

REGISTERED COMPANY NUMBER: SC277345 (Scotland)  
REGISTERED CHARITY NUMBER: SC029947

ARGYLL & BUTE THIRD SECTOR INTERFACE  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Martin Aitken & Co Ltd  
Statutory Auditor  
Chartered Accountants  
Caledonia House  
89 Seaward Street  
Glasgow  
G41 1HJ

SW

## ARGYLL & BUTE THIRD SECTOR INTERFACE

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## **ARGYLL & BUTE THIRD SECTOR INTERFACE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees are pleased to present their report, together with the financial statements for the year ended 31 March 2023.

The focus of activity for this past year has been to continue to help the third and social enterprise sector rebuild their capacity to deliver services after the hiatus caused by the pandemic. With the end of the 'stay at home' phase of the pandemic in May 2022 many organisations who had successfully transitioned to a hybrid model of online and/or in-person support have fully re-opened their services.

It has taken the best part of a year for some communities to resume pre-pandemic levels of activity as some vulnerable groups have been slower to return to face-to-face activity for understandable reasons. What has been noticeable however has been the level of volunteer fatigue as pandemic activity has given way to cost of living support with an increase in demand for some types of third sector and community support such as that provided by foodbanks, warm spaces and debt advice.

As predicted our focus was to make sure the Third Sector Interface was equipped to support the third and social enterprise sectors to weather the shocks that came from the recessionary environment, the cost-of-living crisis, the energy price rises and the war in Ukraine. We have therefore seen an increase in requests for funding advice and support for core costs from many organisations as some funders target their support at the cost-of-living crisis directly.

We have continued to play a strong role in advocating for third sector interests amongst statutory partners, via the Health and Social Care Partnership (HSCP) and the Community Planning Partnership (CPP), and as a result of this advocacy and partnership work there have been a considerable number of important new developments in 2022-2023 that will help support the resilience and strength of the third and social enterprise sectors in Argyll and Bute.

In partnership with the HSCP the TSI played an important role in supporting a transparent approach to commissioning which has enabled a co-productive approach to the design and delivery of health and social care services. The development of co-production approaches in Argyll and Bute continues and further developments on this will be reported for 2023-2024.

Our financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), 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 2019).

#### **Our Mission**

'To be a self- sustaining social enterprise which is the 'go to' organisation for the third sector, volunteers and community actions; to be influential and engaged across a wide range of strategic partnerships; to act as a knowledge hub and training provider and a key player in leading and developing business development and awareness; an effective contributor to the economic, environmental and social health of Argyll & Bute'.

## **ARGYLL & BUTE THIRD SECTOR INTERFACE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

#### **OBJECTIVES AND ACTIVITIES**

On 1st October 2018, grant conditions changed for TSIs across Scotland, defining 4 distinct areas of delivery:

##### **Knowledge**

To be a central source of knowledge about:

- The Third Sector locally;
- Local and National policy and how it might affect local Third Sector (TS), communities and citizens;
- How Third Sector can contribute to those agendas.

##### **Voice**

Ensuring a strong Third Sector voice at strategic level within local planning structures and nationally.

##### **Capacity**

Developing the capacity of volunteering, community groups, voluntary organisations and social enterprise to achieve positive change.

##### **Connect**

Providing leadership, vision and co-ordination to the local Third Sector to better respond to local priorities (at local authority level), including through partnership and collaboration.

In addition: Work constructively with Scottish Government, local partners and third sector in responding to Covid-19, as required.

## **ARGYLL & BUTE THIRD SECTOR INTERFACE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

#### **ACHIEVEMENT AND PERFORMANCE**

Key to activity for the year to 31 March 2023 has been the continuing development of TSI capacity to both directly support the sector and to advocate in a more evidence led manner to partners and at a national level.

This led to the Board of Trustees agreeing to an investment programme to launch a new database and the completion of the development of a Community Directory, a new Inveraray Hub offering state of the art facilities for member organisations who wish to use hybrid meeting facilities and a refocused staffing structure centred around direct support to third sector organisations with the four Third Sector Support Advisers each covering one of the four administrative areas of Argyll and Bute containing approximately between 250 and 300 organisations and community groups.

Over 2,200 specific requests for support were received (2021-22: 900) and met for the year with requests ranging from funding advice to new project support to advice on policy development and governance.

