

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

Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2024
for
Caithness Voluntary Group

Caithness Voluntary Group

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for the Year Ended 31 March 2024

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Caithness Voluntary Group
Report of the Trustees
for the Year Ended 31 March 2024

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 2024. 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 has seen a focus on poverty reduction and assisting groups to deal with the cost of living crisis, with Caithness Poverty Action Group taking the lead working with the Caithness Foodbank and other like-minded organisations to provide food bags and food and fuel vouchers. Befriending's waiting list continues to grow and finding suitable befriender volunteers to match with befriendees remains challenging, but this service is essential to help tackle social isolation within Caithness.

The demand for Caithness Rural Transport's services continues to increase, and as with befriending, finding willing volunteers to drive the minibuses or to escort vulnerable passengers remains challenging, however CRT got a bit of a boost this year after receiving funding to purchase two new minibuses, one of which was an electric vehicle.

HIE and the Community Regeneration Fund gratefully provided the funding to continue the work carried out around Mental Health and poverty by funding the posts for the development officers working on the Caithness Poverty Action group, Caithness Cares, and the HERE for Caithness projects.

Listening Ear successfully moved across to Caithness Mental health Support Group in 2023.

Multiple major projects have been delivered or are nearing completion this year by our Community Development Officers supporting the development trusts and community groups in the Community Council areas of Dunnet & Canisbay, Sinclair's Bay, Wick, Tannach & Thrumster, Watten, Dunbeath & Berriedale and Halkirk & District. The work carried out by our Community Development Officers have had a major positive impact in these areas.

Both the Caithness Community Fund and the Lybster, Latheron, Clyth Halsary funds are being well received, although demand for the Caithness wide fund is much greater than the LLC Halsary fund. Demand is so great for the Caithness fund that only one round was able to be held this year due to oversubscription of the fund utilising all of the available money in the 1st round.

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

Principal risks and uncertainties

Funding and particular short term funding continues to be challenging. We continue to work with RWE and Local Energy Scotland to investigate options for shared ownership of a windfarm in order to provide an independent future income stream.

Volunteers

The befriending and transport services rely on the work of volunteers to provide support including driving minibuses and acting as befrienders to the befriending clients that we support. The contribution of these volunteers is critical to our success because of the high number of befriending clients that we have and the need to carefully match befrienders and befriendees together, and also due to the relatively low income that our transport services takes in because of the low prices that we charge our customers to make the service affordable for them, this would not be possible without the use of volunteer drivers. At the year end the total number of volunteers was 20 drivers and 45 befrienders.

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 expenditure 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 (continued)
For the Year Ended 31 March 2024

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. Reserves held on 31 March 2024 were £426,016 (2023 £431,422), of which £178,527 (2023 £305,357) was unrestricted and £247,489 (2023 £126,065) was restricted. Of the £178,527 unrestricted reserves, £123,541 was designated funds.

FUTURE PLANS

2024/2025 will be a year of change as one Chief Officer moved on to pastures new and a new Chief Officer took over the reigns of CVG in April 2024, as well as the retirement of the Deputy Chief Officer in June 2024. Although there will be an all new leadership team, the strategic objectives will not change, although there may be some changes made to make improvements in certain areas in line with the future vision of the new leadership team.

We moved to new offices in April 2024 which is likely to cause some upheaval, however plans have been arranged to ensure there is minimal disruption to our services.

We will continue to work with HTSI who is our core funder to ensure that we are delivering the services expected by them.

We will continue to work with the local authority and other stakeholders on the numerous community and place plans being developed for Caithness.

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 in the period to which the report relates until his resignation in July 2024 when A W Jack was appointed his successor. A W Jack is now 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 W Jack or deputy Y Hendry on a weekly basis. The development officers have a remit and are in contact with either A W Jack 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 Highland, for example HTSI website. As a minimum the charitable company operates as a living wage employer.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC150015 (Scotland)

Registered Charity number

SC002484

Registered office

Pulteney Centre
Huddart Street
Wick
Caithness
KW1 5BA

Caithness Voluntary Group

Report of the Trustees (continued)
For the year ended 31 March 2024

Trustees

Mrs J M Banks
Mrs A E Alexander
Cllr W J Mackay
L Graham
Mrs D E Aitken (resigned 19.7.24)
J Robson (resigned 23.10.24)
Cllr J McEwan MBE (appointed 31.7.24)
Y Hendry (appointed 7.11.24)

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

A W Jack

Senior Statutory Auditor

Eunice McAdam

Auditors

Saffery LLP
Torridon House
Beechwood Park
Inverness
IV2 3BW

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;
state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).. 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.

