

Charity registration number SC045272 (Scotland)

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION
LEGAL AND ADMINISTRATIVE INFORMATION**

| | |
|----------------------------------|--|
| Trustees | J Annal C Butterfield M Hull P Law A Lidderdale J R Scott I Sawyer R Walker |
| Charity number (Scotland) | SC045272 |
| Principal address | 12-14 Queen Street Kirkwall KW15 1JE |
| Auditor | A J B Scholes Ltd 8 Albert Street Kirkwall Orkney KW15 1HP |
| Bankers | Virgin Money 2 Broad Street Kirkwall Orkney KW15 1DH |

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION CONTENTS

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TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The charity's objectives and aims are:

- to relieve poverty by promoting the efficient use of energy (including energy for heating purposes) among persons who are in necessitous circumstances including (without prejudice to the generality of the foregoing) those in such circumstances who are elderly, or whose housing conditions are unsatisfactory;
- to advance public education about all aspects of energy conservation and efficient use of energy; and
- to relieve poverty through the co-ordination, delivery, and support of projects and services which address fuel poverty and its associated conditions and symptoms.

As such the charity's objectives directly incorporate the legally defined charitable purposes of:

- the prevention or relief of poverty
- the advancement of education

These objectives are for beneficiaries that includes:

- no specific group, or for the benefit of the community
- other charities or voluntary bodies

Through undertaking activities such as:

- making grants, donations, loans, gifts or pensions to individuals
- making grants, donations or gifts to organisations
- carrying out activities or services itself

Activities

Services for prevention or relief of poverty and advancement of education

The primary issue that the charity seeks to tackle is energy poverty, where issues related to energy, including housing condition, transport and domestic energy use, significantly reduce a household's ability to reach a tolerable standard of living. As both poverty and issues related to energy are multi-factorial, the activities required to tackle root causes are necessarily diverse and the services provided bespoke to household situations. However, the overall aims always continue to be the relief of energy poverty and education around related energy issues.

This is primarily achieved by the charity, as in previous years, through the provision of a bespoke, free of charge energy advice service to clients throughout Orkney through a combination of telephone, on-line and face to face support. The team responds to clients' individual circumstances and tailors support accordingly. The service ranges from providing emergency access to electricity vouchers, cash and debt support, cosy home packs, advice on more effective use of existing heating systems, help in accessing government support for insulation and other property improvements, gap-fill support where that is unavailable, challenging incorrect energy bills, advocacy with energy suppliers, network operators and the ombudsman as well as cross-referral to other agencies e.g. for budgeting and debt support and emergency food parcels.

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Our team of qualified energy advisers work in close liaison with other third sector agencies in Orkney, including Orkney Foodbank, Orkney Citizens Advice Bureau and The Blide, to deliver holistic services that aim to address the root causes of the energy poverty, as well as wider causes of poverty, faced by our clients. This includes:

- Advice and support to reduce energy costs in the home, including costs of heating, hot water and domestic appliances
- Advice and support on options for larger-scale property and heating improvements to reduce energy use
- Advice and support to access funding and schemes to improve long-term energy efficiency
- Advice, support and advocacy with energy suppliers around supply and billing issues
- Support to access financial support to alleviate short-term energy crises and related financial insecurity
- Outreach to community groups, organisations and events to provide education around energy efficiency

The energy advice service informs all clients, as well as the general public during outreach events, on methods to reduce energy use. Therefore the objective to advance education is embedded within the service described.

Making grants to individuals for the prevention or relief of poverty

In addition to supporting access to external grants, energy debt relief and emergency financial support, THAW continues to provide both small and large grants to individual households. This ranges from energy vouchers, as well as direct cash-payments where applicable, to larger grants that provide debt relief and property improvements. All grants support households in, or at risk of, energy poverty or financial crisis. This includes working closely with other agencies on associated conditions and symptoms, such as food insecurity. Household assessments ensure that those most in need receive the most support, taking into account the multi-factorial nature of poverty.

The charity is limited in its ability to radically transform the long-term affordability of energy and heating in its clients' properties through both ownership constraints e.g. rental properties where it is up to the landlord to make improvements, and through access to funding. It accordingly is pleased to note the raising of £200,000 from SSEN Transmission for development of property repair and upgrade grants for the outer isles, as such work brings long-term reductions in fuel poverty.