A key tool to aid coordination of sectoral activity, facilitate cooperation and enable gap analysis was the launch of the Argyll and Bute Community Directory in September 2022 ([www.abcd.scot](http://www.abcd.scot)). The addition of 973 organisations to the database has involved a considerable amount of work from the entire TSI team and will transform how partners link in with the third sector. Funding was gratefully received from the HSCP. Usage has been excellent with over 890 unique users on the site from September 2022 to March 2023.

The database forms a key part of the TSI's strategy to map strengths and identify gaps across Argyll and Bute and we have been working with partners to ensure this becomes a rich resource of third sector intelligence and evidenced based policy making and commissioning.

The board has also approved the development this year of a new online funding platform which can be used to host funds from other local and national awarding bodies. This will go live from 2023-2024 and will help the sector locate funding sources easily as well as utilise the TSIs local knowledge in grant awarding.

The TSI continued to lead the development of Argyll and Bute's thinking on Community Wealth Building and the Trustees in October 2022 approved the commissioning of TSI funded research to develop a CWB strategy and action plan for the CPP as a whole. Following extensive consultation this will report in December 2023.

We have continued to improve our approach to communications, engagement and training. Thematic sector network events have been held with specific Children's, Social Enterprise and Adults networks, and we have adopted a more democratic approach to agenda setting so that topics are current and are of interest to members. A total of 12 themed network events were held across the year. Training courses included co-production training, using evaluation, UNCRC, Cyber resilience, GDPR, brand and trustee training. Over 284 training courses were taken via our online platform and a series of local roadshows to support third sector groups in communities also commenced in February 2023 and will continue for the foreseeable future. There were over 83 mailings sent out in the year with over 14,000 opens. Facebook continues to be our most used social media platform with over 243,000 post impressions.

The Volunteer of the Year Awards held in June 2022 in Dunoon to celebrate the excellent range of volunteering across Argyll and Bute was a great success with nearly 100 in person attendees and many more watching live online. In December 2022 the TSI hosted a well-attended Volunteer conference chaired by Jenni Minto MSP which identified a number of key areas that third sector organisations would like to see addressed to support volunteering. As a result, we have researched a Volunteer and Employee Assistance provider to support both volunteer and employee mental health and resilience and will roll out a platform for use by the sector in 2023-2024.

We have also supported and hosted Scottish government consultation events on Ferries, Community Wealth Building, Older People's strategy and the National Care Service.

Another key development in the year has been the successful transition of the volunteering aspect of the government's Young Person's Guarantee programme into Positive Destinations which is now funded until 2025 through the UK Shared Prosperity Fund. For 2022-2023 over 30 people, across a range of age ranges, have been supported by TSI employed mentors to help people progress towards positive destinations in their employment, education and training journeys.

## **ARGYLL & BUTE THIRD SECTOR INTERFACE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

Argyll and Bute TSI was pleased to have again played a key role in the delivery of the Scottish Government's Communities Mental Health and Wellbeing Fund. The TSI took the lead in a local partner reference group that devised a funding programme to tackle mental health and social isolation and by February 2023 were able to have co-produced 57 applications for funding of which 38 were successful bringing in £282,000 into the local third sector economy to meet the needs of many vulnerable communities.

The TSI is represented on numerous local bodies including the Locality Planning Groups, the CPP Management Committee, the Integration Joint Board, the Employability Partnership and the Community Learning and Development Partnership to name a few. This sector representation and advocacy role also includes chairing the CPP's Corporate Parenting Board. Nationally ABTSI plays a strong role in ensuring the voice of rural and island third sector and social enterprise organisations is heard, and the CEO has worked on the development of a Fairer Funding document on a working group for TSI Network Scotland with SCVO.

## ARGYLL & BUTE THIRD SECTOR INTERFACE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

#### FINANCIAL REVIEW

It is confirmed that the TSI's funds remain in good shape. There are no cash flow issues. All expenditure from restricted funds has been used in direct support of the activities stipulated by the nature of the restriction.

The charity currently has total funds of £655,828 (2022: £765,463), of which £47,421 (2022: £122,755) is restricted, leaving unrestricted funds of £608,407 (2022: £642,708). The Board of the TSI has taken the decision to designate some of these reserves. £nil (2022: £20,000) represented estimated amounts relating to property dilapidations, which have been accrued in the current year financial statements, £20,385 (2022: £27,070) represent amounts tied up in fixed assets. £175,000 (2022: £175,000) has been designated to allow the Board and CEO flexibility over the next two years to make investments required to support the refreshed TSI strategy by supporting the third sector in developing its service delivery capacity and the sector's ability to bid for contracts and grants where appropriate.

