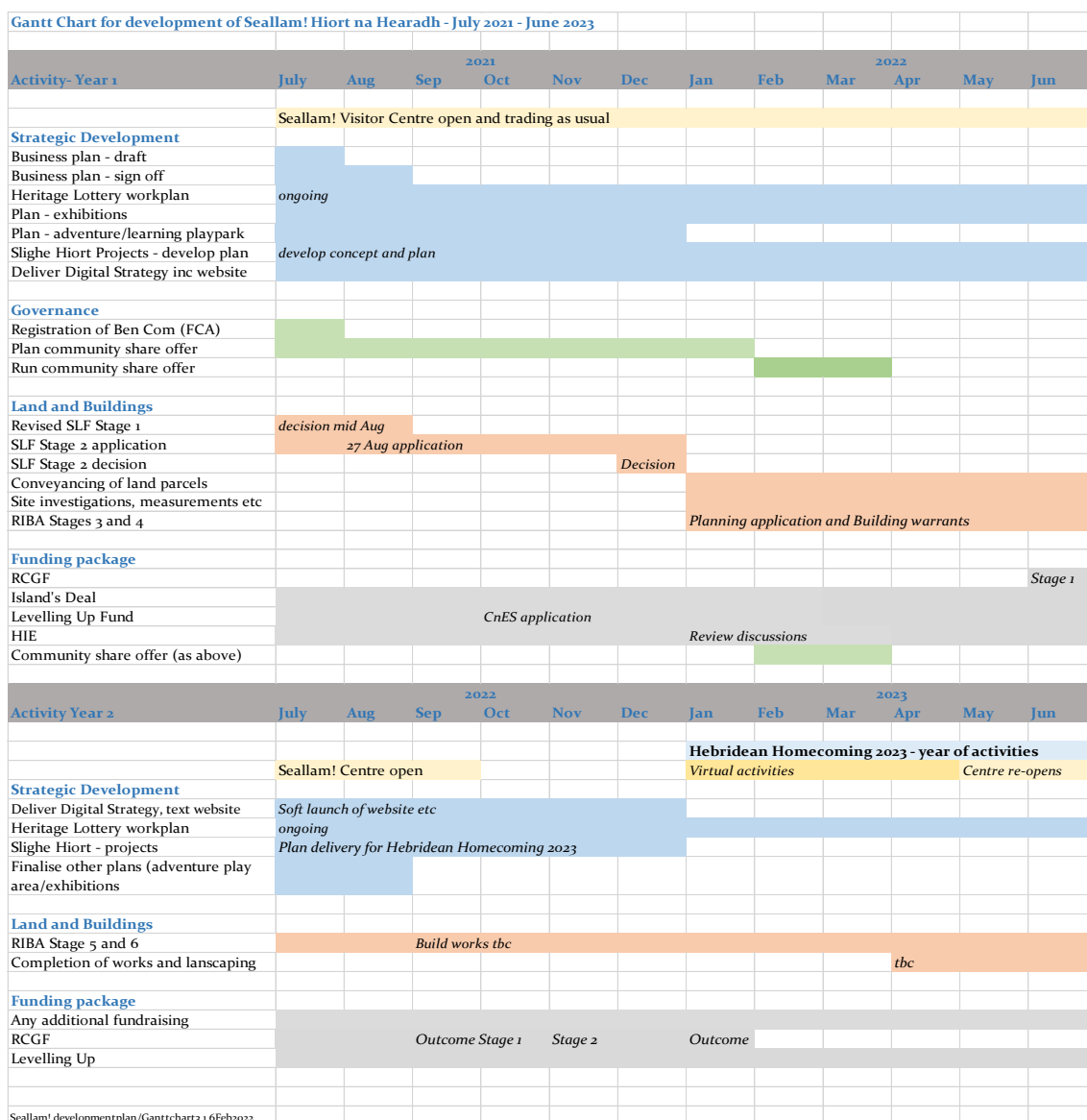
Seallam! Hiort na Hearadh - Staffing Projections					
Current Staffing Commitment					
	Salary Gross/ Wage	Employers costs @ 17.5%	Salary Net	Notes	
Business Manager	£ 21,996.00	£ 3,852.00	£ 18,114.00	Full time post on establishment	
Heritage Officer	£ 23,500.00	£ 4,112.00	£ 19,388.00	2 year appointment initially (HL funding)	
Visitor Assistant	£ 3,300.00	£ 495.00	£ 2,805.00	Temp appointment Aug - Oct 2021, £11 per hour for 25 hrs/5 days	
<b>Total</b>	<b>£ 48,796.00</b>	<b>£ 8,459.00</b>	<b>£ 40,307.00</b>		
Future Additional Staffing Plan					
Marketing Officer	£ 23,500.00	£ 3,500.00	£ 20,000.00	ScotGrad appointment supported by HIE (75% core cost) Oct 2021 -12 months	
Student Accommodation - Housekeeper 1	£ 6,240.00	£ 1,092.00	£ 5,148.00	3 hrs per day @ £10 per hour/4 days	
Student Accommodation - Housekeeper 2	£ 4,680.00	£ 819.00	£ 3,861.00	3 hrs per day @ £10 per hour/3 days	
Visitor Centre Animator	£ 23,500.00	£ 4,112.00	£ 19,388.00	Full time - 5 days per week	
Visitor Centre Animator	£ 23,500.00	£ 4,112.00	£ 19,388.00	Full time - 5 days per week	
Cleaner	£ 12,480.00	£ 2,184.00	£ 10,296.00	4 hours for 6 days @ £10 per hour x 52 weeks	
<b>Total</b>	<b>£ 142,696.00</b>	<b>£ 24,278.00</b>	<b>£ 118,388.00</b>		
NB only the Business Manager is current establishment, this scenario creates 6 FTE posts which will be sustained by Seallam! Hiort na Hearadh					

Staffing breakdown of current and proposed staff positions.

