

Charity Registration No. SC010691 (Scotland)

Company Registration No. SC143208 (Scotland)

VOLUNTARY ACTION ORKNEY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

VOLUNTARY ACTION ORKNEY

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	I Carse S Garson M Graves E Grieve B Hasham L Lennie J Swain
Secretary	G Anderson
Chief Executive	G Anderson
Charity number	SC010691
Company number	SC143208
Registered office	Anchor Buildings 6 Bridge Street Kirkwall Orkney KW15 1HR
Auditor	A J B Scholes Ltd 8 Albert Street Kirkwall Orkney KW15 1HP
Bankers	Bank of Scotland 56 Albert Street Kirkwall Orkney KW15 1HJ Clydesdale Bank 3 Broad Street Kirkwall Orkney KW15 1DH

VOLUNTARY ACTION ORKNEY

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VOLUNTARY ACTION ORKNEY

DIRECTORS' REPORT (INCLUDING TRUSTEES' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and financial statements for the year ended 31 March 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's governing document, the Companies Act 2006 and "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 2015)"

Objectives and activities

The charity's objects are:

- to advance throughout Orkney, citizenship, community development, rural regeneration and the promotion of civic responsibility through volunteering and the voluntary sector; and
- to ensure the effectiveness and efficiency of charities and voluntary organisations throughout Orkney, including those that are engaged in advancing education, furthering health and protecting and promoting Orkney's arts and heritage, in order to relieve poverty, sickness and distress.

VAO's vision is that Orkney has resilient, sustainable inclusive communities with a thriving third sector at their heart.

VAO works with local and national partners to offer integrated services inclusive to all people in Orkney. VAO supports the high level and quality of volunteering activity in Orkney and is committed to working in partnership to support and strengthen communities through the provision of quality services. The organisation has four key aims:

- **Central Source of Knowledge:** to be a central source of knowledge about Orkney's third sector, local and national policy and how it might affect Orkney's third sector organisations, communities and citizens
- **Voice:** to ensure a strong third sector voice at a strategic level within local planning structures and nationally
- **Build Capacity:** to develop the capacity of our volunteering, community groups, voluntary organisations and social enterprises to achieve positive change
- **Connect:** to provide leadership, vision and co-ordination to the local third sector, to better respond to local priorities, including through partnership and collaboration

The main objectives for the year were to meet the local and national targets laid down in the VAO Activity Plan. These relate to the Scottish Government's aspirations for third sector interfaces, the VAO Strategy 2017-20 and the Orkney Community Plan, incorporating the Orkney Community Plan 2018-21.

The charity awards a small number of grants to local organisations through the Repsol-Sinopec and MacArthur, Community Capacity Building and Community Choices grants schemes.

Four volunteers provide reception cover at the VAO Building and Counselling Centre and 75 deliver specialist befriending services.

Achievements and performance

The charity achieved and in some cases exceeded planned targets for the year, as detailed in the quarterly, six monthly and annual reports submitted to a variety of funders, including local and national government, all reporting progress towards targets laid out in organisational plans. In addition, several unplanned activities were completed in response to opportunities and community needs identified during the year.

VAO achieved EFQM Committed to Excellence 2 star and will continue its commitment to quality by using the framework to identify and address areas for improvement.

VOLUNTARY ACTION ORKNEY

DIRECTORS' REPORT (CONTINUED)(INCLUDING TRUSTEES' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

The charity had total incoming resources of £880,448 for the year compared to incoming resources of £812,921 reported in the previous year. Unrestricted funds at the balance sheet date stood at £178,023, including £41,555 of designated funds, while restricted funds totalled £270,728.

The Board are committed to build an adequate reserves account to allow for organisational contingencies and to demonstrate good financial management and has implemented a reserves policy.

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level at least equivalent to three month's operating expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities and meet ongoing contractual obligations to staff while consideration is given to ways in which additional funds may be raised.

The reserves policy will be reviewed every two years. All decisions on reserves will be made by the Board.

The charity's principal funding sources are the Scottish Government, Orkney Islands Council, the Community Fund, Aspiring Communities Fund, NHS Orkney and Repsol Sinopec. This funding has allowed the charity to deliver core business and project services based on targets in the Annual Action Plan.

Reserves will be invested to secure a financial return for the charity and the amount will be determined and reviewed annually. The investment policy adopted will ensure that a proportion of the charity's reserves can be accessed at short notice. Investment risk will be assessed to ensure that sums deposited are spread across several institutions and are covered by the Government's Financial Services Compensation Scheme.