Success is measured primarily in terms of numbers of households serviced and extent of non-financial benefits and financial gains secured. Our work also leads to improved health and wellbeing for clients, but whilst we gather qualitative evidence of this, it is difficult to quantify longitudinally. These services and the financial gains they achieved for our clients are described in more detail in the section on Achievement and Performance below and directly serve to address energy poverty.

Short and long term strategy

In the last few years, THAW have been working towards provision of larger grants for household improvements, debt relief and emergency financial support, with the aim to focus more on prevention of poverty. This has resulted in successful funding bids, much of which is through short-term project grants. In previous years, this has resulted in funding gaps for staffing as short-term projects end. It was a key part of the THAW's fuel poverty strategy to ensure stability of staff funding, which in turn would aid retention of experienced staff. Therefore, the level of funding and number of staff employed by the organisation has been tightly controlled to avoid staff losses in the event of reduced funding. This means that the charity continues to have a small staff team, but has been managing increased distributions of grant funding.

The focus on household improvements has also required development of skills in specialist property assessment and installation coordination. The benefit for clients will be improved access to more detailed advice and support on upgrade options that can reduce energy costs over longer periods of time. This is a short-term goal over the next 2 years. In the long-term, there is a need to tackle systemic energy issues that may not be feasible to tackle at a household level, such as developing newly built affordable housing and community heat, energy and transport infrastructure that reduces local reliance on expensive privatised services.

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Finally, THAW has been working towards improved partnership working, including the development of joint advice infrastructures, as part of our 2023 strategy. The Orkney Money Matters project has been central to these developments, with the aim to provide more integrated and dignified support in the prevention and relief of poverty. This has included several strands including development of joint pathways, data sharing and online systems, the provision of cash-first support as well as beginning the direct integration of lived experience knowledge into a fuel poverty action plan led by the community planning partnership. It has also worked in conjunction with the Advice in Accessible Settings project, which has focused on outreach to households that may be hard-to-reach, including on the outer isles. This focus on systemic improvements to financial advice and support aims to work in conjunction with long-term work on systemic energy issues.

A reworking of the 2023 strategy is in progress, with the aim to update short- and long-term goals as well as provide a more detailed monitoring framework to assess performance.

Achievements and performance

Significant activities and achievements against objectives

1. Assisted almost 800 households (increase of 25% on last year) with advice, information and bespoke one-to-one support, this work being largely funded by British Gas Energy Trust (BGET), Scottish Government Cash-first/National Lottery/Islands Cost Crisis Fund as part of the Orkney Money Matters partnership, Robertson Trust funding the further support needed by those with mental health needs and Trussell Trust and Advice UK funding isles and Foodbank outreach roles.
2. Raised funding for future work including:
 - a. £295,000 from SSEN Transmission to fund development of property repair and upgrade work, with £200,000 of the fund for installations, in the outer isles until 31 March 2026.
 - b. £105,000 from Robertsons Trust to fund community outreach for vulnerable households for 3 years until 30 September 2028.
 - c. Continuing to receive £47,800 for 25/26 from Advice UK for outreach support for both THAW and Orkney CAB.
3. Secured over £212,000 in financial benefits for clients, including:
 - a. Over £54,000 by challenging incorrect bills, £50,700 in cash and debt support, £49,000 in energy vouchers and.
 - b. Over £18,500 for property improvements, at least £16,000 in energy efficiency savings and over £6,800 for energy efficient appliances.
4. Supported clients with:
 - a. Over 200 home visits, almost 200 referrals to other agencies, almost 100 cases of energy supplier advocacy and the first repair/retrofit assessments.
 - b. Distribution of 256 individual energy efficiency items for vulnerable households.
5. Lobbied both locally and with national agencies for fuel poverty to be a key priority, with some success with working with the community planning partnership.
6. Maintained a wider partnership network of organisations involved in fuel poverty issues, as well as developing links with organisations involved in community retrofit and upgrades of properties.

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The Scottish Government Cash-first money has provided clients with £45,000 of cash and other direct financial support, which has been very welcome. However, it has proved very onerous to administer and diverted staff time and attention away from providing core fuel poverty services. The Board has decided not to administer this fund after September 2025 as it was not a core part of the charity's objectives.