The Trustees have a target of free reserves of approximately three months' expenditure, which is in line with OSCR guidance on reserves policy. Based on 2022/23 expenditure levels, this would equate to approximately £167,322 in 2023/24.

Reserves are held by the organization for the following purposes:

- To ensure that the charity can continue to provide a stable and high-quality service to those who need it;
- To provide working capital when funding is paid in arrears;
- To meet unexpected costs such as staff cover as a result of illness, maternity leave and paternity leave, and legal costs for defending the charity's interests;
- To replace equipment as it wears out;
- To meet contractual liabilities if the organisation has to close. This includes redundancy pay, amounts due to creditors and commitments under leases.

From time to time funding has certain restrictions, which means that by law it must be held in a restricted reserve until it is spent in line with the funding agreement or contract. Over this last year we have therefore held levels of restricted reserves and it is important to be clear that these funds can only be expended according to the agreement with funders; we do not therefore have access or availability for expenditure of our choosing.

Following designation of funds to support the core programme, as outlined above, Argyll and Bute TSI has reserves of £413,022 (2022: £420,638) available to cover any costs involved in the TSI continuing and completing projects and making statutory redundancy payments to staff should funding be withdrawn.

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

#### KEY RISKS FACING THE CHARITY

The trustees have moved away from a view that the central risk stems from the Scottish Government's grant - either its reduction or removal. That is not to say that they are not present but given the level of partnership working with the Scottish Government and our role in delivering the Communities Mental Health and Wellbeing Fund (with reporting responsibilities until September 2025) TSIs nationally are viewed as an essential part of the landscape in delivering a wellbeing economy and supporting sustainable communities. Instead, the Trustees have utilised a strategic risk register which combines monitoring of the Scottish Government's evaluation framework and our strategic activities that underpin this. In this manner the trustees are able to monitor the charity as a going concern and ensure progress of its strategic objectives.

The CEO has used the new database and Community Directory as a means of increasing and evidencing the TSI's capacity to deliver social value as well as to broaden sources of income to volunteering and mentoring programme management in the pre-employment support space, information provision and analysis and local grant distribution.

## **ARGYLL & BUTE THIRD SECTOR INTERFACE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Argyll & Bute Third Sector Interface is a registered charity and a company limited by guarantee. There are no subsidiary undertakings. The organisation is subject to its governing document; the Articles of Association.

The Key Management personnel of the charity are considered to be the Trustees and the CEO. The level of remuneration of key management personnel is determined by the Board. The charity's Trustees have overall ownership of governance and strategy i.e. the direction of the organisation. Operational management and decision-making are delegated to the Chief Executive Officer. There are regular formal meetings of Trustees as the A&BTSI Board, and also more informal meetings with the Chief Executive and management team.

In March 2021 the Board appointed a new CEO following the departure of the previous CEO who had completed three years and moved on to a new CEO role within the third sector. The new CEO formally took up his post in early April 2021 and thus the period under review reflects the changes in direction that his appointment has brought about.

The Board is elected at our Annual General Meeting and any appointments between AGMs are made in accordance with our written constitution.

There is an induction process for all Trustees, plus ongoing training. Trustees must commit to acting in the best interests of the organisation, and to declaring any interests/potential conflicts of interest in the relevant register. Trustees are also expected to accept and abide by our Standards of Trustee Conduct.

The TSI has no subsidiary undertakings. However, we work in partnership as opportunities arise and actively support other organisations as part of our remit. We also work closely with our colleagues in the public sector where this benefits our core constituency in Argyll & Bute.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

SC277345 (Scotland)

##### **Registered Charity number**

SC029947

##### **Registered office**

27a Front Street  
Inveraray  
Argyll  
PA32 8UY

##### **Trustees**

L M Ahlquist (resigned 1/4/2022)  
P J A McDill (resigned 7/10/2023)  
J F Stevens (resigned 22/8/2023)  
N A Porciani  
A Gildea  
M Scott –  
M Mundie (appointed 24/4/2023)  
D B Watt (appointed 24/4/2023)

##### **Company Secretary**

A Gildea



## ARGYLL & BUTE THIRD SECTOR INTERFACE

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Auditors

Martin Aitken & Co Ltd  
Statutory Auditor  
Chartered Accountants  
Caledonia House  
89 Seaward Street  
Glasgow  
G41 1HJ

##### Advisers

Unity Trust Bank  
Nine Brindley Place  
Birmingham  
B1 2HB

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Argyll & Bute Third Sector Interface for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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