VAO is a risk aware organisation and its strategic response to risk management is outlined in the current strategy document.

Failure to obtain sufficient levels of funding to meet the charity's operational demands continues to be the main risk facing the charity. The charity applies for funding from a wide range of sources. In addition, the charity actively identifies and eliminates expenditure which is deemed unnecessary to reduce costs where possible.

Projects funded by restricted funds are monitored closely to ensure that expenditure does not exceed the restricted funding receivable. This ensures the charity maintains sufficient unrestricted reserves to continue to meet its day to day requirements.

All organisational aims and key priorities are detailed in the VAO Strategy 2017-20 and are responsive to the need of Orkney's third sector and communities. Activities meet charitable objects and the outcomes specified by Scottish Government and other funders. Progress is continuously monitored and reported through agreed monitoring and evaluation frameworks.

As part of the Third Sector Interface (TSI) Network, VAO has implemented the changes required following an evaluation by Scottish Government of TSI role and purpose. The four new aims now form the framework for the organisation's activity plan. However VAO will continue to provide, develop and establish responsive services for and with the third sector and the wider community, which encompass the breadth of voluntary sector delivery, volunteering and social enterprise.

VOLUNTARY ACTION ORKNEY

DIRECTORS' REPORT (CONTINUED)(INCLUDING TRUSTEES' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The organisation also will continue to play a key role in The Orkney Partnership, the Integration Joint Board (Orkney Health and Care) and other partnerships and work with the third sector to enhance their engagement, involvement and influence. As part of that programme the structure, remit and membership of the Third Sector Forum and its sub groups has been revised. Work will continue to support third sector and carer representatives to Orkney Health and Care groups and to establish effective support, engagement and communication frameworks for representatives and their 'constituents'.

VAO will continue to work with Orkney Islands Council (OIC) to progress plans for a new building and are very grateful to OIC for their support and commitment to ensure that this long held aspiration is realised.

VAO will work to sustain and develop the organisation, services and projects and is committed to continuous improvement using the EFQM framework. Plans for 2020-21 include the extension of the successful Enhancing Wellbeing in our Island Communities' project and the establishment of the Community Engagement and Tec Peer Mentor projects, all of which have been developed and will be delivered in partnership with third sector and statutory organisations.

Structure, governance and management

The organisation is a company limited by guarantee and a registered Scottish charity managed by a volunteer board of directors/trustees. It is governed by its memorandum and articles.

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

D Branscombe (Resigned 11 October 2019)

I Carse

S Garson

M Graves

E Grieve

B Hasham

L Lennie

J Swain

R Thomas (Resigned 23 June 2019)

The charity has two methods to recruit and appoint new directors. Directors are either appointed at the AGM (ie proposed and seconded) or through co-option at Board meetings at any other point during the year as required. Directors are appointed from a list of Board approved members ie named representatives of member organisations. No other body or person is entitled to appoint directors.

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Chief Executive manages organisational and project staff and is directly accountable to the Board. Recommendations are put forward by the Chief Executive to inform Board decision making and where appropriate staff/volunteer views are sought. The Chief Executive has autonomy to make decisions in line with the position and as agreed by the Board. In addition, several sub groups with specific terms of reference have been established to support Board decision making: New Facilities, Finance and Audit, Policy and Procedure, Communications and Services Development.

Policies and procedures are in place for inducting and training directors. All new directors are given an induction pack and meet with the Company Secretary/ Chief Executive. Director's interests forms are completed and details of their relevant knowledge and experience recorded. Training is provided to the board approximately twice a year and individual training needs met as required.

Certain of the directors are also directors of other charitable entities or funding bodies with whom the company had transactions during the year. Details of these transactions, which were conducted at arms' length, are provided in the notes to the accounts.

VOLUNTARY ACTION ORKNEY

DIRECTORS' REPORT (CONTINUED)(INCLUDING TRUSTEES' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

Funds held as custodian trustee

The charity holds funds on behalf of several third parties. The details of these bodies and the funds held by the charity are as follows:

North Alliance (TNA)

The objects of North Alliance are: to increase opportunities and access to continuing professional development for the community learning and development workforce in Highlands and Islands.

