

REGISTERED COMPANY NUMBER: SC150015 (Scotland)
REGISTERED CHARITY NUMBER: SC002484

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2023
for
Caithness Voluntary Group

Reid & Fraser Audit Ltd
Statutory Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

Caithness Voluntary Group

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Caithness Voluntary Group

Report of the Trustees for the Year Ended 31 March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The overall aim of the charitable company is to promote the benefit of the public within Caithness and Highland by:

1. Advancing citizenship and community development, including rural and urban regeneration and the promotion of civic responsibility, volunteering, the voluntary sector and the effectiveness and efficiency of charities .
2. Such other similar charitable purposes as the company from time to time determines.

ACHIEVEMENT AND PERFORMANCE

Review of activities

The year saw Caithness emerge from the impact of the pandemic and the level of community activity started to return to previous levels and the demand for our services was significant. Our projects saw the same level of demand with Befriending's waiting list increasing which is a credit to the service they provide. Caithness Rural transport have seen the miles covered increase during a year which started with a shortage of volunteers but it has been great to see new volunteers come on board towards the end of the year. Without the support of our volunteers helping throughout the organisation we would not have been able to achieve what we have done and are very grateful for their support.

Listening Ear continued to provide emotional support via the JIM & JAN groups and continued to review the services they provide and plan a move to Caithness Mental Health Support Group.

Thanks to the support of HIE the former Aspiring Communities team were able to stay in post and continue to work around Mental Health with Caithness Cares and Poverty through the Caithness Poverty Action Group and develop the HERE for Caithness digital platform.

We supported emerging development trusts from John o Groats to Dunbeath and a number of new projects are being developed. During the year we have also recruited a development officer to support projects in the Halkirk and Watten Community Council areas. All the activities outlined above help us achieve our objective of benefiting the public within Caithness and we will continue to consult with the wider community and investigate other opportunities to expand our work.

Both the Halsary Caithness Fund and the Latheron, Lybster & Clyth funds were successfully launched with the demand in particular for the Caithness wide fund quite significant.

We continued to work with our partners within the HTSI to support each other and share best practice.

Funding and in particular short term funding continues to be a challenge so we have been working with RWE and Local Energy Scotland to investigate options around shared ownership of a wind farm in order to provide an independent income stream.

FINANCIAL REVIEW

Financial position

The results for the year are shown on pages 8 to 20 of the report. The Trustees are satisfied with the reported net income for the year.

Principal funding sources

The charity derives its income mainly from grants towards the running costs of its activities, augmented by income from office services and donations.

Caithness Voluntary Group

Report of the Trustees for the Year Ended 31 March 2023

FINANCIAL REVIEW

Reserves policy

The Trustees continuously review the performance of the charity in general, and any project undertaken, to ensure that they are adequately financed, and restricted funding is fully and properly accounted for. The Trustees believe that this policy is successful in ensuring that activities are carried out within their financial restraints and that reserves are sufficient to ensure the continuing activity of the charity. The Trustees aim to maintain reserves equivalent to three months' expenditure.

FUTURE PLANS

2023/24 will be a year of consolidation looking at maintaining the services we are currently providing. Our Befriending team are looking to secure funding for the next three years. Caithness Rural transport are looking for funding for new vehicles and we will have to weigh up the need to move towards net zero with the limitations of electric buses around both range and availability of working charger points. Securing ongoing funding for our team of development officers is also priority.

Highland Third Sector Interface are our core funders through the Scottish Government and they are currently undertaking a review which we will play an active part.

We will work with the Community Planning partnership to ensure that the important work around mental health and cost of living crises continues and we are ready for any other priorities.

Listening Ear will move over to Caithness Mental Health Support Group during the year.

After a number of changes in the finance and office admin team we will be looking to consolidate those areas to ensure they can support the development work being done. Energy costs are having an impact on our budget along with a reduced demand from tenants and as a result we are looking at options as regards office space going forward.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

A nomination form for new trustees goes out to the charitable company's member organisations prior to each AGM. If the charitable company is expecting to lose a trustee this will be discussed at a trustees' meeting and potential applicants will be approached either by the secretary or one of the trustees.