Fundraising successes mean that we can continue to maintain our core team of energy advisers at current levels throughout the year to 31 March 2026, however we will need to raise additional funds from then on. Past fundraising successes give us reasonable confidence that we should continue to raise funds successfully into the future.

Financial review

Over the year ended 31 March 2025, income totalled £768,228, an increase from the previous year's total of £428,068, largely due to award of a grant of £295,322 from SSEN Transmission. This is to fund development of a flexible retrofit pathway and work towards whole-house energy upgrades for a minimum of 40 fuel poor households across Orkney, where the work will be carried out from April 2025 onwards. Principal funding sources in addition to SSEN Transmission have been British Gas Energy Trust (£165,917), Scottish Government Cash First via Voluntary Action Orkney (£90,421), Orkney Islands Council Islands Cost Crisis funding (£113,248), Scottish Government Advice in Accessible Settings Fund (£41,505) and Orkney Islands Council (£20,000).

Expenditure over the year totalled £395,516, up on expenditure in the previous year of £346,343. The increase was mainly due to an increase in salary costs, including those of partners and contractors, of £45,898, with the level of direct client support dropping slightly from the record high in 23/4 of £100,908 to £89,603.

Principal risks and uncertainties

The principal risks and uncertainties facing the charity relate to its ability to attract funding to support its activities into the future. The charity addresses this through employing an innovation and development manager, for whom securing funding is one of their key responsibilities, and through maintaining good relationships with its core funders. This is evidenced by its ability to continue to successfully raise funding year on year. In addition, for temporary personnel the charity matches employment contract length with the period for which the related funding runs to. Finally, the charity rents premises on a rolling 12 month contract in order to retain the ability to move to cheaper accommodation in the event of a funding gap arising.

Reserves policy

The accumulated restricted and unrestricted reserves of £530,970 are sufficient to maintain the charity for its continued operation. These reserves will be carried forward for use by the charity in achieving its stated aims and objectives during the next financial year. It is the charity's policy to maintain general reserves at a level equivalent to four months' salary costs and those held at 31 March 2025 should be adequate to cover this.

Plans for future periods

Provision of the energy advice service for any household within the community continues to be core to THAW's future work, since this ensures access to support, and building of trust, for hard-to-reach households, including those on the outer isles. As described in the activities section, the charity continues to work towards current objectives within the current strategy, including continued stability of staff funding, further development of experience in property assessment and improvements as well as continuing development of joint capacity through Orkney Money Matters and the Community Planning Partnership. Financial resources will continue in the future to be allocated preferentially to longer-term interventions to prevent or relieve poverty, a lesson learnt during the COVID period where the service became too focused on short-term support.

The charity will continue to work towards longer term objectives within the strategy, such as systemic housing, energy and transport developments through current projects, such as through SSEN Transmission and ongoing joint work in Orkney Money Matters. However, a key part of these plans will be inclusion of lived experience in guiding decision-making, which is planned to be central to both the refresh of THAW's strategy and the development of the Community Planning Partnership's fuel poverty action plan. From lessons learned through the Cash-First fund, it is important in the future for the charity to support wider action on poverty without this support reducing staff capacity for core energy related services.

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

The charity is a Scottish Charitable Incorporated Organisation governed by a written constitution.

The trustees who served during the year and up to the date of signature of the financial statements were:

J Annal

C Butterfield

M Hull

P Law

A Lidderdale

G O'Brien

(Resigned 31 July 2024)

J R Scott

I Sawyer

R Walker

Recruitment and appointment of trustees

New members of the board are either elected annually from the membership at the annual general meeting, or appointed at any time by the board from members, those nominated by a body with which the charity has close contact in the course of its activities, or on the basis that they have relevant specialist skills or experience.

Trustees retire automatically after three years but are eligible for re-election.

Organisational structure

The structure of the organisation consists of:-

- the members - who have the right to attend members' meetings (including any annual general meeting) and have important powers under the constitution; in particular, the members appoint people to serve on the board and take decisions on changes to the constitution itself;
- the board - who hold regular meetings, and generally control the activities of the organisation; for example, the board is responsible for monitoring and controlling the financial position of the organisation.