During the year the charity received funds of £3,000 (2019- £5,100) from TNA, and paid £2,664 (2019- £1,447) to successful applicants on behalf of TNA. At the balance sheet date, the charity holds funds of £8,041 (2019- £7,705) on behalf of TNA.

Public Protection Committee (PPC)

The objects of PPC Communications are to communicate, inform and educate the public on all matters relating to child protection.

During the year the charity received funds of £8,425 (2019- £10,197) from PPC, and paid £31,677 (2019- £12,705) to successful applicants on behalf of PPC. At the balance sheet date, the charity holds funds of £19,634 (2019- £42,886) on behalf of PPC.

Roar Group (RG)

The object of RG is to give young volunteers the opportunity to learn how to manage events, what being on a committee involves and team building skills.

During the year the charity received funds of £4,515 (2019: £nil) from RG, and paid £3,912 (2019: £nil) to their chosen donor's. At the balance sheet date, the charity holds funds of £603 (2019: £nil) for RG.

Funds held on behalf of third parties are not recognised in the charity's statement of financial position. To ensure the safe custody and segregation of such funds, the charity agrees with the respective third parties effective governance processes and internal controls.

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The directors' report was approved by the Board of Directors.

S Garson

Director

Dated: 29 June 2020

VOLUNTARY ACTION ORKNEY

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

The directors, who also act as trustees for the charitable activities of Voluntary Action Orkney, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the directors 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

VOLUNTARY ACTION ORKNEY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VOLUNTARY ACTION ORKNEY

Opinion

We have audited the financial statements of Voluntary Action Orkney (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 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 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 accounts 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 accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 28 to the accounts, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

VOLUNTARY ACTION ORKNEY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VOLUNTARY ACTION ORKNEY

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report, which includes the Trustees' Report prepared for the purposes of charity law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report included within the Directors' Report has been prepared in accordance with applicable legal requirements.

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' Report included within the Directors' 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) requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors 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 directors 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 directors 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 directors either intend to liquidate the company or 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 Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

VOLUNTARY ACTION ORKNEY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF VOLUNTARY ACTION ORKNEY

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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed .

**Ivan Houston (Senior Statutory Auditor)
for and on behalf of A J B Scholes Ltd**

29 June 2020

**Chartered Accountants
Statutory Auditor**

8 Albert Street
Kirkwall
Orkney
KW15 1HP

VOLUNTARY ACTION ORKNEY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<u>Income from:</u>					
Donations and legacies	3	249,684	534,511	784,195	711,157
Charitable activities	4	572	-	572	1,549
Other trading activities	5	45,984	-	45,984	49,582
Investments	6	49,697	-	49,697	50,633
Total income		345,937	534,511	880,448	812,921
<u>Expenditure on:</u>					
Raising funds	7	34,000	-	34,000	34,359
Charitable activities	8	304,696	477,360	782,056	726,121
Total resources expended		338,696	477,360	816,056	760,480
Net incoming resources before transfers		7,241	57,151	64,392	52,441
Gross transfers between funds		(5,650)	5,650	-	-
Net income for the year/ Net movement in funds		1,591	62,801	64,392	52,441
Fund balances at 1 April 2019		176,432	207,927	384,359	331,918
Fund balances at 31 March 2020		178,023	270,728	448,751	384,359

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

VOLUNTARY ACTION ORKNEY

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		9,336		4,150
Current assets					
Stocks	14	1,500		1,500	
Debtors	15	133,727		78,545	
Cash at bank and in hand		393,685		351,309	
		<u>528,912</u>		<u>431,354</u>	
Creditors: amounts falling due within one year	17	<u>(88,218)</u>		<u>(48,160)</u>	
Net current assets			440,694		383,194
Total assets less current liabilities			<u>450,030</u>		<u>387,344</u>
Creditors: amounts falling due after more than one year	18		(1,279)		(2,985)
Net assets			<u><u>448,751</u></u>		<u><u>384,359</u></u>
Income funds					
Restricted funds	21		270,728		207,927
<u>Unrestricted funds</u>					
Designated funds	22	41,555		46,450	
General unrestricted funds		136,468		129,982	
		<u>178,023</u>		<u>176,432</u>	
			<u><u>448,751</u></u>		<u><u>384,359</u></u>