STATEMENT OF DISCLOSURE TO AUDITOR

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

Saffery LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be reappointed will be put at the forthcoming Annual General Meeting.

Report of the trustees, approved by order of the board of trustees, as the company directors, and signed on the board's behalf by:

Signed by:



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Cllr W J Mackay - Trustee

Date: 23 December 2024

**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 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- * give a true and fair view of the charitable company’s state of affairs as at 31 March 2024 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 (as amended).

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 Auditor’s 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

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 Trustees’ Annual Report which includes the Director’s Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees’ Annual Report which includes the Director’s Report has been prepared in accordance with applicable legal requirements.

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

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 Trustees' Annual Report.

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

- proper and adequate 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees (who are also directors of the charitable company for the purposes of company law) 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 to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

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

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above 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 would become aware of it. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Eunice McAdam

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Eunice McAdam (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Torridon House
Beechwood Business Park
Inverness
IV2 3BW

Statutory Auditors

Date: 24 December 2024

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

Caithness Voluntary Group**Statement of Financial Activities**
for the Year Ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	22,513	2	22,515	28,964
Charitable activities	4				
Core Activity		183,466	47,606	231,072	371,717
Transport project		147,150	-	147,150	162,663
Capital grant reserve		-	124,122	124,122	-
Befriending		-	73,591	73,591	63,231
Other trading activities	3	2,493	-	2,493	-
Other income		1,250	-	1,250	14,480
Total		<u>356,872</u>	<u>245,321</u>	<u>602,193</u>	<u>641,055</u>
EXPENDITURE ON					
Charitable activities	5				
Core Activity		327,052	10,376	337,428	354,986
Transport project		166,884	-	166,884	154,906
Capital grant reserve		-	36,562	36,562	7,536
Befriending		-	66,725	66,725	57,978
Total		<u>493,936</u>	<u>113,663</u>	<u>607,599</u>	<u>575,406</u>
NET INCOME/(EXPENDITURE)		(137,064)	131,658	(5,406)	65,649
Transfers between funds	15	<u>10,234</u>	<u>(10,234)</u>	-	-
Net movement in funds		(126,830)	121,424	(5,406)	65,649
RECONCILIATION OF FUNDS					
Total funds brought forward		305,357	126,065	431,422	365,773
TOTAL FUNDS CARRIED FORWARD		<u>178,527</u>	<u>247,489</u>	<u>426,016</u>	<u>431,422</u>

The notes form part of these financial statements

Caithness Voluntary Group**Balance Sheet**
31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	11	57,764	109,669	167,433	45,871
CURRENT ASSETS					
Debtors	12	33,920	4,669	38,589	56,981
Cash at bank and in hand		<u>316,396</u>	<u>135,112</u>	<u>451,508</u>	<u>584,911</u>
		350,316	139,781	490,097	641,892
CREDITORS					
Amounts falling due within one year	13	(222,392)	(1,961)	(224,353)	(246,793)
		<u>127,924</u>	<u>137,820</u>	<u>265,744</u>	<u>395,099</u>
NET CURRENT ASSETS					
		185,688	247,489	433,177	440,970
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	14	(7,161)	-	(7,161)	(9,548)
		<u>178,527</u>	<u>247,489</u>	<u>426,016</u>	<u>431,422</u>
NET ASSETS					
FUNDS	15				
Unrestricted funds				178,527	305,357
Restricted funds				<u>247,489</u>	<u>126,065</u>
TOTAL FUNDS				<u>426,016</u>	<u>431,422</u>

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

Signed by:

Willie Mackay

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Cllr W J Mackay - Trustee

Date: 23 December 2024

The notes form part of these financial statements

Caithness Voluntary Group
Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	44,237	267,442
Interest element of hire purchase or finance lease rental payments paid		-	(3,098)
Finance costs paid		<u>(1,389)</u>	<u>(1,982)</u>
Net cash provided by operating activities		<u>42,848</u>	<u>262,362</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(178,801)	-
Sale of tangible fixed assets		<u>2,550</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(176,251)</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(133,403)	262,362
Cash and cash equivalents at the beginning of the reporting period		<u>584,911</u>	<u>322,549</u>
Cash and cash equivalents at the end of the reporting period		<u><u>451,508</u></u>	<u><u>584,911</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 2024**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024 £	2023 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(5,406)	65,649
Adjustments for:		
Depreciation charges	55,811	15,291
Profit on disposal of fixed assets	(1,123)	-
Interest element of hire purchase and finance lease rental payments	-	3,098
Finance costs	1,389	1,982
Decrease in debtors	18,393	14,616
(Decrease)/increase in creditors	<u>(24,827)</u>	<u>166,806</u>
Net cash provided by operations	<u>44,237</u>	<u>267,442</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank and in hand	<u>584,911</u>	<u>(133,403)</u>	<u>451,508</u>
Total	<u>584,911</u>	<u>(133,403)</u>	<u>451,508</u>