The net community benefit of the project with regard to staffing is the creation of six new permanent posts in south Harris, offering career opportunities to young people leaving school and wishing to stay on the island. Priority will be given to recruiting and training such candidates in an effort to encourage and sustain population growth.

## 7. Outline delivery plan and timeline

Plans for the development and delivery of the new vision for Seallam! Hebrides People Visitor Centre have been prepared in consultation with the local community over the last 18 months and they continue to be refined as the project progresses. The Gantt chart below show the development phases between the summer of 2021 and the summer of 2023 which is the Year of Hebridean Homecoming, marking a significant year of celebration for Island projects. NHT is aiming to bring some of its key projects to fruition in time for these celebrations but is reliant on working with key funders to enable this to happen. Many large structural funds such as the Islands Growth Deal, UK Government’s Levelling Up Fund have very fluid timetables -it is not a case of applying on a scheduled timeline with an outcome date, it is more a process of being involved (which NHT is) in long term negotiations whilst preparing your project to readiness to deliver capital elements. A bit of a Catch 22 as the more developed you are (shovel ready) the more likely you are to secure funding but you have to find the funds to progress in the meantime. The timeline is correct at the time of preparing this plan but may be subject to change as negotiations progress.



## 8. Market Research

The Island of Harris is an area of extreme natural beauty; beaches and history making it a significant tourist destination. Visitor attractions on South Harris are, however, very few and far between. The most visited places are currently the medieval St Clement's Church in Rodel run by Historic Environment Scotland, Harris Distillery and the Harris Tweed Weaving Centre. There are no museums or visitor centres to cater for the large numbers of visitors with exception of the current Seallam! a few art cafes and the Clachan food store in Leverburgh which displays the Tapestry of Harris.

Seallam! Hebrides People is part of the Outer Hebrides Great Places Project<sup>6</sup> to promote the development of "world class destinations" for visitors across the area. This place-based heritage strategy for the Outer Hebrides recognises the lack of capacity in core heritage services and the link between heritage services and tourism. This project forms part of the Islands Growth Deal investment plan to stimulate heritage led economic development.

**Ancestral tourism** is a growing and important market for Scotland. With over 50 million people across the globe able to lay claim to Scottish ancestry, the scope and potential of this market for Scottish tourism is huge. The explosion in DNA-based ancestry and the high-profile films and TV shows featuring Scotland, such as *Outlander*, have served to bring Scot's ancestry to the fore like never before. Ancestral visitors tend to stay longer than average visitors, travel off-peak i.e. out with the summer months of July and August, travel widely related to their own family history or ancient clan lands and they feel connected making them more likely to be repeat visitors.

### 8.1 Current vs Potential Market

The current Seallam! business has traded for the last 20 years maintaining a steady income of between £50K and £60K per annum. It has become somewhat fragile in recent years on account of reduced visitor numbers in 2020/21 due to Covid. However, the visitor market is forecast to grow in the post Covid years as people choose to holiday in the UK, looking for quality, experiential visits.

As previously mentioned according to the most recent research by Ekosgen for HIE, visitor numbers projected for Harris are due to recover in 2022, at around 44,154, rising year on year by around 2.5 % to 52,987 in 2032. Their anticipated spend on the Outer Hebrides is £75,193,5917 with 20% of that projected for Harris - £14,399,649. This figure is projected to rise year on year by 2.5% without taking account of any uplift from improved visitor attractions or any increase in cruise liner visitors.

Based on relatively modest projections from the principal income generators Seallam! could generate £140,000, that's around three times current turnover.

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<sup>6</sup> Great Places project- Heritage for People, Place-based Heritage Strategy- Outer Hebrides 2021-2031

<sup>7</sup> Ekosgen. Outer Hebrides Visitor Volume and Value Forecast. Outer Hebrides Tourism. June 2021

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>Total</b>	220,769	230,491	227,704	232,002	236,397	240,891	245,487	250,187	254,993	259,909	264,937
<b>Lewis</b>	99,346	103,721	102,467	104,401	106,378	108,401	110,469	112,584	114,747	116,959	119,222
<b>Harris</b>	44,154	46,098	45,541	46,400	47,279	48,178	49,097	50,037	50,999	51,982	52,987
<b>Uist</b>	55,192	57,623	56,926	58,000	59,099	60,223	61,372	62,547	63,748	64,977	66,234
<b>Barra</b>	22,077	23,049	22,770	23,200	23,640	24,089	24,549	25,019	25,499	25,991	26,494

Ekosgen Outer Hebrides Visitor Volume Projections 2022-32

## 8.2 St Kilda Trail

Plans are being developed to recognise and celebrate the unique history and heritage of St Kilda through the creation of Slighe Hiort (the St Kilda Trail) which will provide the opportunity to learn more about this special place. Three projects across the Hebrides are involved in developing the Trail each with their own special theme: the cliffs and birds so important to life on the islands (Ionad Hiort, Lewis), the cultural and genealogical heritage and people (Seallam! – Hebrides People, Harris) and the defence and maritime matters it has become important for today (Sealladh Hiort, North Uist). The St Kilda Trail will create a journey though the Outer Hebrides enabling visitors (either in person or digitally) to experience what life was like on this even more remote archipelago of four islands and several sea stacks home to one of the largest gannet colonies in the UK. Plans for the operation of Slighe Hiort are being developed by the three organisations as part of the Islands Growth Deal (Destination Development Programme).

Harris was the registration centre and main point of contact for people living on St Kilda and women often travelled to Leverburgh to have their babies so there are strong ties to Harris, making Seallam! the natural choice of location for telling the story of the people, culture and heritage of St Kilda as part of Slighe Hiort. The Lawson Library also has a rich archive of interviews and stories about St Kilda and life on the islands which will be brought to life in a new bespoke Hiort na Hearadh exhibition.