The responsibility for day to day management of the charity is delegated to Michael Butler and Ewan Mansley, reporting directly to a sub-committee of the board.

Remuneration policy

Pay and remuneration of the charity's employees are approved by the board. The charity has adopted a grading structure for roles, with positions within bands reflecting experience and competence, and additional awards for taking on extra managerial or team management responsibilities outside the role. The board from time to time benchmarks remuneration against that of comparable organisations.

Relationship with related parties

The charity does not have any related parties. However, it works closely with and cross refers clients to third sector agencies in Orkney, Orkney Islands Council and NHS Orkney. It is part of the Orkney Money Matters partnership, which works towards joint agency systems for financial insecurity; as part of this it has supported access to cash-first grants for clients of agency partners. It has close relationships with Orkney Citizens Advice Bureau and Orkney Foodbank. THAW subcontracts debt and budgeting advice to Orkney CAB, funded by British Gas Energy Trust and Scottish Government AiAS, whilst a part-time energy support adviser is funded through a Trussell Trust Grant to support the many clients that are common to both Orkney Foodbank and THAW.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

The law applicable to charities in Scotland 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 charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

R Walker
Trustee

8 October 2025

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY

Opinion

We have audited the financial statements of Tackling Household Affordable Warmth Orkney (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 24 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 charity'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 contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- . the nature of the industry and sector, and control environment;
- . results of our enquiries of management;
- . any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- . the matters discussed among the audit engagement team.

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE TRUSTEES OF TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY

As a result of these procedures, we considered the opportunities and incentives that may exist within the charity for fraud and irregularities. Income recognition, valid expenditure in line with the objectives of the charity and related party transactions were key areas of focus. In common with all audits under ISA's (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, such as tax legislation and relevant charities acts.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These include laws and regulations pertaining to employment.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other matters

In the previous accounting period the charity was not required, either by the Charities Accounts (Scotland) Regulations 2006 or for any other reason, to appoint an auditor and the financial statements were therefore independently examined under Regulation 11. Therefore the prior period financial statements were not subject to an audit.

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY**

Use of our report

This report is made solely to the charity'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 charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of A J B Scholes Ltd, Statutory Auditor
Chartered Accountants
8 Albert Street
Kirkwall
Orkney
KW15 1HP
Date:

A J B Scholes Ltd is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2025

| | | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income from: | | | | | | | |
| Donations and legacies | 3 | 26,430 | 736,690 | 763,120 | 54,096 | 373,686 | 427,782 |
| Charitable activities | 4 | 5,000 | - | 5,000 | - | - | - |
| Investments | 5 | 108 | - | 108 | 286 | - | 286 |
| Total income | | <u>31,538</u> | <u>736,690</u> | <u>768,228</u> | <u>54,382</u> | <u>373,686</u> | <u>428,068</u> |
| Expenditure on: | | | | | | | |
| Charitable activities | 6 | 842 | 394,674 | 395,516 | 6,520 | 339,823 | 346,343 |
| Total expenditure | | <u>842</u> | <u>394,674</u> | <u>395,516</u> | <u>6,520</u> | <u>339,823</u> | <u>346,343</u> |
| Net income and movement in funds | | 30,696 | 342,016 | 372,712 | 47,862 | 33,863 | 81,725 |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2024 | | 65,413 | 92,845 | 158,258 | 17,551 | 58,982 | 76,533 |
| Fund balances at 31 March 2025 | | <u>96,109</u> | <u>434,861</u> | <u>530,970</u> | <u>65,413</u> | <u>92,845</u> | <u>158,258</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION
BALANCE SHEET**

AS AT 31 MARCH 2025

| | Notes | 2025 | | 2024 | |
|---|-------|----------|---------|----------|---------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 1,209 | | - |
| Current assets | | | | | |
| Stocks | 13 | 7,077 | | 4,473 | |
| Debtors | 14 | 110,784 | | 59,003 | |
| Cash at bank and in hand | | 471,172 | | 169,249 | |
| | | | | | |
| | | 589,033 | | 232,725 | |
| Creditors: amounts falling due within one year | 16 | (59,272) | | (74,467) | |
| | | | | | |
| Net current assets | | | 529,761 | | 158,258 |
| | | | | | |
| Total assets less current liabilities | | | 530,970 | | 158,258 |
| | | | | | |
| The funds of the charity | | | | | |
| Restricted income funds | 18 | 434,861 | | 92,845 | |
| Unrestricted funds | 19 | 96,109 | | 65,413 | |
| | | | | | |
| | | | 530,970 | | 158,258 |