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

The accounts were approved by the Directors on 29 June 2020

S Garson
Director

Company Registration No. SC143208

VOLUNTARY ACTION ORKNEY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		8,468		(31,403)
Investing activities					
Purchase of tangible fixed assets		(14,083)		-	
Investment income received		49,697		50,633	
		<hr/>		<hr/>	
Net cash generated from investing activities			35,614		50,633
Financing activities					
Payment of obligations under finance leases		(1,706)		(1,705)	
		<hr/>		<hr/>	
Net cash used in financing activities			(1,706)		(1,705)
Net increase in cash and cash equivalents			42,376		17,525
Cash and cash equivalents at beginning of year			351,309		333,784
			<hr/>		<hr/>
Cash and cash equivalents at end of year			393,685		351,309
			<hr/> <hr/>		<hr/> <hr/>

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Voluntary Action Orkney is a private company limited by guarantee incorporated in Scotland. The registered office is Anchor Buildings, 6 Bridge Street, Kirkwall, Orkney, KW15 1HR.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. 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 charitable company. 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 directors have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charitable company 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.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The value of services provided by volunteers has not been included.

Grant income is recognised in the same manner as donation and legacy income unless the grant is subject to the satisfaction of performance related terms and conditions. The recognition of performance related grant income is deferred until the charity has met the terms and conditions attached to the grant, or the conditions are within the charity's control and satisfaction of those conditions is probable.

Incoming resources from services and from the sale of goods are included when receivable.

Investment income, including interest and rent receivable, is recognised when receivable by the charity.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The charity is VAT registered and all expenditure is shown exclusive of VAT, where applicable.

Expenditure on raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising events.

Expenditure on charitable activities comprises those costs incurred in the delivery of the charity's activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity

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:

Leasehold property	Over lease term
Fixtures, fittings & equipment	50% straight line basis (computer equipment); 20% reducing balance/ straight line basis (other assets)

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 net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.8 Stocks

Stocks represent stationery and other consumable items held for use by the charity, at the balance sheet date.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company 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.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charitable company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors 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 receipts 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Capitalisation of fixed assets

Expenditure on fixed assets held for ongoing use by the charity is capitalised and depreciated over the life of the asset, in accordance with the accounting policy described above.

1.15 Grants payable

The charity is responsible for making grant payments to certain individuals and institutions. These payments are made from funds provided by third parties for distribution by the charity. The charity is responsible for approving the applications of claimants in line with the conditions laid out by the fund provider.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2020***

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the directors 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.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations and gifts	310	2,904	3,214	1,168
Grants receivable for core activities	247,266	531,607	778,873	707,982
Membership fees	2,108	-	2,108	2,007
	<u>249,684</u>	<u>534,511</u>	<u>784,195</u>	<u>711,157</u>
For the year ended 31 March 2019	<u>249,313</u>	<u>461,844</u>		<u>711,157</u>
Grants receivable for core activities				
Scottish Government	199,200	-	199,200	199,200
Orkney Islands Council - core	47,566	-	47,566	47,566
Community Fund - Adult Befriending	-	103,040	103,040	102,298
Scottish Government - Community Led Care	-	-	-	238
Connect Plus + Robertson Trust - Chance to Succeed	-	(17,197)	(17,197)	15,447
Orkney Health and Care - Tech Peer Mentor	-	40,000	40,000	10,000
Orkney Islands Council - Counselling Centre	-	18,191	18,191	18,191
Repsol Sinopec - Small Grants	-	7,000	7,000	7,000
Connect project - Community Fund	-	99,686	99,686	99,528
Orkney Islands Council - Nobody Left Behind	-	20,000	20,000	23,562
NHS Orkney - Community Link	-	58,780	58,780	-
Scottish Government - Community Choices	-	-	-	80,000
Robertson Trust - Connect project	-	16,500	16,500	-
PB Grants	-	-	-	8,191
Youthlink Scotland - Creativity	-	4,249	4,249	-
Paths For All - Health Walks	-	(2,239)	(2,239)	7,499
Scottish Government - Aspiring Communities	-	107,953	107,953	13,066
BBC - Children in Need	-	-	-	23,082
Chance to Connect - Young Persons Befriending	-	10,000	10,000	-
Community Fund - Young Persons Befriending	-	63,122	63,122	44,331
NHS Orkney - Child Poverty	-	-	-	6,983
Other	500	2,522	3,022	1,800
	<u>247,266</u>	<u>531,607</u>	<u>778,873</u>	<u>707,982</u>

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

	2020 £	2019 £
Contracted services	572	1,549
Unrestricted funds	572	1,445
Restricted funds	-	104
	<u>572</u>	<u>1,549</u>