Seallam! Hebrides People is the only project currently trading, the Uist and Lewis projects are being planned as new builds.

### Competitors

With the exception of the Historic Environment Scotland (HES) managed St Clement’s Church in Rodel there are no visitor destinations or facilities in south Harris. Leverhulme Community Hub are in the process of developing a new facility which will include a café/restaurant and a new base for the South Harris Comunn Eachdraigh (historical society) where they hope to display local artifacts and information from the autumn of 2023. The latter will be very different to the Seallam! offer in that it doesn’t deal with genealogy and emigration from the islands, nor St Kilda. With regards to cafes and hospitality venues in south Harris there is a reducing number of providers and still no-where near the capacity required to meet demand from the current or forecast visitor numbers. In terms of genealogy, as we have seen tracing your roots is becoming an ever more popular pastime and holiday activity.

## 9. Marketing

### 9.1 Market Sectors

NHT has four identified target markets:

1. **Local market which is made up of people living and working in the Outer Hebrides.** They are often Gaelic speakers who are influencers of others such as neighbours, friends, and visiting family members. We currently connect with them through the local fortnightly magazine *De Tha Dol?* and through our Facebook page with videos, photos and stories. The Trust also monitors and posts on other local groups such as ‘Harris History’ and ‘South Harris Historical Society’. Pre-pandemic meetings with Comunn Eachdraidh (Historical Societies) throughout the Outer Hebrides were common and they often worked with Bill Lawson while he compiled his Croft History books for different areas.

2. **Overseas market which is based mainly in the USA, Canada and Australia.** They are normally descendants of Hebridean emigrants with an interest in their ancestral home. They are often looking to connect with the culture and social history of the Outer Hebrides. They normally reach Seallam! first through our Hebrides People website. We send regular newsletters to those who sign up through the website. Facebook advertising is used to target those overseas as well as monitoring of Facebook groups such as Quebec, Ontario, and Australia family history.

3. **Scottish mainland and UK market which is usually made up of people visiting Seallam! Visitor Centre in person during their holiday.** They may come in couples or within a group. They often have no relationship with us until they reach Seallam!. NHT currently try to reach this group through adverts in tourism publications such as the Heb Magazine and web listings on Visit Scotland and Outer Hebrides Tourism.

4. **Education Partners is a market made up of the local Primary and Secondary schools, Lews Castle College (University of the Highlands and Islands), and E-Sgoil.** They are interested in our knowledge and expertise of islands history, genealogy and history. The Trust is currently working with them to produce courses and educational packs.

As part of our new Digital Strategy the Trust is planning to update its website [Hebrides People](#) which is now around 10 years old and could benefit from a refresh as well preparation for our new status as an enhanced culture and heritage offer – with more education and learning materials and opportunities, digital access to exhibitions and an improved online shop. It will of course still enable search and development of family trees and other genealogical materials. The website will be an important tool in the delivery of the community share offer, although the update will not be completed by then.

## 9.2 Current Marketing Plan

The table below gives an indication of current marketing activities which cover all media types.

Milestone	Activity	Purpose	Audience	Channel	When
Regularly	Newsletter	To give news of Seallam! activities	Email subscribers	Mail Chimp, Hebrides People, snippet shared on Facebook, Instagram	Monthly
Regularly	Video of Bill on islands history topic	Demonstrate expertise on island history and genealogy. Provide entertain audience on social media	Potential customers Supporters	Facebook, Instagram, YouTube	Weekly
Regularly	Visitor Centre advert	Give opening times and activities of Visitor Centre	Local people Visitors to island	De Tha Dol? Events Heb Magazine	Fortnightly Monthly Annually
Ongoing	Web listings	Give opening times and activities of Visitor Centre	Visitors to island	Outer Hebrides Tourism Visit Scotland	Annually
Ongoing	Monitor Facebook Groups	To check for anything relevant that we could assist with in research.  Marketplace monitoring	Potential family history clients	Facebook – South Harris Historical Society, Harris Historical Society, Isle of Lewis Genealogy, Quebec, Ontario, Australia,	Weekly
Regularly	Engagement with education provides through providing courses, talks, and activities.	Develop our reputation for expertise in Western Isles history and genealogy.  Grow revenue	Lews Castle College (UHI) E-Sgoil Leverhulme Memorial School  Sir E Scott School	In-person  Virtually  Hebrides People	Ongoing

*Northton Heritage Trust – Community Share Offer Business Plan 4.2*

<b>Ongoing</b>	Advertise Books with a 'Book of the week'	Showcase our extensive range of books and push potential customers to our website	Potential customers	Facebook, Instagram	Weekly
<b>Ongoing</b>	Post old photos from Bill's slide collection	Provide interesting and entertaining content	Local people Potential customers	Facebook Instagram	Weekly
<b>January – April 2022</b>	Promote and market community share offer	Generate interest and sell shares, locally and elsewhere	Everyone in Outer Hebrides and supporters elsewhere	Website Facebook Instagram In-person	Time limited period while share offer is open  NB there is a dedicated marketing plan for the share offer

The Trust also carries out surveys of supporters periodically to determine what they are looking for from its services

## 10. Financial Forecasts

NHT, as we saw earlier in this document has traded successfully for over 20 years, although the last few years have been challenging on account of reduced funds and the Covid pandemic which saw the visitor centre closed for long periods of time. Nonetheless, business continued online and has bounced back since re-opening and through increased activity. Here the future health of the business is considered.