The financial statements were approved by the trustees on 8 October 2025

R Walker
Trustee

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

| | Notes | 2025 £ | £ | 2024 £ | £ |
|---|-------|-------------------|-----------------------|-------------------|-----------------------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 22 | | 303,024 | | 17,880 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (1,209) | | 1,739 | |
| Investment income received | | 108 | | 286 | |
| | | <u> </u> | | <u> </u> | |
| Net cash (used in)/generated from investing activities | | | (1,101) | | 2,025 |
| Net cash generated from financing activities | | | <u> </u> | | <u> </u> |
| | | | - | | - |
| Net increase in cash and cash equivalents | | | 301,923 | | 19,905 |
| Cash and cash equivalents at beginning of year | | | <u>169,249</u> | | <u>149,344</u> |
| Cash and cash equivalents at end of year | | | <u><u>471,172</u></u> | | <u><u>169,249</u></u> |

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Tackling Household Affordable Warmth Orkney (known as THAW Orkney) is a registered Scottish Incorporated Charitable Organisation (SCIO) governed by a written constitution.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations and other income are recognised as incoming resources in the Statement of Financial Activities (SOFA) when receivable, except insofar as they are incapable of financial measurement.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

1.5 Expenditure

Expenditure is recognised 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 costs 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.

Grants offered subject to conditions which have not been met at the year end date are noted as commitment but not accrued as expenditure.

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------|----------------------|
| Computers | 33.33% straight line |
|-----------|----------------------|

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 statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks comprise goods held for distribution to beneficiaries and are carried at the lower of cost or net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY (THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

The charity is exempt from corporation tax on its charitable activities as all its income is applied for charitable purposes.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|---------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 5,930 | 3,000 | 8,930 | - | - | - |
| Grants | 20,500 | 733,690 | 754,190 | 54,096 | 373,686 | 427,782 |
| | <u>26,430</u> | <u>736,690</u> | <u>763,120</u> | <u>54,096</u> | <u>373,686</u> | <u>427,782</u> |

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies (Continued)

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|--------------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Grants | | | | | | |
| Installations | - | - | - | - | 5,000 | 5,000 |
| Cosy Home Packs | - | - | - | - | 7,500 | 7,500 |
| British Gas Energy Trust | - | 165,917 | 165,917 | - | 109,538 | 109,538 |
| Cost of Living Energy Support | - | 167,945 | 167,945 | - | 50,000 | 50,000 |
| Foodbank Electricity | - | - | - | - | 2,563 | 2,563 |
| Community Support 2 Fund | - | - | - | - | 33,500 | 33,500 |
| LACER (Orkney Money Matters) | - | - | - | - | 131,538 | 131,538 |
| Advice UK Fund | - | 48,206 | 48,206 | - | 34,047 | 34,047 |
| General Fund | 20,500 | - | 20,500 | 54,096 | - | 54,096 |
| THAW Flexible Fund | - | 37,228 | 37,228 | - | - | - |
| Energy Action Scotland - Living Well | - | 6,882 | 6,882 | - | - | - |
| Orkney Foodbank SCIO | - | 12,190 | 12,190 | - | - | - |
| SSEN Transmission | - | 295,322 | 295,322 | - | - | - |
| | <u>20,500</u> | <u>733,690</u> | <u>754,190</u> | <u>54,096</u> | <u>373,686</u> | <u>427,782</u> |

4 Income from charitable activities

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|------------------------------|------------------------------------|------------------------------------|
| Charitable activities | | |
| Administration fees | 5,000 | - |
| | <u>5,000</u> | <u>-</u> |

5 Income from investments

| | Unrestricted funds 2025 £ | Unrestricted funds 2024 £ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | 108 | 286 |
| | <u>108</u> | <u>286</u> |