Organisational structure

A R Tait (company secretary) held a senior administrative role within the charity, on the date of the report being approved and in the period to which the report relates, and is responsible for the day to day running of the charitable company. The transport and befriending coordinators have the authority to manage their projects but will speak to either A R Tait or deputy Y Hendry on a weekly basis. The development officers have a remit and are in contact with either A R Tait or Y Hendry on a near daily basis. Any strategic issues are talked through with the trustees either at meetings or via email.

Induction and training of new trustees

The charitable company currently has in place an induction process with all new trustees which includes going through the articles, the staff, projects, funding and any current issues.

Key management remuneration

Project coordinators remuneration rates are taken from that recommended by Befriending Networks or compared with other similar roles in the Highlands, for example the HTSI website. As a minimum the charitable company operates as a living wage employer.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC150015 (Scotland)

Caithness Voluntary Group

**Report of the Trustees
for the Year Ended 31 March 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC150015 (Scotland)

Registered Charity number

SC002484

Registered office

Telford House
Williamson Street
Wick
Caithness
KW1 5ES

Trustees

Mrs J Banks
Mrs A Alexander
Cllr W Mackay
L Graham
Mrs D E Aitken
J Robson

Company Secretary

A R Tait

Auditors

Reid & Fraser Audit Ltd
Statutory Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Caithness Voluntary Group for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Caithness Voluntary Group

**Report of the Trustees
for the Year Ended 31 March 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Reid & Fraser Audit Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 22.12.23 and signed on its behalf by:



Mrs J M Banks - Trustee

Report of the Independent Auditors to the Trustees and Members of Caithness Voluntary Group

Opinion

We have audited the financial statements of Caithness Voluntary Group (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 16 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Trustees and Members of Caithness Voluntary Group

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. We made enquiries of management with regards to compliance with the relevant laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of board meetings and evidence of any solicitor fees.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals. Our procedures included vouching charitable expenditure against corroborating evidence to confirm that the expenditure complied with the terms of the grant award. We considered whether the charity had complied with its regulatory requirements in connection to providing transport to the general public and offering befriending services.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees and Members of
Caithness Voluntary Group**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Linda Cameron

Linda Cameron (Senior Statutory Auditor)
for and on behalf of Reid & Fraser Audit Ltd
Statutory Auditors
Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
15 Princes Street
Thurso
Caithness
KW14 7BQ

Date: *22.12.23*

Caithness Voluntary Group

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	11,362	17,602	28,964	14,146
Charitable activities					
Core Activity	3	275,100	96,617	371,717	401,271
Transport Project		162,663	-	162,663	138,988
Befriending		-	63,231	63,231	48,214
Other income		14,480	-	14,480	(3,901)
Total		463,605	177,450	641,055	598,718
EXPENDITURE ON					
Charitable activities					
Core Activity	4	249,491	105,495	354,986	335,424
Transport Project		154,906	-	154,906	137,607
Capital Grant Reserve		-	7,536	7,536	10,948
Befriending		-	57,978	57,978	44,785
Total		404,397	171,009	575,406	528,764
NET INCOME					
Transfers between funds	14	59,208	6,441	65,649	69,954
		23,478	(23,478)	-	-
Net movement in funds		82,686	(17,037)	65,649	69,954
RECONCILIATION OF FUNDS					
Total funds brought forward		222,671	143,102	365,773	295,819
TOTAL FUNDS CARRIED FORWARD		305,357	126,065	431,422	365,773