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

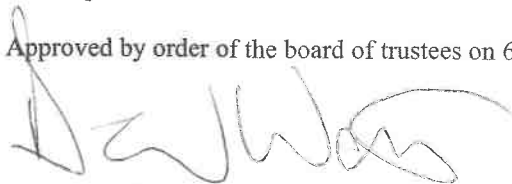
In so far as the trustees are aware:

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

#### AUDITORS

The auditors, Martin Aitken & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 6 November 2023 and signed on its behalf by:



D B Watt - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ARGYLL & BUTE THIRD SECTOR INTERFACE**

### **Opinion**

We have audited the financial statements of Argyll & Bute Third Sector Interface (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 20 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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

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

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ARGYLL & BUTE THIRD SECTOR INTERFACE**

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime to take advantage of the small companies exemption in preparing the Directors' Report included within the Report of the Trustees and from the requirement to prepare a Strategic Report.

### **Responsibilities of trustees**

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

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

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made of 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF ARGYLL & BUTE THIRD SECTOR INTERFACE

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

### Use of our report

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



Mark McRae CA (Senior Statutory Auditor)  
for and on behalf of Martin Aitken & Co Ltd  
Statutory Auditor  
Chartered Accountants  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Caledonia House  
89 Seaward Street  
Glasgow  
G41 1HJ

6 November 2023

**ARGYLL & BUTE THIRD SECTOR INTERFACE**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>INCOME FROM</b>					
Donations and legacies	2	468	-	468	
<b>Charitable activities</b>	3				
Charitable projects		<u>345,108</u>	<u>361,300</u>	<u>706,408</u>	<u>1,163,794</u>
<b>Total</b>		<u>345,576</u>	<u>361,300</u>	<u>706,876</u>	<u>1,163,794</u>
<b>EXPENDITURE ON</b>					
Raising funds	4	1,195	-	1,195	724
<b>Direct charitable costs</b>	5				
Charitable projects		<u>378,682</u>	<u>436,634</u>	<u>815,316</u>	<u>942,159</u>
<b>Total</b>		<u>379,877</u>	<u>436,634</u>	<u>816,511</u>	<u>942,883</u>
<b>NET INCOME/(EXPENDITURE)</b>		(34,301)	(75,334)	(109,635)	220,911
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>642,708</u>	<u>122,755</u>	<u>765,463</u>	<u>544,552</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>608,407</u></u>	<u><u>47,421</u></u>	<u><u>655,828</u></u>	<u><u>765,463</u></u>

The notes form part of these financial statements

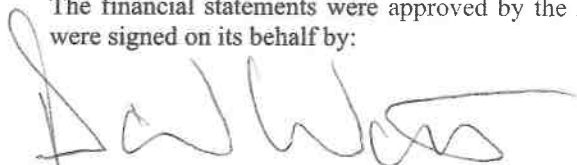
**ARGYLL & BUTE THIRD SECTOR INTERFACE**

**BALANCE SHEET  
31 MARCH 2023**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	12	20,385	27,070
<b>CURRENT ASSETS</b>			
Debtors	13	2,801	23,739
Cash at bank		<u>685,118</u>	<u>737,743</u>
		<b>687,919</b>	761,482
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(52,476)</u>	<u>(23,089)</u>
<b>NET CURRENT ASSETS</b>		<u><b>635,443</b></u>	<u>738,393</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>655,828</b></u>	<u>765,463</u>
<b>NET ASSETS</b>		<u><b>655,828</b></u>	<u>765,463</u>
<b>FUNDS</b>	17		
Unrestricted funds		608,407	642,708
Restricted funds		<u>47,421</u>	<u>122,755</u>
<b>TOTAL FUNDS</b>		<u><b>655,828</b></u>	<u>765,463</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 6 November 2023 and were signed on its behalf by:



D B Watt - Trustee



**ARGYLL & BUTE THIRD SECTOR INTERFACE**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(47,599)</u>	<u>150,146</u>
Net cash (used in)/provided by operating activities		<u>(47,599)</u>	<u>150,146</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(5,026)</u>	<u>(29,459)</u>
Net cash used in investing activities		<u>(5,026)</u>	<u>(29,459)</u>
		—————	—————
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(52,625)</b>	<b>120,687</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>737,743</u></b>	<b><u>617,056</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u>685,118</u></b>	<b><u>737,743</u></b>

The notes form part of these financial statements

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ARGYLL & BUTE THIRD SECTOR INTERFACE