The notes form part of these financial statements

Caithness Voluntary Group
Notes to the Financial Statements
for the Year Ended 31 March 2024

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 £426,016 (2023: £431,422). The trustees consider that the charity has sufficient reserves to meet its commitments as such 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.

Incoming resources received that do not meet the criteria for recognition in the Statement of Financial Activities are accounted for as deferred income and included as liabilities at the balance sheet date.

The following specific policies are applied to particular categories of income:

Donations and legacies are included in full when receivable.

Grants are recognised when there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income resources from revenue grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

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

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the net income/expenditure for the year.

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

Motor vehicles - 25% on reducing balance

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Caithness Voluntary Group

Notes to the Financial Statements (continued)
for the Year Ended 31 March 2024

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 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.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense in the period in which the employee's services are received.

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.

Operating leases

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

Caithness Voluntary Group**Notes to the Financial Statements (continued)**
for the Year Ended 31 March 2024**2. DONATIONS AND LEGACIES**

	2024	2023
	£	£
Donations	19,011	26,416
Subscriptions	<u>3,504</u>	<u>2,548</u>
	<u>22,515</u>	<u>28,964</u>

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Fundraising events	<u>2,493</u>	<u>-</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		2024	2023
		£	£
Government grants	Core Activity	169,041	291,302
Other funding	Core Activity	39,624	59,046
Other charitable activities	Core Activity	22,407	21,369
Government grants	Transport Project	61,730	64,778
Other charitable activities	Transport Project	85,420	97,885
Government grants	Befriending	31,500	20,000
Other funding	Befriending	42,091	43,231
Government grants	Capital Grant Reserve	104,122	-
Other funding	Capital Grant Reserve	<u>20,000</u>	<u>-</u>
		<u>575,935</u>	<u>597,611</u>

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

	2024	2023
	£	£
<u>Core Activity</u>		
Scottish Government - Police Health & Safety	-	45,000
The Highland Third Sector Interface	83,874	84,263
Highland Council	28,794	54,617
HIE - Adaptive and Collaborative Communities	12,153	52,537
Foundation Scotland	<u>44,220</u>	<u>54,885</u>
	<u>169,041</u>	<u>291,302</u>
<u>Transport Project</u>		
Scottish Government - Network Support Grant	19,730	17,878
Highland Council	<u>42,000</u>	<u>46,900</u>
	<u>61,730</u>	<u>64,778</u>
<u>Befriending</u>		
The Highland Third Sector Interface	11,000	10,000
Foundation Scotland	20,000	10,000
Highland Council	<u>500</u>	<u>-</u>
	<u>31,500</u>	<u>20,000</u>
<u>Capital Grant Reserve</u>		
Energy Savings Trust	54,142	-
Foundation Scotland	30,000	-
Caithness and North Sutherland Fund	<u>19,980</u>	<u>-</u>
	<u>104,122</u>	<u>-</u>

Caithness Voluntary Group**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2024**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 6) £	Totals £
Core Activity	324,174	13,254	337,428
Transport project	166,884	-	166,884
Capital grant reserve	36,562	-	36,562
Befriending	<u>66,725</u>	<u>-</u>	<u>66,725</u>
	<u>594,345</u>	<u>13,254</u>	<u>607,599</u>

6. SUPPORT COSTS

	Governance costs £
Core Activity	<u>13,254</u>

7. NET INCOME/(EXPENDITURE)

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

	2024 £	2023 £
Auditors' remuneration	10,400	7,000
Depreciation - owned assets	55,812	15,290
Surplus on disposal of fixed assets	<u>(1,123)</u>	<u>-</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

9. STAFF COSTS

	2024 £	2023 £
Wages and salaries	324,664	339,353
Social security costs	23,193	22,486
Other pension costs	<u>8,192</u>	<u>7,539</u>
	<u>356,049</u>	<u>369,378</u>

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

	2024	2023
Administrative	17	18
Drivers	3	3
Bus escort	3	1
Cleaner	<u>1</u>	<u>1</u>
	<u>24</u>	<u>23</u>