The notes form part of these financial statements

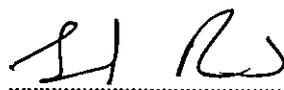
Caithness Voluntary Group

**Balance Sheet
31 March 2023**

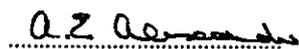
	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	23,262	22,609	45,871	61,161
CURRENT ASSETS					
Debtors	11	36,996	19,985	56,981	71,598
Cash at bank and in hand		478,720	106,191	584,911	322,549
		<u>515,716</u>	<u>126,176</u>	<u>641,892</u>	<u>394,147</u>
CREDITORS					
Amounts falling due within one year	12	(224,073)	(22,720)	(246,793)	(77,600)
		<u>291,643</u>	<u>103,456</u>	<u>395,099</u>	<u>316,547</u>
NET CURRENT ASSETS					
		<u>291,643</u>	<u>103,456</u>	<u>395,099</u>	<u>316,547</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>314,905</u>	<u>126,065</u>	<u>440,970</u>	<u>377,708</u>
CREDITORS					
Amounts falling due after more than one year	13	(9,548)	-	(9,548)	(11,935)
		<u>305,357</u>	<u>126,065</u>	<u>431,422</u>	<u>365,773</u>
NET ASSETS					
		<u>305,357</u>	<u>126,065</u>	<u>431,422</u>	<u>365,773</u>
FUNDS					
Unrestricted funds	14			305,357	222,671
Restricted funds				126,065	143,102
				<u>431,422</u>	<u>365,773</u>
TOTAL FUNDS					
				<u>431,422</u>	<u>365,773</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22.12.23 and were signed on its behalf by:



J M Banks - Trustee



A E Alexander - Trustee

The notes form part of these financial statements

Caithness Voluntary Group

**Cash Flow Statement
for the Year Ended 31 March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	267,442	118,264
Interest element of hire purchase or finance lease rental payments paid		(3,098)	(2,872)
Finance costs paid		(1,982)	(1,215)
Net cash provided by operating activities		<u>262,362</u>	<u>114,177</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(20,444)
Sale of tangible fixed assets		-	500
Net cash provided by/(used in) investing activities		<u>-</u>	<u>(19,944)</u>
Change in cash and cash equivalents in the reporting period		<u>262,362</u>	<u>94,233</u>
Cash and cash equivalents at the beginning of the reporting period		<u>322,549</u>	<u>228,316</u>
Cash and cash equivalents at the end of the reporting period		<u><u>584,911</u></u>	<u><u>322,549</u></u>

The notes form part of these financial statements

Caithness Voluntary Group

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2023**

	2023	2022
	£	£
1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the reporting period (as per the Statement of Financial Activities)	65,649	69,954
Adjustments for:		
Depreciation charges	15,291	20,387
Loss on disposal of fixed assets	-	4,203
Interest element of hire purchase and finance lease rental payments	3,098	2,872
Finance costs	1,982	1,215
Decrease/(increase) in debtors	14,616	(14,601)
Increase in creditors	166,806	34,234
Net cash provided by operations	267,442	118,264

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	322,549	262,362	584,911
	<u>322,549</u>	<u>262,362</u>	<u>584,911</u>
Total	322,549	262,362	584,911

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company is limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

The presentation currency in the accounts is £(sterling).

The monetary amounts included in the accounts are rounded to the nearest £(sterling).

PREPARATION OF THE FINANCIAL STATEMENTS ON A GOING CONCERN BASIS

The charity has carried forward funds of £431,422 (2022: £365,773). The trustees consider that the charity has sufficient reserves to meet its commitments as such is a going concern.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income is deferred where performance related conditions, imposed by the funding body, have been met.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles - 25% reducing balance

TAXATION

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

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Where the trustees have ring-fenced unrestricted funds for a particular purpose, these have been identified as "designated funds".

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate and are allocated to the activity and related fund accordingly.

Caithness Voluntary Group

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES - continued

OPERATING LEASES

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	26,416	12,147
Subscriptions	2,548	1,999
	<u>28,964</u>	<u>14,146</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Government Grants	291,302	349,799
Other funding	59,046	39,082
Other charitable activities	21,369	12,390
Government Grants	64,778	63,921
Other charitable activities	97,885	75,067
Government Grants	20,000	18,902
Other funding	43,231	29,312
	<u>597,611</u>	<u>588,473</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Core Activity		
Scottish Government - Aspiring Communities	-	116,764
Scottish Government - Police Health & Safety	45,000	-
The Highland Third Sector Interface	84,264	133,174
Highland Council	50,426	30,759
Highlife Highland - Green Health Events	-	3,443
HIE - Community Recovery Fund	-	58,333
HIE - Adaptive and Collaborative Communities	52,537	-
Foundation Scotland	5,296	6,908
HMRC - Furlough	-	419
	<u>237,523</u>	<u>349,800</u>
Transport Project		
Scottish Government - Network Support Grant	17,878	25,321
Highland Council	46,900	37,100
Foundation Scotland	-	1,500
	<u>64,778</u>	<u>63,921</u>
Befriending		
The Highland Third Sector Interface	10,000	3,902
Foundation Scotland	10,000	15,000
	<u>20,000</u>	<u>18,902</u>