### 10.1 Trading History

The visitor centre, which is owned and run by the community as Northton Heritage Trust, has traded well over the last twenty years. It has provided exhibitions, talks and events for locals and visitors to the island and those from further afield via its website **Hebrides People** and social media. The long- standing expertise of its resident genealogist Bill Lawson, who created and developed the records and books, enables access to the vast database, its family histories and trees. Bill is now 84 years old and looking to reduce his input, so Seallam! is beginning a new phase of its history which aims to celebrate and build on the considerable legacy which he has donated to the community (NHT).

<b>Northton Heritage Trust</b>				
<b>Financial projections</b>				
<b>Statement of Financial Activities (Profit &amp; Loss Account)</b>				
<b>Actual figures for four years to 31 March 2021</b>				
	<b>Year - 17/18 Actual £</b>	<b>Year - 18/19 Actual £</b>	<b>Year - 19/20 Actual £</b>	<b>Year - 20/21 Actual £</b>
<b>Income</b>				
Books	14,622	15,463	19,267	11,527
Genealogy	9,485	7,807	7,338	7,946
Admissions	4,437	4,682	5,925	559
General Retail	6,507	9,588	11,517	1,232
Commissions, Courses	1,885	1,590	1,682	372
Food and Drink (net)	535	664	630	90
Student Accommodation	0	0	0	0
Revenue grants	0	0	2,888	53,910
Donations	705	3,658	4,615	570
<b>Total Income</b>	<b>38,176</b>	<b>43,452</b>	<b>53,862</b>	<b>76,206</b>
<b>Expenditure</b>				
Purchase for resale	13,160	11,386	18,338	7,085
Wages and pensions	9,125	14,635	17,128	14,999
Overheads	14,706	14,861	17,009	17,191
Bank charges, interest etc	2,267	2,461	2,381	1,780
Professional fees	1,238	996	960	8,656
<b>Depreciation</b>				
Original Seallam! Building	7,014	7,014	7,014	7,014
Total Depreciation	7,014	7,014	7,014	7,014
<b>Total Expenditure</b>	<b>47,510</b>	<b>51,353</b>	<b>62,830</b>	<b>56,725</b>
<b>Surplus / (Deficit)</b>	<b>(9,334)</b>	<b>(7,901)</b>	<b>(8,968)</b>	<b>19,481</b>



The table above illustrates the trading history over the last 4 years by department. Sales of books and genealogy services are the most significant sources of income and these held up relatively well during the pandemic as they were able to continue online. Income from visitors reduced significantly, with numbers overall relatively low given the number of visitors to the island during peak summer season months. In 2022 the projected visitor numbers for the Outer Hebrides are 202,769 with a projected spend of £75,193,591<sup>8</sup>. The projected visitor spend for Harris is £14,399,649, rising 2.5% per annum without uplift from new planned visitor attractions or an increase in cruise liner visitors.<sup>9</sup>

## 10.2 Profit and Loss Projections

Northton Heritage Trust										
Financial projections										
Statement of Financial Activities (Profit & Loss Account)										
	Year - 17/18 Actual £	Year - 18/19 Actual £	Year - 19/20 Actual £	Year - 20/21 Actual £	Year - 21/22 Forecast £	Year - 22/23 Forecast £	Year - 23/24 Forecast £	Year - 24/25 Forecast £	Year - 25/26 Forecast £	Year - 26/27 Forecast £
<b>Income</b>										
Books	14,622	15,463	19,267	11,527	29,100	34,850	39,350	42,000	42,000	42,000
Genealogy	9,485	7,807	7,338	7,946	8,614	12,000	12,000	12,000	12,000	12,000
Admissions	4,437	4,682	5,925	559	6,642	16,300	13,700	41,000	70,560	70,560
General Retail	6,507	9,588	11,517	1,232	9,235	22,100	12,300	26,500	61,200	61,200
Commissions, Courses	1,885	1,590	1,682	372	400	4,150	5,250	5,250	5,250	5,250
Food and Drink (net)	535	664	630	90	-	8,700	6,200	10,800	18,600	18,600
Student Accommodation	-	-	-	-	-	-	-	24,202	32,926	32,926
Revenue grants	-	-	2,888	53,910	77,060	69,350	-	-	-	-
Donations	705	3,658	4,615	570	3,890	-	-	-	-	-
<b>Total Income</b>	<b>38,176</b>	<b>43,452</b>	<b>53,862</b>	<b>76,206</b>	<b>134,941</b>	<b>167,450</b>	<b>88,800</b>	<b>161,752</b>	<b>242,536</b>	<b>242,536</b>
<b>Expenditure</b>										
Purchase for resale	13,160	11,386	18,338	7,085	18,338	20,000	25,000	25,000	25,000	25,000
<b>Total expenditure</b>	<b>13,160</b>	<b>11,386</b>	<b>18,338</b>	<b>7,085</b>	<b>18,338</b>	<b>20,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Gross profit</b>	<b>25,016</b>	<b>32,066</b>	<b>35,524</b>	<b>69,121</b>	<b>116,603</b>	<b>147,450</b>	<b>63,800</b>	<b>136,752</b>	<b>217,536</b>	<b>217,536</b>
<b>Overheads</b>										
Wages and pensions	9,125	14,635	17,128	14,999	48,176	48,792	48,792	109,132	121,200	121,200
Overheads	14,706	14,861	17,009	17,191	19,207	26,103	36,564	36,564	36,159	36,159
Bank charges, interest etc	2,267	2,461	2,381	1,780	1,692	1,692	1,692	1,692	1,755	1,755
Professional fees	1,238	996	960	8,656	1,260	1,260	5,000	1,260	1,260	1,260
<b>Total Overheads</b>	<b>27,336</b>	<b>32,953</b>	<b>37,478</b>	<b>42,626</b>	<b>70,335</b>	<b>77,847</b>	<b>92,048</b>	<b>148,648</b>	<b>160,374</b>	<b>160,374</b>
<b>Operating profit</b>	<b>(2,320)</b>	<b>(887)</b>	<b>(1,954)</b>	26,495	46,268	69,603	<b>(28,248)</b>	<b>(11,896)</b>	57,162	57,162
<b>EBITDA</b>										
Depreciation	7,014	7,014	7,014	7,014	-	-	-	-	-	-
<b>Profit before Tax</b>	<b>(9,334)</b>	<b>(7,901)</b>	<b>(8,968)</b>	19,481	46,268	69,603	<b>(28,248)</b>	<b>(11,896)</b>	57,162	57,162