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(109,635)	220,911
Adjustments for:		
Depreciation charges	11,711	5,899
Decrease/(increase) in debtors	20,938	(21,476)
Increase/(decrease) in creditors	<u>29,387</u>	<u>(55,188)</u>
Net cash (used in)/provided by operations	<u>(47,599)</u>	<u>150,146</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank and in hand	<u>737,743</u>	<u>(52,625)</u>	<u>685,118</u>
	<u>737,743</u>	<u>(52,625)</u>	<u>685,118</u>
Total	<u>737,743</u>	<u>(52,625)</u>	<u>685,118</u>

The notes form part of these financial statements

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## ARGYLL & BUTE THIRD SECTOR INTERFACE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities and Trustee Investment (Scotland) Act 2005.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling (£).

##### **Going concern**

The Trustees and Key Management Personnel have assessed the potential future of Argyll & Bute Third Sector Interface and whether it can continue as a going concern.

After assessing all potential impacts and future commitments, the Trustees have a reasonable expectation that the charity has adequate resources and reserves to continue in operational existence for the foreseeable future. Funding has also been secured from the main funder, Scottish Government on an indicative basis until March 2024. The charity therefore continues to adopt the going concern basis in preparing its financial statements despite the uncertainty caused by the predicted recession and cost of living crisis.

##### **Legal status of the charity**

The Charity is a company limited by guarantee, registered in Scotland. The members of the company are the Trustees named on page 4. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

##### **Provisions**

Provisions are recognised when the company has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

##### **Judgements**

The charity considers on an annual basis the judgements that are made by Trustees when applying its significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements. The Trustees consider there are no such significant judgements that require to be individually disclosed.

##### **Information and key sources of estimation uncertainty**

In the application of the charity's accounting policies, management are required to make estimates and assumptions about the carrying amounts 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. The Trustees consider there are no such significant estimates that require to be individually disclosed.

##### **Income**

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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## ARGYLL & BUTE THIRD SECTOR INTERFACE

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

#### 1. ACCOUNTING POLICIES - continued

##### **Income**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether "capital" or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

##### **Raising funds**

Costs of raising funds comprise the costs of attracting voluntary income and its associated support costs.

##### **Charitable activities**

Expenditure on charitable activities includes costs incurred by the charity in the delivery of its activities, services for its beneficiaries and other activities undertaken to further the purposes of the charity and their associated costs.

##### **Allocation and apportionment of costs**

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the time spent on each activity. The allocation of support and governance costs is analysed in Note 7.

##### **Tangible fixed assets**

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

Plant and machinery	- 33.3% on cost
Computer equipment	- 25% on cost

Tangible fixed assets are included at cost less accumulated depreciation and accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

**Impairment of non-financial assets**

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount which is the higher of the value in use and the fair value less cost to sell, is estimated and compared with the carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

**Taxation**

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 or Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1991 to the extent that some income or gains are applied for charitable purposes only.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

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

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

**Cash and cash equivalents**

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts.

**Financial instruments**

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments like other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**Operating leases**

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

**Pensions**

The charitable company operates a defined contribution scheme for the benefit of its employees. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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## ARGYLL & BUTE THIRD SECTOR INTERFACE

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

#### 1. ACCOUNTING POLICIES - continued

##### Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of unused holiday entitlement is recognised in the period which the employee's service is 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.

#### 2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	<u>468</u>	<u>-</u>

#### 3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Support and advice to third sector and volunteers	Charitable projects	313,600	313,600
Charitable projects	Charitable projects	354,499	828,402
Other income	Charitable projects	17,136	396
Management fee income	Charitable projects	<u>21,173</u>	<u>21,396</u>
		<u>706,408</u>	<u>1,163,794</u>

##### Scottish Government core grant to Third Sector Interfaces

The total amount received for 2022/23 was £313,600 (2021/22: £313,600). The main objectives / expected outcomes of the grant are detailed in the Third Sector Interface Outcome Framework September 2018.

1. People have the opportunities to volunteer and are supposed to do so.
2. Volunteer involving organisations are better able to recruit, manage and support volunteers.
3. Social enterprise is supported to develop and grow.
4. Third sector organisations are well managed and deliver quality services.

##### Communities Mental Health and Wellbeing Fund

The total amount received for 2022/23 was £303,476 (2021/22: £718,640). The main objective of this fund is for the TSI to distribute grants on behalf of the Scottish Government to help further the aims of the Communities Mental Health and Wellbeing Fund.