Caithness Voluntary Group

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Core Activity	341,686	13,300	354,986
Transport Project	154,906	-	154,906
Capital Grant Reserve	7,536	-	7,536
Befriending	57,978	-	57,978
	<u>562,106</u>	<u>13,300</u>	<u>575,406</u>

5. SUPPORT COSTS

	Governance costs £
Core Activity	<u>13,300</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Auditors' remuneration	7,000	6,900
Depreciation - owned assets	15,290	20,387
Deficit on disposal of fixed assets	-	4,203
	<u> </u>	<u> </u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

8. STAFF COSTS

	2023 £	2022 £
Wages and salaries	361,839	340,728
Other pension costs	7,539	8,760
	<u>369,378</u>	<u>349,488</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Administrative	20	17
Drivers	3	4
	<u>23</u>	<u>21</u>

Caithness Voluntary Group

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

8. STAFF COSTS - continued

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	10,078	4,068	14,146
Charitable activities			
Core Activity	222,721	178,550	401,271
Transport Project	100,388	38,600	138,988
Befriending	-	48,214	48,214
Other income	302	(4,203)	(3,901)
Total	<u>333,489</u>	<u>265,229</u>	<u>598,718</u>
EXPENDITURE ON			
Charitable activities			
Core Activity	179,110	156,314	335,424
Transport Project	76,086	61,521	137,607
Capital Grant Reserve	-	10,948	10,948
Befriending	-	44,785	44,785
Total	<u>255,196</u>	<u>273,568</u>	<u>528,764</u>
NET INCOME/(EXPENDITURE)			
Transfers between funds	78,293 (34,767)	(8,339) 34,767	69,954 -
Net movement in funds	43,526	26,428	69,954
RECONCILIATION OF FUNDS			
Total funds brought forward	179,144	116,675	295,819
TOTAL FUNDS CARRIED FORWARD	<u><u>222,670</u></u>	<u><u>143,103</u></u>	<u><u>365,773</u></u>

Caithness Voluntary Group

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

10. TANGIBLE FIXED ASSETS

	Motor vehicles £
COST	
At 1 April 2022 and 31 March 2023	<u>193,878</u>
DEPRECIATION	
At 1 April 2022	132,717
Charge for year	<u>15,290</u>
At 31 March 2023	<u>148,007</u>
NET BOOK VALUE	
At 31 March 2023	<u>45,871</u>
At 31 March 2022	<u>61,161</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other debtors	12,441	-
Prepayments and accrued income	2,992	3,450
Income receivable	<u>41,548</u>	<u>68,148</u>
	<u>56,981</u>	<u>71,598</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Social security and other taxes	6,117	6,455
Funds held for third parties	189,097	-
Deferred income	19,985	45,525
Accruals	<u>31,594</u>	<u>25,620</u>
	<u>246,793</u>	<u>77,600</u>

Funds held for third parties comprises monies held in respect of the Halsary Wind Farm Community Benefit Fund. The charitable company holds these funds separately, in its role as administrator for the fund.

Of the £274,917 received in the year, £71,360 has been distributed to projects in accordance with the wishes of the community panel. Management fees for administering the fund have been deducted from amounts received as agreed with the Community Benefit Fund.