A summary of the projected profit and Loss for the organisation can be seen above and full cashflow projections for the next six years have been prepared to demonstrate the viability of the business (April 2021 – March 2027). The income and expenditure during this period includes staff costs for the new positions to be created. A breakdown of how income projections are derived and a sample year of trading for the student accommodation are also provided. Projections are fairly modest so should be achievable under current market knowledge and conditions. Depreciation is included for the current Seallam! Building to the end of 2021/22 when the Board requires to determine a new depreciation policy for its

<sup>8</sup> Eksogen. Outer Hebrides Visitor Volume and Value Forecast. Outer Hebrides Tourism. June 2021

<sup>9</sup> Eksogen. Outer Hebrides Visitor Volume and Value Forecast. Outer Hebrides Tourism. June 2021

increased asset base. This will be advised by our accountant and agreed at an board in the near future as our next annual accounts are prepared.

NHT is now a charitable community benefit society and as such is responsible for reporting on membership and shareholdings, which will usually be reported annually to FCA via an AR30 form. A financial report will also be made to OSCR, the charity regulator in Scotland. As The Society was only formed in July 2021 this data is included in the business plan so that potential investors can assess performance.

### **10.3 Membership**

NHT has not traditionally been a membership organisation so there is no history to report. One of the aims of the share offer is to recruit members and further strengthen the organisation as a two-tier membership organisation. Members will be sought from each of the market segments highlighted in the marketing section above i.e. locally, overseas and from visitors to the islands.

### **10.3 Share capital**

NHT currently holds no share capital although there is a target to raise £100,000 in the forthcoming share offer. The figures presented below indicate the current position and the projected positions for 2022 and 2023. It is not currently planned to run further share offers during these periods and the new business will not be fully trading before 2024. It is intended that once three years of successful trading have been completed and conditions allow shares can be withdrawn.

The following pages provide a more detailed cash flow plan for the trading organisation together with how these figures have been generated. The comprise:

- A summary of forecast income and expenditure for 6 years
- Annual cashflow projections for each year
- Sale/growth projections
- Initial student accommodation forecast

CASHFLOW- Summary and Years 1 – 5

Northton Heritage Trust																		
Financial Projections																		
Cash Flow 2022/23																		
	2022											2023		2022/23	2023/24	2024/25	2025/26	2026/27
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Year 1	Year 2	Year 3	Year 4	Year 5	
<b>CASH IN</b>													<b>Total</b>					
Trading Income	4,375	6,425	7,025	8,200	9,500	9,500	9,500	8,500	7,600	7,200	6,300	6,700	90,825	88,800	161,752	242,536	242,536	
Grants	218,500	-	49,350	20,000	-	-	-	-	-	-	-	-	287,850					
Share Offer	-	100,000	-	-	-	-	-	-	-	-	-	-	100,000					
Capital Grants (new build)	-	-	-	-	-	-	-	-	-	-	-	-	-	3,500,000				
	-	-	-	-	-	-	-	-	-	-	-	-	-					
<b>Total Cash In</b>	<b>222,875</b>	<b>106,425</b>	<b>56,375</b>	<b>28,200</b>	<b>9,500</b>	<b>9,500</b>	<b>9,500</b>	<b>8,500</b>	<b>7,600</b>	<b>7,200</b>	<b>6,300</b>	<b>6,700</b>	<b>478,675</b>	<b>3,588,800</b>	<b>161,752</b>	<b>242,536</b>	<b>242,536</b>	
	-	-	-	-	-	-	-	-	-	-	-	-	-					
<b>CASH OUT</b>																		
	-	-	-	-	-	-	-	-	-	-	-	-	-					
Cost of Sales/Overheads	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,306	6,306	6,306	6,306	6,306	76,739	87408	147868	159936	159936	
SLF Grant match	218,500	25,000	-	-	-	-	-	-	-	-	-	-	243,500					
Enhancing Digital Offer	-	5,000	5,000	5,000	5,000	5,000	5,000	-	-	-	-	-	30,000					
Working Capital	-	-	-	-	-	-	-	-	-	-	-	-	-					
Capital Grants (new build)	-	-	-	-	-	-	-	-	-	-	-	-	-	3,500,000				
	-	-	-	-	-	-	-	-	-	-	-	-	-					
<b>Total Cash Out</b>	<b>224,958</b>	<b>36,458</b>	<b>11,458</b>	<b>11,458</b>	<b>11,458</b>	<b>11,458</b>	<b>11,458</b>	<b>6,306</b>	<b>6,306</b>	<b>6,306</b>	<b>6,306</b>	<b>6,306</b>	<b>350,239</b>	<b>3587408</b>	<b>147868</b>	<b>159936</b>	<b>159936</b>	
	-	-	-	-	-	-	-	-	-	-	0	0	-					
<b>Bank balance b/f</b>	<b>61,266</b>	<b>59,183</b>	<b>129,150</b>	<b>174,066</b>	<b>190,808</b>	<b>188,850</b>	<b>186,892</b>	<b>184,933</b>	<b>187,127</b>	<b>188,421</b>	<b>189,315</b>	<b>189,308</b>	<b>61,266</b>	<b>189702</b>	<b>191,094</b>	<b>204,978</b>	<b>287,578</b>	
<b>Net cash inflow/outflow</b>	<b>(2,083)</b>	<b>69,967</b>	<b>44,917</b>	<b>16,742</b>	<b>(1,958)</b>	<b>(1,958)</b>	<b>(1,958)</b>	<b>2,194</b>	<b>1,294</b>	<b>894</b>	<b>(6)</b>	<b>394</b>	<b>128,436</b>	<b>1,392</b>	<b>13,884</b>	<b>82,600</b>	<b>82,600</b>	
<b>Bank balance c/f</b>	<b>59,183</b>	<b>129,150</b>	<b>174,066</b>	<b>190,808</b>	<b>188,850</b>	<b>186,892</b>	<b>184,933</b>	<b>187,127</b>	<b>188,421</b>	<b>189,315</b>	<b>189,308</b>	<b>189,702</b>	<b>189,702</b>	<b>191,094</b>	<b>204,978</b>	<b>287,578</b>	<b>370,178</b>	