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

6 Expenditure on charitable activities

| | Charitable activities 2025 £ | Charitable activities 2024 £ |
|--|---|---|
| Direct costs | | |
| Staff costs | 194,960 | 159,230 |
| Other charitable expenditure | 59,709 | 40,413 |
| | <u>254,669</u> | <u>199,643</u> |
| Grant funding of activities (see note 7) | 140,847 | 146,700 |
| | <u>395,516</u> | <u>346,343</u> |
| Analysis by fund | | |
| Unrestricted funds | 842 | 6,520 |
| Restricted funds | 394,674 | 339,823 |
| | <u>395,516</u> | <u>346,343</u> |

7 Grants payable

| | Charitable activities 2025 £ | Charitable activities 2024 £ |
|------------------------------------|---|---|
| Grants to institutions (1 grant): | | |
| Orkney Citizens Advice Bureau | 51,244 | 45,792 |
| Grants to individuals (259 grants) | 89,603 | 100,908 |
| | <u>89,603</u> | <u>100,908</u> |

8 Net movement in funds

| | 2025 £ | 2024 £ |
|---|-------------------|-------------------|
| The net movement in funds is stated after charging/(crediting): | | |
| Fees payable to the charity's auditor: | | |
| - for the audit of the charity's financial statements | 10,380 | 400 |
| - for other financial services | - | 1,621 |
| | <u>10,380</u> | <u>2,021</u> |

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 Employees

The average monthly number of employees during the year was:

| | 2025 | 2024 |
|--|---------------|---------------|
| | Number | Number |
| | 9 | 6 |
| | <u>9</u> | <u>6</u> |

Employment costs

| | 2025 | 2024 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 173,518 | 141,650 |
| Social security costs | 9,712 | 6,771 |
| Other pension costs | 11,730 | 10,809 |
| | <u>194,960</u> | <u>159,230</u> |

The number of full time equivalent staff during the year was 6 (2024 - 6).

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

| | Fixtures and fittings | Computers | Office equipment | Total |
|------------------------------------|------------------------------|------------------|-------------------------|---------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2024 | 8,793 | 21,142 | 2,694 | 32,629 |
| Additions | - | 1,209 | - | 1,209 |
| | <u>8,793</u> | <u>22,351</u> | <u>2,694</u> | <u>33,838</u> |
| At 31 March 2025 | 8,793 | 22,351 | 2,694 | 33,838 |
| | <u>8,793</u> | <u>22,351</u> | <u>2,694</u> | <u>33,838</u> |
| Depreciation and impairment | | | | |
| At 1 April 2024 | 8,793 | 21,142 | 2,694 | 32,629 |
| | <u>8,793</u> | <u>21,142</u> | <u>2,694</u> | <u>32,629</u> |
| At 31 March 2025 | 8,793 | 21,142 | 2,694 | 32,629 |
| | <u>8,793</u> | <u>21,142</u> | <u>2,694</u> | <u>32,629</u> |
| Carrying amount | | | | |
| At 31 March 2025 | - | 1,209 | - | 1,209 |
| | <u>-</u> | <u>1,209</u> | <u>-</u> | <u>1,209</u> |

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

| | | |
|-------------------------------------|-------------------|-------------------|
| 13 Stocks | 2025 | 2024 |
| | £ | £ |
| Finished goods and goods for resale | 7,077 | 4,473 |
| | <u> </u> | <u> </u> |

| | | |
|---|-------------------|-------------------|
| 14 Debtors | 2025 | 2024 |
| Amounts falling due within one year: | £ | £ |
| Prepayments and accrued income | 110,784 | 59,003 |
| | <u> </u> | <u> </u> |

| | | |
|--------------------------------|-------------------|-------------------|
| 15 Loans and overdrafts | 2025 | 2024 |
| | £ | £ |
| Other loans | 20,000 | 20,000 |
| | <u> </u> | <u> </u> |
| Payable within one year | 20,000 | 20,000 |
| | <u> </u> | <u> </u> |

The charity has received an interest free loan from Orkney Islands Council which is repayable on demand.

| | | |
|--|-------------------|-------------------|
| 16 Creditors: amounts falling due within one year | 2025 | 2024 |
| | £ | £ |
| Borrowings | 20,000 | 20,000 |
| Trade creditors | 10,337 | - |
| Other creditors | 1,315 | - |
| Accruals and deferred income | 27,620 | 54,467 |
| | <u> </u> | <u> </u> |
| | 59,272 | 74,467 |
| | <u> </u> | <u> </u> |