Caithness Voluntary Group

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Accruals	<u>9,548</u>	<u>11,935</u>

14. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General fund	118,632	41,719	23,317	183,668
Caithness Rural Transport - Designated funds	104,039	12,894	161	117,094
Befriending - Designated funds	-	4,595	-	4,595
	<u>222,671</u>	<u>59,208</u>	<u>23,478</u>	<u>305,357</u>
Restricted funds				
Core Activity	-	13,129	-	13,129
Listening Ear	28,816	6,124	-	34,940
Befriending	72,080	5,252	(23,478)	53,854
HERE for Caithness	12,060	(10,527)	-	1,533
Capital Grant Reserve	30,146	(7,537)	-	22,609
	<u>143,102</u>	<u>6,441</u>	<u>(23,478)</u>	<u>126,065</u>
TOTAL FUNDS	<u>365,773</u>	<u>65,649</u>	<u>-</u>	<u>431,422</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	291,210	(249,491)	41,719
Caithness Rural Transport - Designated funds	167,800	(154,906)	12,894
Befriending - Designated funds	4,595	-	4,595
	<u>463,605</u>	<u>(404,397)</u>	<u>59,208</u>
Restricted funds			
Core Activity	45,000	(31,871)	13,129
Listening Ear	69,221	(63,097)	6,124
Befriending	63,229	(57,977)	5,252
HERE for Caithness	-	(10,527)	(10,527)
Capital Grant Reserve	-	(7,537)	(7,537)
	<u>177,450</u>	<u>(171,009)</u>	<u>6,441</u>
TOTAL FUNDS	<u>641,055</u>	<u>(575,406)</u>	<u>65,649</u>

Caithness Voluntary Group

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	92,349	43,913	(17,630)	118,632
Caithness Rural Transport - Designated funds	86,795	28,093	(10,849)	104,039
Befriending - Designated funds	-	6,288	(6,288)	-
	<u>179,144</u>	<u>78,294</u>	<u>(34,767)</u>	<u>222,671</u>
Restricted funds				
Core Activity	-	(14,572)	14,572	-
Listening Ear	-	28,816	-	28,816
Caithness Rural Transport	19,866	(28,023)	8,157	-
Befriending	53,015	3,428	15,637	72,080
HERE for Caithness	-	12,060	-	12,060
Capital Grant Reserve	43,794	(10,049)	(3,599)	30,146
	<u>116,675</u>	<u>(8,340)</u>	<u>34,767</u>	<u>143,102</u>
TOTAL FUNDS	<u>295,819</u>	<u>69,954</u>	<u>-</u>	<u>365,773</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	223,023	(179,110)	43,913
Caithness Rural Transport - Designated funds	104,178	(76,085)	28,093
Befriending - Designated funds	6,288	-	6,288
	<u>333,489</u>	<u>(255,195)</u>	<u>78,294</u>
Restricted funds			
Core Activity	105,282	(119,854)	(14,572)
Listening Ear	63,095	(34,279)	28,816
Caithness Rural Transport	34,398	(62,421)	(28,023)
Befriending	48,213	(44,785)	3,428
HERE for Caithness	14,241	(2,181)	12,060
Capital Grant Reserve	-	(10,049)	(10,049)
	<u>265,229</u>	<u>(273,569)</u>	<u>(8,340)</u>
TOTAL FUNDS	<u>598,718</u>	<u>(528,764)</u>	<u>69,954</u>

In the current year restricted funds include the following:

Core Activity - includes amounts advanced by Scottish Government from the Police Health & Safety fund to fund a participatory budgeting project in Caithness.

14. MOVEMENT IN FUNDS - continued

Listening Ear - includes amounts advanced by HTSI from the Green Health fund, amounts from Highland Council from the Young People and Mental Health & Wellbeing fund, The Highland Coastal Communities fund and the Winter Warmer Project fund, as well as various donations received specifically for Listening Ear.

Caithness Rural Transport - includes amounts advanced by Highland Council to provide a bus service and Foundation Scotland.

Befriending - includes amounts advanced by HTSI from the Mental Health and Wellbeing fund, Foundation Scotland, The National Lottery Community Fund, The Robertson Trust, Befriending Network and Energy Saving Trust.

HERE for Caithness - is a project to provide digital resources to support mental health and wellbeing in the community.

Designated funds

Designated funds exist at 31 March 2023 in relation to:

Caithness Rural Transport - for the maintenance, repair and replacement of vehicles.