##### Positive Destinations Programme

The total amount received for 2022/23 was £57,825 (2021/22: £nil). The main objective of this fund is to deliver intervention activities such as enrichment and volunteering to improve opportunities and promote wellbeing.

ARGYLL & BUTE THIRD SECTOR INTERFACE

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023

4. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Raising funds	<u>1,195</u>	<u>724</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Charitable projects	<u>328,971</u>	<u>340,319</u>	<u>146,026</u>	<u>815,316</u>

6. GRANTS PAYABLE

	2023	2022
	£	£
Charitable projects	<u>340,319</u>	<u>646,904</u>

7. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Charitable projects	<u>107,237</u>	<u>38,789</u>	<u>146,026</u>

Support costs, included in the above, are as follows:

**Other**

	2023 Charitable projects £	2022 Total activities £
Staff Costs	36,789	31,936
Property Costs	14,698	7,117
Other Overheads	<u>55,750</u>	<u>29,724</u>
	<u>107,237</u>	<u>68,777</u>

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**ARGYLL & BUTE THIRD SECTOR INTERFACE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**7. SUPPORT COSTS - continued  
Governance costs**

	2023 Charitable projects £	2022 Total activities £
Staff Costs	1,549	1,345
Auditors' remuneration	9,240	5,863
Property Costs	20,881	300
Other Overheads	<u>7,119</u>	<u>1,252</u>
	<u><b>38,789</b></u>	<u><b>8,760</b></u>

**8. NET INCOME/(EXPENDITURE)**

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

	2023 £	2022 £
Auditors' remuneration	9,240	5,863
Depreciation - owned assets	11,711	5,899
Other fees - management accounts	<u>-</u>	<u>8,112</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

No Trustees were reimbursed travel expenses for the year ended 31 March 2023 (2022: £Nil).

During the year Trustees waived expenses of £Nil (2022: £Nil).

**10. STAFF COSTS**

	2023 £	2022 £
Wages and salaries	238,202	184,368
Social security costs	18,976	13,281
Pension costs	<u>5,602</u>	<u>4,139</u>
	<u><b>262,780</b></u>	<u><b>201,788</b></u>

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

	2023	2022
Employees	<u>8</u>	<u>7</u>

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

Remuneration paid to key management personnel in the year 2022/23 has amounted to £92,196 (2021/22: £96,001).

ARGYLL & BUTE THIRD SECTOR INTERFACE

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME FROM</b>			
Donations and legacies	-	-	-
<b>Charitable activities</b>			
Charitable projects	<u>328,087</u>	<u>835,707</u>	<u>1,163,794</u>
<b>Total</b>	<u>328,087</u>	<u>835,707</u>	<u>1,163,794</u>
<b>EXPENDITURE ON</b>			
Raising funds	724	-	724
<b>Direct charitable costs</b>			
Charitable projects	<u>229,206</u>	<u>712,953</u>	<u>942,159</u>
<b>Total</b>	<u>229,930</u>	<u>712,953</u>	<u>942,883</u>
<b>NET INCOME</b>	98,156	122,755	220,911
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>544,552</u>	-	<u>544,552</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>642,708</u></u>	<u><u>122,755</u></u>	<u><u>765,463</u></u>

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2022	26,817	7,322	34,139
Additions	<u>3,573</u>	<u>1,453</u>	<u>5,026</u>
At 31 March 2023	<u>30,390</u>	<u>8,775</u>	<u>39,165</u>
<b>DEPRECIATION</b>			
At 1 April 2022	4,289	2,780	7,069
Charge for year	<u>9,759</u>	<u>1,952</u>	<u>11,711</u>
At 31 March 2023	<u>14,048</u>	<u>4,732</u>	<u>18,780</u>
<b>NET BOOK VALUE</b>			
At 31 March 2023	<u><u>16,342</u></u>	<u><u>4,043</u></u>	<u><u>20,385</u></u>
At 31 March 2022	<u><u>22,528</u></u>	<u><u>4,542</u></u>	<u><u>27,070</u></u>

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**ARGYLL & BUTE THIRD SECTOR INTERFACE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