5 Other trading activities

	Total 2020 £	Total 2019 £
Other trading activities	45,984	49,582
	<u>45,984</u>	<u>49,582</u>

6 Investments

	Total 2020 £	Total 2019 £
Rental income	48,838	49,828
Interest receivable	859	805
	<u>49,697</u>	<u>50,633</u>

7 Raising funds

	2020 £	2019 £
<u>Fundraising and publicity</u>		
Staff costs	34,000	34,359
	<u>34,000</u>	<u>34,359</u>

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

8 Charitable activities

	2020 £	2019 £
Staff costs	485,962	484,766
Depreciation and impairment	8,897	2,792
Other costs	182,319	197,355
	<u>677,178</u>	<u>684,913</u>
Grant funding of activities (see note 9)	104,878	41,208
	<u>782,056</u>	<u>726,121</u>
Analysis by fund		
Unrestricted funds	304,696	312,166
Restricted funds	477,360	413,955
	<u>782,056</u>	<u>726,121</u>

Other costs include total governance costs of £6,920 (2019- £6,750), including payments to the auditor of £2,720 (2019- £2,700) for audit fees and £4,200 (2019- £4,050) for other services.

9 Grants payable

	2020 £	2019 £
Grants to institutions:		
Aspiring Communities	59,977	-
Repsol Sinopec - see narrative	3,686	9,952
Community Choices - see narrative	40,371	31,256
Other	844	-
	<u>104,878</u>	<u>41,208</u>

Repsol Sinopec: VAO disburses small grants to local voluntary and charitable organisations using funds provided by Repsol Sinopec.

Community Choices: represents grants paid to carry out a Participatory Budgeting small grant scheme in the isles using funds awarded from the Community Choices fund.

Aspiring Communities: grants paid to local isles charities for the employment of island wellbeing coordinators using funds awarded by the Scottish Government and European Social Fund.

10 Directors

During the year, Voluntary Action Orkney paid B Hasham, director, £nil for consultancy services (2019: £5,512). There were no other disclosable related party transactions during the year (2019: £nil).

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	24	25

Employment costs

	2020 £	2019 £
Wages and salaries	463,668	465,311
Social security costs	32,634	32,678
Other pension costs	23,660	21,136
	<u>519,962</u>	<u>519,125</u>

The total paid to key management personnel during the year was £42,040 (2019: £42,823).

12 Taxation

The company does not pay tax on its charitable activities.

13 Tangible fixed assets

	Leasehold property £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2019	75,473	37,356	112,829
Additions	-	14,083	14,083
Disposals	-	(18,661)	(18,661)
At 31 March 2020	<u>75,473</u>	<u>32,778</u>	<u>108,251</u>
Depreciation and impairment			
At 1 April 2019	75,473	33,206	108,679
Depreciation charged in the year	-	8,897	8,897
Eliminated in respect of disposals	-	(18,661)	(18,661)
At 31 March 2020	<u>75,473</u>	<u>23,442</u>	<u>98,915</u>
Carrying amount			
At 31 March 2020	<u>-</u>	<u>9,336</u>	<u>9,336</u>
At 31 March 2019	<u>-</u>	<u>4,150</u>	<u>4,150</u>

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

13 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £1,707 (2019 - £1,706) for the year.

	2020 £	2019 £
Fixtures, fittings & equipment	1,706	3,413

14 Stocks

	2020 £	2019 £
Consumables	1,500	1,500

Stocks represent stationery stock held at the balance sheet date.

15 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	12,180	29,589
Other debtors	116,676	44,085
Prepayments and accrued income	4,871	4,871
	<u>133,727</u>	<u>78,545</u>

16 Finance lease commitments

Future minimum lease payments due under finance leases:

	2020 £	2019 £
Within one year	1,706	1,706
Within two and five years	1,279	2,985
	<u>2,985</u>	<u>4,691</u>

The charity is party to a finance lease for office equipment.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

17 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Obligations under finance leases	16	1,706	1,706
Other taxation and social security		11,554	9,357
Deferred income	19	7,000	7,000
Trade creditors		4,088	16,935
Other creditors		194	180
Accruals		63,676	12,982
		<u>88,218</u>	<u>48,160</u>

18 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Obligations under finance leases	16	<u>1,279</u>	<u>2,985</u>

19 Deferred income

	2020 £	2019 £
Arising from OIC - research services	<u>7,000</u>	<u>7,000</u>

The charity received payment from Orkney Islands Council (OIC) during a prior year for services which it had not provided at the balance sheet date totalling £7,000.