Befriending - money kept aside from donations received into the Befriending bank account for the continuation of a befriending service.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

16. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

17. ULTIMATE CONTROLLING PARTY

The company is limited by guarantee, having no share capital. It is therefore under the control of its members.

18. PENSION SCHEME ADMINISTERED BY THE PENSIONS TRUST

On 18 February 2010 The Pensions Trust intimated the closure of the Scottish Voluntary Sector Pension Scheme (SVSPS) to future accrual benefits after 31 March 2010. The defined benefits scheme deficit at that date would be collected from participating organisations over the next ten years. The base levy of £5,115 per annum for Caithness Voluntary Group was fully accrued in the financial statements in the year ended 31 March 2010 and the levy, along with subsequent additional "salary growth assumptions," was paid up to 31 March 2013.

On 4 December 2012 The Pensions Trust intimated changes following the finalisation of the 2011 actuarial valuation which revealed an increase in the pension scheme deficit from £20.438 million in 2008 to £28.832 million in 2011, and as a consequence the base annual levy of £5,115 would, from April 2013, increase to £6,509. The original levy ceased on 31 March 2013 and the new one is scheduled to endure for fifteen years; and the additional levy, including any further salary growth assumption increases, is charged in the Statement of Financial Activities each year when it is paid.

On 30 September 2020 The Pensions Trust issued an updated report on the actuarial valuation of the scheme confirming that the deficit had been finalised at £6.7 million.

Caithness Voluntary Group's position under the recovery plan is summarised:

At 31/03/23 At 31/03/22

Caithness Voluntary Group

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

18. PENSION SCHEME ADMINISTERED BY THE PENSIONS TRUST - continued

	£	£
Balance of the original accrual	11,935	14,323
Unaccrued provision	(6,305)	(4,028)
Total value of the base recovery plan	5,630	10,295
Years remaining	2	3

The Scheme Actuary has estimated as at 31 March 2023, the employer debt which would be payable should Caithness Voluntary Group withdraw from the scheme. This present contingent liability is £5,630 however the trustees are not aware of any event which would cause this charge to crystallise.

Caithness Voluntary Group**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	26,416	12,147
Subscriptions	2,548	1,999
	<u>28,964</u>	<u>14,146</u>
Charitable activities		
Government Grants	376,080	432,622
Other funding	102,277	68,394
Other charitable activities	119,254	87,457
	<u>597,611</u>	<u>588,473</u>
Other income		
Gain on sale of tangible fixed assets	-	(4,203)
Fund management services	14,480	302
	<u>14,480</u>	<u>(3,901)</u>
Total incoming resources	<u>641,055</u>	<u>598,718</u>
EXPENDITURE		
Charitable activities		
Wages	361,839	340,728
Pensions	7,539	8,760
Rates and water	971	850
Insurance	1,860	1,536
Light and heat	2,999	3,433
Telephone	3,672	2,972
Postage and stationery	2,490	1,475
Advertising	116	438
Sundries	2,872	907
Travel	11,980	4,734
Operational costs - Caithness Rural Transport	60,315	49,088
Training	314	302
Rent	12,000	12,030
Cleaning	766	615
Repairs and replacements	451	2,287
Computer costs	6,881	6,283
Subscriptions and affiliations	798	1,199
Activities	29,237	17,427
Venue hire	2,764	540
Redistribution of CRF2 funds	-	38,698
Grants	31,871	-
Working from home allowance	-	468
Carried forward	541,735	494,770

This page does not form part of the statutory financial statements

Caithness Voluntary Group

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2023**

	2023	2022
	£	£
Charitable activities		
Brought forward	541,735	494,770
Depreciation of tangible fixed assets	15,291	20,387
Leasing	3,098	2,872
Bank charges	1,982	1,215
	<u>562,106</u>	<u>519,244</u>
Support costs		
Governance costs		
Auditors' remuneration	7,000	6,900
Accountancy fees	1,660	1,560
Legal fees	3,660	-
Other professional fees	980	1,060
	<u>13,300</u>	<u>9,520</u>
Total resources expended	<u>575,406</u>	<u>528,764</u>
Net income	<u>65,649</u>	<u>69,954</u>

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