Cashflow projections for the first year of the community share offer can be found above, together with an annual summary of the cash flow for the following four years. The anticipated capital grant income to enable new income streams such as the student accommodation has been included although it has not yet been secured.

Northton Heritage Trust – Community Share Offer Business Plan 4.2

Seallam! Hiort na Hearadh - Visitor/Sales Projections						
	Number of Visitors	Cost per head	Income	Season		
<b>Exhibition sales</b>						
Current Visitor Numbers	2000	£ 3.00	£ 6,000.00	2021		
Increase x 2 visitor numbers	4000	£ 3.00	£ 12,000.00	2022		
Increase x 2 visitor numbers and entry fee	4000	£ 6.00	£ 24,000.00	2024	Audio guides, interactive exhibits,	
	5000	£ 6.00	£ 30,000.00	2024	Year 1 rising to	
Reasonable visitor expectation p.a. , 25%	10000	£ 6.00	£ 60,000.00	2024	This is less than 25% of all visitors to Harris in a year	
<b>Books, Shop spend</b>						
	2000	£ 10.00	£ 20,000.00	2021		
	4000	£ 10.00	£ 40,000.00	2022		
	10000	£ 10.00	£ 100,000.00	2024		
<b>Café sales</b>						
	2000	£ 7.00	£ 14,000.00	2024	50% of visitors use café - coffee and cake (£7.00) or panini, soup (£7.95)	
	5000	£ 7.00	£ 35,000.00	2024		
<b>Genealogy</b>						
Online			£ 2,300.00	2021	existing Hebrides People operation	
Bill/Angus			£ 5,000.00	2021		
Improved / marketed Online offer + 50%			£ 4,600.00	2022		
Bill/Angus, increased capacity +30%			£ 6,650.00	2022		
			£ 11,250.00			
<b>Projected Sales / Income 2021 - 2026</b>						
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Exhibition	£ 6,000.00	£ 12,000.00	£ 12,000.00	£ 60,000.00	£ 61,500.00	£ 63,037.00
Books, shop	£ 20,000.00	£ 40,000.00	£ 40,000.00	£ 100,000.00	£ 102,500.00	£ 105,062.00
Café	£ 650.00	£ 1,300.00	£ 8,700.00	£ 35,000.00	£ 35,875.00	£ 36,592.00
Genealogy	£ 8,000.00	£ 10,000.00	£ 12,000.00	£ 12,000.00	£ 12,000.00	£ 12,000.00
Events						
Grant income	£ 33,500.00	£ 23,500.00	£ -	£ -	£ -	£ -
<b>Total Income</b>	<b>£ 68,150.00</b>	<b>£ 86,800.00</b>	<b>£ 72,700.00</b>	<b>£ 207,000.00</b>	<b>£ 211,875.00</b>	<b>£ 216,691.00</b>
<b>Staffing</b>						
Business Manager	£ 22,000.00	£ 24,000.00	£ 25,000.00	£ 25,750.00	£ 26,522.00	£ 27,318.00
Heritage Officer	£ 23,500.00	£ 23,500.00	£ 24,205.00	£ 24,931.00	£ 25,679.00	£ 26,449.00
Seasonal staff	£ 9,000.00	£ 9,000.00	£ 9,000.00	£ 20,000.00	£ 20,600.00	£ 21,218.00
Café/ Events staff	£ -		£ -	£ 58,710.00	£ 60,471.00	£ 62,285.00
<b>Total Cost</b>	<b>£ 54,500.00</b>	<b>£ 56,500.00</b>	<b>£ 58,205.00</b>	<b>£ 129,391.00</b>	<b>£ 133,272.00</b>	<b>£ 137,270.00</b>
<b>Income less costs</b>	<b>£ 13,650.00</b>	<b>£ 30,300.00</b>	<b>£ 14,495.00</b>	<b>£ 77,609.00</b>	<b>£ 78,603.00</b>	<b>£ 79,421.00</b>