20 Share capital

The company is limited by guarantee and has no share capital. At the balance sheet date, the number of ordinary members was 180 (2019- 181). In the event of the company being wound up, the liability of each member is limited to £1.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2020 £
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	
Connect Plus - Robertson Trust & Chance to Succeed	27,115	(17,197)	(2,021)	-	7,897
Connect - Nobody Left Behind	10,457	20,000	(25,622)	-	4,835
Counselling Centre - OIC	2,262	18,191	(17,667)	-	2,786
Young Start - Community Fund/ Lloyds	2,458	-	-	-	2,458
Adult Befriending - Community Fund	48,597	103,067	(103,140)	-	48,524
Repsol Sinopec	6,967	7,392	(4,686)	-	9,673
Connect - Community Fund	8,628	116,219	(85,429)	-	39,418
Aspiring Communities (phase 2) - Scottish Government	-	107,953	(107,953)	-	-
Paths For All - Health Walks	4,866	(2,239)	(2,627)	-	-
Tech Peer Mentor - OIC	10,000	40,000	-	-	50,000
Child Poverty - NHS	6,983	-	(698)	-	6,285
Community Choices - Various	44,003	-	(44,003)	-	-
Connect Plus - BBC CIN	23,082	-	-	-	23,082
YP Befriending - Various	-	44,619	-	-	44,619
Young People Befriending - Community Fund	8,130	32,955	(37,050)	1,000	5,035
Community Link project - NHS	-	58,780	(41,998)	-	16,782
Connect - Youthlink Scotland	-	4,249	(2,824)	-	1,425
Integrated Care Fund	-	-	(844)	4,650	3,806
Other funds	4,379	522	(798)	-	4,103
	<u>207,927</u>	<u>534,511</u>	<u>(477,360)</u>	<u>5,650</u>	<u>270,728</u>

At the end of the reporting period, the charity held a number of funds for specific purposes, imposed by the funder. Notably, the following balances were held:

- Connect Plus - funding provided by Chance to Succeed fund for match funding towards the Robertson Trust funding awarded in the previous year. Funding to expand the ongoing Connect Project, an early intervention project which aims to reduce the significant barriers that prevent young people from participating in the community and workplace.
- Connect - Nobody Left Behind (previously Opportunities for All) represents grant funding from Orkney Islands Council to provide one to one and group support to young people with activity agreements in order to develop and strengthen life and employability skills.
- Counselling Centre: grant funding from Orkney Islands Council to provide an efficiently run resource centre for Counselling and Support Centre sharing groups through provision of accommodation, an office administrator and volunteer receptionists. Funding granted from 1 April 2019 to 31st March 2020.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21 Restricted funds

(Continued)

- Adult Befriending Community Fund - grant funding from the Community Fund to the existing Adult Befriending Service, to develop, enhance and expand activities to meet current and future demand in order to help older people in Orkney to maintain their independence and remain living in their homes. Funding awarded from 1 January 2016 to 31 December 2020.
- Repsol Sinopec: a donation which the VAO Board disburses in small grants to local voluntary and charitable organisations.
- Connect - Funding awarded by Community Fund to offer young people aged 15-19, who have significant barriers to learning and engaging in the community, up to one year's flexible and person centred learning/ training programme.
- Aspiring Communities - funding awarded by the Scottish Government to help with care needs for the elderly in the isles. Phase 2 was awarded to support existing and develop new community led services for the elderly.
- Paths For All - funding provided to manage, promote and develop health walks in Orkney.
- Tech Peer Mentor - OIC funding provided to explore and establish innovative uses of technology in the delivery of care.
- Child Poverty - NHS funding awarded to reduce child poverty.
- Community Choices - funding provided by Scottish Government and other local isles trusts for Your Islands Your Choices participatory budgeting programmes in the non-linked isles.
- BBC Children in Need - funding to provide support for autistic or learning disabled young people living in remote islands.
- Children and Young People's Befriending Service - grant funding from the Community Fund, Chance to Connect and STV to the existing service (see below) to support young people across the county who are vulnerable or isolated for any number of reasons. Befriending is a special kind of intentional friendship between a young person and a trained volunteer, built on trust, mutual respect, shared interests and compatibility.
- Children and Young People's Befriending Service – grant funding from Lloyds TSB and Community Fund to the existing service to support young people across the county who are vulnerable or isolated for any number of reasons. Befriending is a special kind of intentional friendship between a young person and a trained volunteer, built on trust, mutual respect, shared interests and compatibility. Funding granted from Lloyds TSB from 1 April 2016 to 31st March 2019 and Community Fund from 1 April 2016 to 31st March 2020.
- Community Link Workers- funding awarded from NHS Orkney to establish a new service to work with two GP Practices to provide advice and support to patients on social issues and to support them to access specialist third and statutory services and community activities.
- Connect - funding awarded from Youth Link Scotland Creativity to enable young people to work with local artists to produce a series of arts and crafts and to plan and promote an exhibition of their work