<b>13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			<b>2023</b>	<b>2022</b>
			£	£
Prepayments and accrued income			<u>2,801</u>	<u>23,739</u>
<b>14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			<b>2023</b>	<b>2022</b>
			£	£
Trade creditors			10,412	6,745
Social security and other taxes			5,869	4,802
Accruals and deferred income			<u>36,195</u>	<u>11,542</u>
			<u>52,476</u>	<u>23,089</u>
<b>15. LEASING AGREEMENTS</b>				
Minimum lease payments under non-cancellable operating leases fall due as follows:				
			<b>2023</b>	<b>2022</b>
			£	£
Within one year			5,800	3,800
Between one and five years			<u>2,533</u>	<u>18,500</u>
			<u>8,333</u>	<u>22,300</u>
<b>16. ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>				
	<b>Unrestricted</b>	<b>Restricted</b>	<b>2023</b>	<b>2022</b>
	<b>funds</b>	<b>funds</b>	<b>Total</b>	<b>Total</b>
	£	£	£	£
Fixed assets	20,385	-	20,385	27,070
Current assets	640,498	47,421	687,919	761,482
Current liabilities	<u>(52,476)</u>	-	<u>(52,476)</u>	<u>(23,089)</u>
	<u>608,407</u>	<u>47,421</u>	<u>655,828</u>	<u>765,463</u>

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ARGYLL & BUTE THIRD SECTOR INTERFACE

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023

17. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
<b>Unrestricted funds</b>				
General fund	420,638	(2,591)	(5,025)	413,022
Fixed Assets	27,070	(11,710)	5,025	20,385
TSI Strategy	175,000	-	-	175,000
Property	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>	<u>-</u>
	642,708	(34,301)	-	608,407
<b>Restricted funds</b>				
1000 Voices	1,030	-	-	1,030
Young Person's Guarantee contract	52,286	(52,274)	-	12
Scottish Government CMHWP	31,439	(31,439)	-	-
Community Adult Learning	38,000	(38,000)	-	-
Positive Destinations Programme	<u>-</u>	<u>46,379</u>	<u>-</u>	<u>46,379</u>
	<u>122,755</u>	<u>(75,334)</u>	<u>-</u>	<u>47,421</u>
<b>TOTAL FUNDS</b>	<u>765,463</u>	<u>(109,635)</u>	<u>-</u>	<u>655,828</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	345,576	(348,167)	(2,591)
Fixed Assets	-	(11,710)	(11,710)
Property	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>
	345,576	(379,877)	(34,301)
<b>Restricted funds</b>			
Young Person's Guarantee contract	-	(52,274)	(52,274)
Scottish Government CMHWP	303,475	(334,914)	(31,439)
Community Adult Learning	-	(38,000)	(38,000)
Positive Destinations Programme	<u>57,825</u>	<u>(11,446)</u>	<u>46,379</u>
	<u>361,300</u>	<u>(436,634)</u>	<u>(75,334)</u>
<b>TOTAL FUNDS</b>	<u>706,876</u>	<u>(816,511)</u>	<u>(109,635)</u>

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ARGYLL & BUTE THIRD SECTOR INTERFACE

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
<b>Unrestricted funds</b>				
General fund	366,042	98,156	(43,560)	420,638
Fixed Assets	3,510	-	23,560	27,070
TSI Strategy	175,000	-	-	175,000
Property	-	-	20,000	20,000
	<u>544,552</u>	<u>98,156</u>	<u>-</u>	<u>642,708</u>
<b>Restricted funds</b>				
1000 Voices	-	1,030	-	1,030
Young Person's Guarantee contract	-	52,286	-	52,286
Scottish Government CMHWP	-	31,439	-	31,439
Community Adult Learning	-	38,000	-	38,000
	<u>-</u>	<u>122,755</u>	<u>-</u>	<u>122,755</u>
<b>TOTAL FUNDS</b>	<u>544,552</u>	<u>220,911</u>	<u>-</u>	<u>765,463</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	328,086	(229,930)	98,156
<b>Restricted funds</b>			
1000 Voices	1,030	-	1,030
Young Person's Guarantee contract	75,037	(22,751)	52,286
Scottish Government CMHWP	718,641	(687,202)	31,439
Community Adult Learning	41,000	(3,000)	38,000
	<u>835,708</u>	<u>(712,953)</u>	<u>122,755</u>
<b>TOTAL FUNDS</b>	<u>1,163,794</u>	<u>(942,883)</u>	<u>220,911</u>

**The nature and purpose of the various unrestricted funds are as follows:**

The unrestricted funds are available to be spent for any purposes of the charity.

The trustees have designated funds as follows:

The **Fixed Assets** fund represents the amount tied up in the assets.

The **TSI strategy** funds represents an amount to invest in the further development and implementation of the TSI's strategy which is to further invest in the training, capacity and voice of the third sector. This will include a new database, website and more staff to better support charities and community groups as they seek to develop, rebuild, adjust and recover following the ongoing Covid-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023

17. MOVEMENT IN FUNDS - continued

The **Property** fund represents an estimated amount related to future dilapidation costs on properties occupied.