Creditors falling due within one year include an interest free loan of £20,000 (2024: £20,000) from Orkney Islands Council. This is repayable on demand.

| | | |
|---|-------------------|-------------------|
| 17 Retirement benefit schemes | 2025 | 2024 |
| Defined contribution schemes | £ | £ |
| Charge to profit or loss in respect of defined contribution schemes | 11,730 | 10,809 |
| | <u> </u> | <u> </u> |

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| | At 1 April 2024 | Incoming resources | Resources expended | Transfers | At 31 March 2025 |
|---|----------------------------|-------------------------------|-------------------------------|------------------|-----------------------------|
| | £ | £ | £ | £ | £ |
| Providing advice, support and financial assistance -THAW Flexible Fund | 6,919 | 40,228 | (23,104) | 10,000 | 34,043 |
| Providing Cosy Home Packs | 12,795 | - | 1,618 | - | 14,413 |
| Providing goods and advice to people with life-limiting conditions - Energy Action Scotland - Living Well | (5,484) | 6,882 | (1,398) | - | - |
| Providing advice, support and financial assistance - British Gas Energy Trust | 6,341 | 165,917 | (163,357) | - | 8,901 |
| Providing energy support services - Cost of Living Energy Support | 50,000 | 167,945 | (136,865) | (10,000) | 71,080 |
| Employing an energy support adviser - Orkney Foodbank SCIO | - | 12,190 | (12,150) | - | 40 |
| Providing advice in accessible settings - Advice UK Fund | 4,422 | 48,206 | (48,158) | - | 4,470 |
| Providing electricity vouchers - Child Poverty Electricity Fund | 1,020 | - | (1,020) | - | - |
| Employing staff to support people with mental health issues/ learning difficulties - Community Support 2 Fund | 16,832 | - | (10,240) | - | 6,592 |
| Retrofit pathway and whole house energy upgrades - SSEN Transmission | - | 295,322 | - | - | 295,322 |
| | <u>92,845</u> | <u>736,690</u> | <u>(394,674)</u> | <u>-</u> | <u>434,861</u> |

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

| 18 Restricted funds | (Continued) | | | | |
|--|----------------------------|-------------------------------|-------------------------------|------------------|-----------------------------|
| Previous year: | At 1 April 2023 | Incoming resources | Resources expended | Transfers | At 31 March 2024 |
| | £ | £ | £ | £ | £ |
| THAW Flexible Fund | 2,025 | 5,000 | (106) | - | 6,919 |
| Cosy Home Packs | 9,313 | 7,500 | (4,018) | - | 12,795 |
| Energy Action Scotland - Living Well | - | - | (5,484) | - | (5,484) |
| British Gas Energy Trust | (120) | 109,538 | (103,077) | - | 6,341 |
| National Lottery Community Fund: Cost of Living Energy Support | - | 50,000 | - | - | 50,000 |
| Foodbank electricity | (2,563) | 2,563 | - | - | - |
| Advice UK Fund | 5,527 | 34,047 | (34,446) | (706) | 4,422 |
| Child Poverty Electricity Fund | 1,020 | - | - | - | 1,020 |
| Community Support 2 Fund | 23,298 | 33,500 | (39,966) | - | 16,832 |
| OIC Scottish Government | 635 | - | (635) | - | - |
| LACER (Orkney Money Matters) | 19,847 | 131,538 | (152,091) | 706 | - |
| | <u>58,982</u> | <u>373,686</u> | <u>(339,823)</u> | <u>-</u> | <u>92,845</u> |

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Restricted funds

(Continued)

THAW Flexible Fund - funding awarded to provide fuel vouchers, installation support, energy efficiency measures and energy debt to reduce fuel poverty and aid households in the community of Orkney.

Cosy Home Packs - funding awarded to provide cosy home packs to households in Orkney.

Energy Action Scotland - Living Well - funding awarded for the provision of white goods and energy advice (including meter advice) to households with an active cancer diagnosis or life-limiting condition who are in receipt of benefits.