Northton Heritage Trust – Community Share Offer Business Plan 4.2

<b>Student Accommodation Projections</b>													
Assumptions:													
Based on 12 ensuite rooms with shared kitchen, laundry facilities and common room space													
Long term rate (6 months and over) = £95 per week = £380 per four week period + £380 damage deposit = £760 to secure accommodation													
Short term accommodation rate (28 days to 6 months) is 316 per night (£112 per week, £448 for 4 weeks, with a deposit of £122 to secure booking)													
Nightly rate is £45 per night (holiday let) and £25 per night for a student													
Self catering, cleaned daily with bed linen and towels laundered)													
Parking for up to 6 vehicles													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
60% long term	£ 2,660.00	£ 2,660.00	£ 2,660.00	£ 2,660.00	£ 2,660.00	£ -	£ -	£ -	£ -	£ 2,660.00	£ 2,660.00	£ 2,660.00	£ 21,280.00
25% short term	£ 1,344.00	£ 1,344.00	£ 1,344.00	£ 1,344.00	£ 1,344.00	£ 4,480.00	£ 4,480.00	£ 4,480.00	£ 4,480.00	£ 1,344.00	£ 1,344.00	£ 1,344.00	£ 28,672.00
15% nightly @ £45	£ 450.00	£ 450.00	£ 450.00	£ 450.00	£ 1,116.00	£ 1,116.00	£ 1,116.00	£ 1,116.00	£ 1,116.00	£ 450.00	£ 450.00	£ 450.00	£ 8,730.00
	£ 4,454.00	£ 4,454.00	£ 4,454.00	£ 4,454.00	£ 5,120.00	£ 5,596.00	£ 5,596.00	£ 5,596.00	£ 5,596.00	£ 4,454.00	£ 4,454.00	£ 4,454.00	£ 67,412.00
<b>Projected costs</b>													
Electricity (heating, water, light)	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 689.00	£ 8,268.00
WiFi	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 35.00	£ 420.00
Insurance (building)	£ 2,776.00	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 2,776.00
Staffing (2 part time cleaners)	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 840.00	£ 11,464.00
Total running costs	£ 4,340.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 1,564.00	£ 21,544.00
Profit/Loss per month	£ 114.00	£ 2,890.00	£ 2,890.00	£ 2,890.00	£ 3,556.00	£ 4,032.00	£ 4,032.00	£ 4,032.00	£ 4,032.00	£ 2,890.00	£ 2,890.00	£ 2,890.00	£ 45,868.00
<b>Staffing assumption</b>													
2 part time cleaners working 3 hours per day to clean communal areas x 7 days @ £10 per hour. ! Working 3 days another working 4 days per week.													
Long term lets based on 60% occupancy October - May (8 months) @ £380 for 4 weeks x 8.5 = £3,230 x 7 rooms = £22,610 p.a.													
Short term lets based on 25% occupancy October - May (8 months) @ £448 for 4 weeks x 8.5 = £3,808 x 3 rooms = £11,424 increasing to 4 months (Jun-Sept) @ £448 x 4 months x 10 rooms = £17,920													
Nightly rate - winter 10 per month @ £45, summer (May - Sept) 153 nights x 2 rooms = 306, assuming 80% occupancy = 245 nights at £45													
The market is largely unexplored as there has never been dedicated Student Accommodation on Harris. Projections are based on Bayhead self catering accommodation in Stornoway													
There is scope for further off season students as the genealogy and Gaelic programmes develop.													
Seallam! Hiort na Hearadh - Business Plan 1.1 - 9 June 2021													

## 12. Risk Analysis

Here we consider the risks associated with the development and delivery of the Seallam! Hebrides People Visitor Centre. It considers the strengths and weaknesses of the project together with the opportunities and threats. Any venture carries risks, being aware of those risks and taking steps to mitigate them enables most enterprises to move forward successfully. Here we identify potential risks associated with NHT extending its land ownership and the buildings to deliver an enhance visitor destination and associated facilities for the South of Harris. Two approaches have been offered here, firstly a SWOT analysis to consider the external environment in which the visitor centre will be developed and a more detailed table which considers specific risks, evaluates them and proposes how they can be mitigated.

### 12.1 Strengths, Weaknesses, Opportunities and Threats

A SWOT analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Genealogical records</li> <li>• Library</li> <li>• 20 years + of Seallam trading</li> <li>• Gold Standard of genealogy</li> <li>• Bill Lawson</li> <li>• Unique product (genealogy, expertise, location, records, anthropology)</li> <li>• St Kilda knowledge and expertise</li> <li>• Place</li> <li>• Building</li> <li>• Story</li> <li>• On spinal route through the islands</li> </ul>	<ul style="list-style-type: none"> <li>• Fragility of Seallam – Northton Heritage Trust</li> <li>• Impact of Covid</li> <li>• Grant/fundraising expertise</li> <li>• Over-reliance on Bill</li> <li>• Building now requiring update for Slighe Hiort</li> <li>• Permanent base for genealogy</li> <li>• Slightly dated digital offer</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Slighe Hiort (St Kilda Trail)</li> <li>• Increase tourism offer/destination development</li> <li>• Increase knowledge and learning</li> <li>• Improve life for local people</li> <li>• Joining up Harris – economic development and tourism</li> <li>• ORB – collect passport stamps when visiting places e.g. like half marathons</li> <li>• Ownership</li> </ul>	<ul style="list-style-type: none"> <li>• Covid and future uncertainty</li> <li>• Funding climate (competitive and increasing number of local projects completing)</li> <li>• Islands Growth Deal (Lewis centred)</li> <li>• Transport (local – poor)</li> <li>• Bill – getting older</li> </ul>

Northton Heritage Trust and current Seallam! Visitor Centre start from a position of relative strength in that they have a significant track record in delivering a four-star tourism offer over

the last 20 years and having been in a strong enough position to with stand the challenge of the last year when it has had to close its doors for most of a year on account of the pandemic

It also has a unique and highly significant genealogical record for the people and land of the Outer Hebrides which is accessible via a vast data base. Bill Lawson, who compiled this vast archive has made this his life’s work and has generously donated his collection and library to the community (NHT) to be safeguarded and developed going forward.

The development of the Slighe Hiort (St Kilda Trail) provides an excellent opportunity for Seallam! to develop the Hiort na Hearadh element of the trail focussing on people, heritage and culture – a perfect fit! The important factor here will be how well the three – Slighe Hiort – projects work together to develop the “trail” concept as part of destination development in the Outer Hebrides.