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

Caithness Voluntary Group**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2024**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	11,362	17,602	28,964
Charitable activities			
Core Activity	275,100	96,617	371,717
Transport project	162,663	-	162,663
Befriending	-	63,231	63,231
Other income	<u>14,480</u>	<u>-</u>	<u>14,480</u>
Total	<u>463,605</u>	<u>177,450</u>	<u>641,055</u>
EXPENDITURE ON			
Charitable activities			
Core Activity	249,491	105,495	354,986
Transport project	154,906	-	154,906
Capital grant reserve	-	7,536	7,536
Befriending	<u>-</u>	<u>57,978</u>	<u>57,978</u>
Total	<u>404,397</u>	<u>171,009</u>	<u>575,406</u>
NET INCOME	59,208	6,441	65,649
Transfers between funds	<u>23,478</u>	<u>(23,478)</u>	<u>-</u>
Net movement in funds	82,686	(17,037)	65,649
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>222,671</u>	<u>143,102</u>	<u>365,773</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>305,357</u></u>	<u><u>126,065</u></u>	<u><u>431,422</u></u>

11. TANGIBLE FIXED ASSETS

	Motor vehicles £
COST	
At 1 April 2023	193,878
Additions	178,801
Disposals	<u>(30,140)</u>
At 31 March 2024	<u>342,539</u>
DEPRECIATION	
At 1 April 2023	148,007
Charge for year	55,812
Eliminated on disposal	<u>(28,713)</u>
At 31 March 2024	<u>175,106</u>
NET BOOK VALUE	
At 31 March 2024	<u><u>167,433</u></u>
At 31 March 2023	<u><u>45,871</u></u>

Caithness Voluntary Group**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2024**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Other debtors	165	12,441
Prepayments	6,528	2,992
Income receivable	<u>31,896</u>	<u>41,548</u>
	<u>38,589</u>	<u>56,981</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Social security and other taxes	7,584	6,117
Funds held for third parties	195,196	189,097
Deferred income	-	19,985
Accruals	<u>21,573</u>	<u>31,594</u>
	<u>224,353</u>	<u>246,793</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.

During the year, £97,972 was received and £84,339 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.

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

	2024	2023
	£	£
Accruals	<u>7,161</u>	<u>9,548</u>

15. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	183,668	(144,166)	15,484	54,986
Caithness Rural Transport - Designated funds	117,094	(2,414)	(5,250)	109,430
Befriending - Designated funds	<u>4,595</u>	<u>9,516</u>	-	<u>14,111</u>
	305,357	(137,064)	10,234	178,527
Restricted funds				
Core Activity	13,129	18,813	-	31,942
Listening Ear	34,940	(34,940)	-	-
Befriending	53,854	6,868	(9,734)	50,988
HERE for Caithness	1,533	53,357	-	54,890
Capital Grant Reserve	<u>22,609</u>	<u>87,560</u>	<u>(500)</u>	<u>109,669</u>
	<u>126,065</u>	<u>131,658</u>	<u>(10,234)</u>	<u>247,489</u>
TOTAL FUNDS	<u>431,422</u>	<u>(5,406)</u>	-	<u>426,016</u>

Caithness Voluntary Group**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2024**15. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	182,886	(327,052)	(144,166)
Caithness Rural Transport - Designated funds	164,470	(166,884)	(2,414)
Befriending - Designated funds	<u>9,516</u>	<u>-</u>	<u>9,516</u>
	356,872	(493,936)	(137,064)
Restricted funds			
Core Activity	18,813	-	18,813
Listening Ear	(24,564)	(10,376)	(34,940)
Befriending	73,593	(66,725)	6,868
HERE for Caithness	53,357	-	53,357
Capital Grant Reserve	<u>124,122</u>	<u>(36,562)</u>	<u>87,560</u>
	<u>245,321</u>	<u>(113,663)</u>	<u>131,658</u>
TOTAL FUNDS	<u>602,193</u>	<u>(607,599)</u>	<u>(5,406)</u>

Comparatives for 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	<u>-</u>	<u>4,595</u>	<u>-</u>	<u>4,595</u>
	222,671	59,208	23,478	305,357
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	<u>30,146</u>	<u>(7,537)</u>	<u>-</u>	<u>22,609</u>
	<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>

Caithness Voluntary Group**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2024**15. MOVEMENT IN FUNDS - continued**