British Gas Energy Trust - funding awarded to provide energy advice and support services, debt and financial assistance and help with household money management together with specific emergency energy support measures.

Community Fund - Cost of Living Energy Support (National Lottery/Islands Cost Crisis fund/Cash First fund) - funding awarded to support households in Orkney with provision of energy support services, through employment of energy support and outreach workers and and provision of a cash first fund to reduce fuel poverty and aid households in crisis.

Orkney Foodbank SCIO - Energy Support - funding awarded for employment of an adviser based at THAW Orkney for the provision of energy support.

Advice UK Fund - funding awarded to provide energy and debt advice in accessible settings, extending advice in Orkney's outer isles through co-ordinating island-specific advisers and training.

Child Poverty Electricity Fund - funding awarded to provide electricity vouchers to families with children in Orkney.

Community Support 2 Fund - funding awarded for staff costs to support people with mental health issues and/or learning difficulties to engage with energy efficiency programmes, energy providers and income maximisation and debt services.

SSEN Transmission Fund - funding awarded to develop a flexible retrofit pathway and fund work towards whole-house energy upgrades for a minimum of 40 fuel poor households across the outer islands of Orkney.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 April 2024 | Incoming resources | Resources expended | Transfers | At 31 March 2025 |
|--------------------|----------------------------|-------------------------------|-------------------------------|------------------|-----------------------------|
| | £ | £ | £ | £ | £ |
| THAW Flexible Fund | - | - | - | 20,000 | 20,000 |
| General funds | 65,413 | 31,538 | (842) | (20,000) | 76,109 |
| | <u>65,413</u> | <u>31,538</u> | <u>(842)</u> | <u>-</u> | <u>96,109</u> |
| | <u><u>65,413</u></u> | <u><u>31,538</u></u> | <u><u>(842)</u></u> | <u><u>-</u></u> | <u><u>96,109</u></u> |

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

19 Unrestricted funds (Continued)

| Previous year: | At 1 April 2023 | Incoming resources | Resources expended | Transfers | At 31 March 2024 |
|----------------|--------------------|-----------------------|-----------------------|-----------|---------------------|
| | £ | £ | £ | £ | £ |
| General funds | 17,551 | 54,382 | (6,520) | - | 65,413 |

THAW Flexible Fund - designation of funds for the provision of fuel vouchers, installation support, energy efficiency measures and energy debt to reduce fuel poverty and aid households in the community of Orkney.

20 Analysis of net assets between funds

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total 2025 £ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| At 31 March 2025: | | | |
| Tangible assets | - | 1,209 | 1,209 |
| Current assets/(liabilities) | 96,109 | 433,652 | 529,761 |
| | <u>96,109</u> | <u>434,861</u> | <u>530,970</u> |
| | | | |
| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
| At 31 March 2024: | | | |
| Current assets/(liabilities) | 65,413 | 92,845 | 158,258 |
| | <u>65,413</u> | <u>92,845</u> | <u>158,258</u> |

21 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

**TACKLING HOUSEHOLD AFFORDABLE WARMTH ORKNEY
(THAW ORKNEY) - A SCOTTISH CHARITABLE INCORPORATED
ORGANISATION**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

| | | | |
|-----------|---|----------------|---------------|
| 22 | Cash generated from operations | 2025 | 2024 |
| | | £ | £ |
| | Surplus for the year | 372,712 | 81,725 |
| | Adjustments for: | | |
| | Investment income recognised in statement of financial activities | (108) | (286) |
| | Movements in working capital: | | |
| | (Increase)/decrease in stocks | (2,604) | 138 |
| | (Increase) in debtors | (51,781) | (52,711) |
| | (Decrease) in creditors | (15,195) | (10,986) |
| | Cash generated from operations | <u>303,024</u> | <u>17,880</u> |

| | | | | |
|-----------|---|------------------------|-------------------|-------------------------|
| 23 | Analysis of changes in net funds | At 1 April 2024 | Cash flows | At 31 March 2025 |
| | | £ | £ | £ |
| | Cash at bank and in hand | 169,249 | 301,923 | 471,172 |
| | Loans falling due within one year | (20,000) | - | (20,000) |
| | | <u>149,249</u> | <u>301,923</u> | <u>451,172</u> |

24 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the accounts.