Initially, the main weaknesses of the operation at the time of writing, were over reliance on Bill Lawson as he gets older and only one other member of staff to manage the centre. The website and technology are also somewhat dated but funding has recently been secured to begin the process of updating these and increasing the staffing compliment to support Bill’s work. A successful Heritage Lottery application in the spring of 2021 has enabled a new, 2-year post to be created to work alongside Bill. The post holder is learning about the database and also work to enable wider access to it for education and community engagement purposes. Two sources of funding have also been secured to update current technology (HIE Digital Enablement Grant) and some of the Heritage Lottery grant will enable updating of the website. A Digital Strategy has also been developed with the Board and a Digital and Marketing Sub group of the Board will lead on taking this forward.

## 12.2 Risk Analysis

A scoring system of 1 to 5 has been used to assess chance and impact of each risk. These are multiplied to give a combined score which then falls into one of three categories – Green 1-10, Amber 11-15 and Red 16-25.

Category	Risk Description	Chance	Impact	Score	Response/Actions
Governance	Board taking on significant responsibilities - Insufficient planning - Poor decision making Risk averseness	2 2 2	3 3 4	6 6 8	Ensure board have shared and agreed vision, bond well as a team, have relevant training and experience, experienced advisors and proper processes for informing and making decisions.
Political approval – CNES land acquisition	NHT requires approval from CNES to buy the land Seallam! sits on. A final price for the purchase of the sites has been agreed.	1	3	3	Ensure CNES are kept informed and a strong business case and funding package are put together to support the NHT

					plans. The project delivers many priorities for CNES so its success is in everyone's interest.
Land acquisition	The additional site owned by Bays of Harris Estate and Northton Common Grazing Committee cannot be secured	1	3	3	All parties have been approached and negotiations are underway. Clear information on plans for the site and appropriate valuations have been carried out to ensure a fair price.
Land acquisition – Bill Lawson	Bill has kindly offered his house and adjoining field for sale four years ago. This deal needs to be confirmed together with terms for his continued occupation of the School House so this is not lost	1	3	3	A formal approach has now been made by NHT and terms can now be agreed by respective solicitors. Plans for funds to secure the deals are agreed from SLF and will be finalised through as successful community share offer
Funding – Community Share Offer	Share offer doesn't raise expected target	1	3	3	Prepare and standard mark share offer to ensure it is properly planned and executed. Carry out advance market research and a pledge campaign. Market the campaign well.
Funding – Building Works	Funding to develop land and extend the building as planned is not fully secured yet. Conceptual designs have been commissioned together with costs to help inform this process.  There is likely to be competition with other tourism and Slighe Hiort projects	2  3	3  3	6  9	A robust funding plan with a range of partners. Sound business plan demonstrating feasibility of operation. Negotiate funding with funders, selling case in line with their objectives. This is in progress. A collaborative approach is be planned, certainly for common aspects of the projects.
Planning permission for	Planning Permission is required for the	3	3	9	Begin negotiations as soon as possible.



extension, development and playground	<p>improvements to the building and the new student accommodation block.</p> <p>Further studies are now required including Flood Prevention, Ecology etc</p>	2	3	6	<p>Prepare professional plans taking account of requirements. Secure funds to prepare best application possible. Ensure support of all local elected members and community.</p> <p>Funding is required to deliver these, together with profession input to ensure they inform works going forward.</p>
Funding – staff	<p>The current staff member is largely self-financing although there has been an element of grant funding and furlough this year due to the exceptional circumstances. A successful funding application has been made to Heritage Lottery Fund to secure a f/t post for 2 years to enable support to Bill and improved turnover on the genealogy service.</p> <p>An excellent local candidate has been appointed</p>	3	3	9	<p>Build a strong funding plan and business with realistic income generation plans trying to cover as much of the staff wage bill and running costs as possible from income generated. Developing new projects.</p> <p>Making staff posts as attractive as possible can go some way to addressing this shortage.</p>
Planning and building during works	<p>Fall foul of planning and building regs re change of use or necessary warrants</p>	2	3	6	<p>Seek prof advice, work with CNES Planning Officers to prepare plans, use professional trades to deliver</p>
Operational	<p>NHT has been running Seallam! for 20 years – updating the offer and practices may sometimes require tough decisions.</p>	3	3	9	<p>The Board is successfully working on strengthening its team, seeking the necessary training and support to build confidence going forward.</p> <p>Seek support and advice from</p>

					organisations who have delivered similar projects and share learning/ create a support network.
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There are many risks and challenges going forward with the project but none is a deal breaker as the project already exists. The main threat will be competition around funding such as RCGF and the Islands Growth Deal. The two other Slighe Hiort projects and some other tourism ventures (Calanish and the Iolaire Centre) will all be competing on the same timeline for limited pots of money. A collaborative approach will be required here to ensure strong economic outcomes and community benefit. NHT has adopted a clear strategy going forward to ensure the significant merits of their project are recognised and form a keystone of developments going forward.

The project also has the opportunity to provide a focus for the development of Gaelic language and learning. To achieve Gaelic speaking staff should be a matter of priority to one set an example and to deliver services in both languages. Lews Castle College /UHI share a mutual interest in community-based Gaelic delivery and are keen to support this as part of their Gaelic Strategy.

Since work on the business plan began in Autumn of 2020 (during the pandemic), Seallam! has increased its staff by 1 full time Heritage Lottery Officer (2 years) and created both paid and volunteering opportunities in relation to staffing the shop/visitor centre. A Marketing Graduate appointment for 12 months is also being considered as this would be an ideal complement to our existing team, ensuring that visitor target numbers and sales are better developed as the new World Class Visitor Centre is developed. Unfortunately, it wasn't possible to recruit for this post so it was lost – a serious consideration for future posts to be created by the project.

**Community Share Offer – Risks – there is a full risk warning in Section 5 with regard to the Community Share Offer and the purchase of shares.**