The following transfers were made from unrestricted funds to restricted funds:

- A donation of £1,000 received in a previous year was initially recognised in unrestricted funds as the use of the funds was not yet established. During the year, the donor decided the funds should be used for the Young People Befriending Fund.
- £4,650 was transferred to the Integrated Care Fund for amounts held for that fund, previously classified as unrestricted funds.

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balance at 31 March 2020 £
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	
New facilities	39,728	-	(2,953)	-	36,775
Kirkwall Travel Centre	1,597	27,087	(27,191)	-	1,493
Connect intergenerational	5,125	-	(838)	(1,000)	3,287
	<u>46,450</u>	<u>27,087</u>	<u>(30,982)</u>	<u>(1,000)</u>	<u>41,555</u>

Income received from tenants of the Kirkwall Travel Centre was designated for the payment of premises costs incurred by the charity in letting the property.

Reserves are designated by the board to cover anticipated costs associated with the development of new facilities. At the year end, these developments are still ongoing.

Connect intergenerational - certain donations and other income are designated by the board for the purpose of supporting activities for young people and the elderly.

23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Total
	2020 £	2020 £	2020 £	2019 £
Fund balances at 31 March 2020 are represented by:				
Tangible assets	5,877	3,459	9,336	4,150
Current assets/(liabilities)	173,425	267,269	440,694	383,194
Long term liabilities	(1,279)	-	(1,279)	(2,985)
	<u>178,023</u>	<u>270,728</u>	<u>448,751</u>	<u>384,359</u>

24 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	13,849	15,547
Between two and five years	2,175	8,052
	<u>16,024</u>	<u>23,599</u>

VOLUNTARY ACTION ORKNEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

24 Operating lease commitments (Continued)

At the reporting end date the total future minimum sublease payments expected to be received under non-cancellable subleases was £7,501 (2019: £3,706).

25 Cash generated from operations	2020	2019
	£	£
Surplus for the year	64,392	52,441
Adjustments for:		
Investment income recognised in statement of financial activities	(49,697)	(50,633)
Depreciation and impairment of tangible fixed assets	8,897	2,792
Movements in working capital:		
(Increase) in debtors	(55,182)	(31,198)
Increase/(decrease) in creditors	40,058	(4,805)
Cash generated from/(absorbed by) operations	8,468	(31,403)

26 Analysis of changes in net funds

The charitable company had no debt during the year.

27 Funds held as custodian

The charity holds funds on behalf of several third parties. The third parties are responsible for approving grant applications and instructing the charity to process payments from funds held by the charity on their behalf.

The details of these bodies and the movements on funds held by the charity as custodian trustee are as follows:

The North Alliance (TNA)

During the year the charity received funds of £3,000 (2019- £5,100) from TNA, and paid £2,664 (2019- £1,447) to successful applicants on behalf of TNA. At the balance sheet date, the charity holds funds of £8,041 (2019- £7,705) on behalf of TNA.

Public Protection Committee (PPC)

During the year the charity received funds of £8,425 (2019- £10,197) from PPC, and paid £31,677 (2019- £12,705) to successful applicants on behalf of PPC. At the balance sheet date, the charity holds funds of £19,634 (2019- £42,886) on behalf of PPC.

Roar Group (RG)

During the year the charity received funds of £4,515 (2019: £nil) from RG, and paid £3,912 (2019: £nil) to their chosen donor's. At the balance sheet date, the charity holds funds of £603 (2019: £nil) for RG.

Funds administered by the charity in its role as custodian are not recognised in the charity's statement of financial activities or balance sheet.

28 Auditor's ethical standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditor to assist with the preparation of the accounts.