Comparative 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	<u>4,595</u>	<u>-</u>	<u>4,595</u>
	463,605	(404,397)	59,208
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	<u>-</u>	<u>(7,537)</u>	<u>(7,537)</u>
	<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>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General fund	118,632	(102,447)	38,801	54,986
Caithness Rural Transport - Designated funds	104,039	10,480	(5,089)	109,430
Befriending - Designated funds	<u>-</u>	<u>14,111</u>	<u>-</u>	<u>14,111</u>
	222,671	(77,856)	33,712	178,527
Restricted funds				
Core Activity	-	31,942	-	31,942
Listening Ear	28,816	(28,816)	-	-
Befriending	72,080	12,120	(33,212)	50,988
HERE for Caithness	12,060	42,830	-	54,890
Capital Grant Reserve	<u>30,146</u>	<u>80,023</u>	<u>(500)</u>	<u>109,669</u>
	<u>143,102</u>	<u>138,099</u>	<u>(33,712)</u>	<u>247,489</u>
TOTAL FUNDS	<u>365,773</u>	<u>60,243</u>	<u>-</u>	<u>426,016</u>

Caithness Voluntary Group**Notes to the Financial Statements - continued**
for the Year Ended 31 March 2024**15. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	474,096	(576,543)	(102,447)
Caithness Rural Transport - Designated funds	332,270	(321,790)	10,480
Befriending - Designated funds	<u>14,111</u>	<u>-</u>	<u>14,111</u>
	820,477	(898,333)	(77,856)
Restricted funds			
Core Activity	63,813	(31,871)	31,942
Listening Ear	44,657	(73,473)	(28,816)
Befriending	136,822	(124,702)	12,120
HERE for Caithness	53,358	(10,528)	42,830
Capital Grant Reserve	<u>124,121</u>	<u>(44,098)</u>	<u>80,023</u>
	<u>422,771</u>	<u>(284,672)</u>	<u>138,099</u>
TOTAL FUNDS	<u>1,243,248</u>	<u>(1,183,005)</u>	<u>60,243</u>

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

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 31/03/24 £	At 31/03/23 £
Balance of the original accrual	9,548	11,935
Unaccrued provision	<u>(8,723)</u>	<u>(6,305)</u>
Total value of the base recovery plan	<u>825</u>	<u>5,630</u>
Years remaining	1	2

The Scheme Actuary has estimated as at 31 March 2024, the employer debt which would be payable should Caithness Voluntary Group withdraw from the scheme. This present contingent liability is £825 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 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	19,011	26,416
Subscriptions	<u>3,504</u>	<u>2,548</u>
	22,515	28,964
Other trading activities		
Fundraising events	2,493	-
Charitable activities		
Government Grants	366,393	376,080
Other funding	101,715	102,277
Other Charitable activities	<u>107,827</u>	<u>119,254</u>
	575,935	597,611
Other income		
Gain on sale of tangible fixed assets	1,250	-
Other income	<u>-</u>	<u>14,480</u>
	<u>1,250</u>	<u>14,480</u>
Total incoming resources	602,193	641,055
EXPENDITURE		
Charitable activities		
Wages	347,857	361,839
Pensions	8,192	7,539
Rates and water	1,244	971
Insurance	1,966	1,860
Light and heat	6,404	2,999
Telephone and communication	4,131	3,672
Postage and stationery	3,142	2,490
Advertising and promotion	747	116
Sundries	2,747	2,872
Travel	11,748	11,980
Operational costs	60,713	60,315
Training	873	314
Rent	12,000	12,000
Cleaning	729	766
Repairs and replacements	4,738	451
Computer costs	5,268	6,881
Subscriptions and affiliations	1,437	798
Activities	55,641	29,237
Venue hire	782	2,764
Grants	-	31,871
Depreciation of tangible fixed assets	55,812	15,291
Loss on sale of tangible fixed assets	127	-
Leasing	6,658	3,098
Bank Charges	<u>1,389</u>	<u>1,982</u>
	594,345	562,106

Caithness Voluntary Group**Detailed Statement of Financial Activities**
for the Year Ended 31 March 2024

	2024 £	2023 £
Support costs		
Governance costs		
Auditors' remuneration	10,400	7,000
Accountancy fees	1,830	1,660
Legal fees	-	3,660
Other professional fees	<u>1,024</u>	<u>980</u>
	<u>13,254</u>	<u>13,300</u>
 Total resources expended	 <u>607,599</u>	 <u>575,406</u>
 Net (expenditure)/income	 <u><u>(5,406)</u></u>	 <u><u>65,649</u></u>