**The nature and purpose of the various restricted funds are as follows:**

**1000 Voices** - To provide a range of support, linked to community networks, including: volunteer support to remote and rural communities, local activities and opportunities for social interaction, practical support at home, community transport to connect people and communities to social activities and services supported opportunities to be involved in the planning of services. It should be noted that 1000 Voices as a project ended on 31st March 2021 following successful completion of five years delivery.

**Young Person's Guarantee**

Income from the Young Person's Guarantee, administered by Argyll and Bute Council on behalf of the Scottish Government amounted to £nil and the outcomes to be achieved are to support young people aged 16-24 into volunteering opportunities, supported by a mentor as a stage on their journey towards employment, education or training. It should be noted that YPG funding ended on 31st March 2022.

**Scottish Government CMHWB**

The TSI also received £282,303 from the Scottish Government to disburse as grants in furtherance of the aims of the Communities Mental Health and Wellbeing Fund. Objectives specific to the TSI in the execution of the duties to deliver the fund include:-

1. Strengthen the role and capacity of those working to support community mental health and wellbeing, including for example local third sector organisations, small community groups etc.
2. Strengthen the learning, development and capacity building across those in receipt of this funding
3. Build wider capacity and ensure sustainability over time
4. Utilise an asset-based approach to working with communities to plan and co-design learning and capacity building opportunities
5. Minimise bureaucracy and ensure application and monitoring processes are fit for purpose, accessible and prevent delays in money reaching the communities that would benefit most
6. Promote a co-production approach to developing local solutions for communities and individuals, encouraging recognised participants to work alongside new providers and partners from other sectors and ensuring that the voice of lived and living experience is at the forefront in all stages of the process
7. Demonstrate the value of partnership working.

**Community Adult Learning**

The intended outcomes of the Community Based Adult Learning Fund were that:

1. Adult learners shape and inform decisions on the diverse opportunities and support they need to help them recover from the impact of COVID-19 and re-engage in learning.
2. Increased engagement, re-engagement and support for adult learners and communities who need it most, including those disproportionately disadvantaged by COVID-19.
3. Increased access to face to face learning opportunities with a focus on supporting educational, social and emotional recovery and renewal.
4. Increased digital inclusion through the development of digital skills and the improvement of digital infrastructure for learning.
5. Improved support for adult learners' mental health and well-being.
6. Increased opportunities for adult learners to improve their health and well-being.
7. Stronger social connections between adult learners, their communities and wider networks to tackle isolation and loneliness
8. Improved partnership working across providers which supports the delivery of education recovery and renewal.
9. Improved outcomes for adult learners through, for example, the achievement of qualifications and the provision of positive pathways that build confidence and develop skills for learning, life and work.

**ARGYLL & BUTE THIRD SECTOR INTERFACE**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**18. CAPITAL COMMITMENTS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Contracted but not provided for in the financial statements	<u>-</u>	<u>20,000</u>

There was an estimated £20,000 in 2022 set aside in relation to possible dilapidation charges for the property leased in Dunoon. £20,000 has now been accrued in the current year.

**19. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2023, nor for the year ended 31 March 2022.

**20. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

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

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ARGYLL & BUTE THIRD SECTOR INTERFACE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
<b>INCOME</b>		
<b>Donations and legacies</b>		
Donations	468	-
<b>Charitable activities</b>		
Support and advice to third sector and volunteers	313,600	313,600
Charitable projects	354,499	828,402
Other income	17,136	396
Management fee income	<u>21,173</u>	<u>21,396</u>
	<b>706,408</b>	<b>1,163,794</b>
<b>Total incoming resources</b>	<b>706,876</b>	<b>1,163,794</b>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Raising funds	1,195	724
<b>Direct charitable costs</b>		
Staff Costs	231,428	173,808
Direct Expenses	97,543	43,910
Grants to institutions	<u>340,319</u>	<u>646,904</u>
	<b>669,290</b>	<b>864,622</b>
<b>Support costs</b>		
<b>Other</b>		
Staff Costs	36,789	31,936
Property Costs	14,698	7,117
Other Overheads	<u>55,750</u>	<u>29,724</u>
	<b>107,237</b>	<b>68,777</b>
<b>Governance costs</b>		
Staff Costs	1,549	1,345
Auditors' remuneration	9,240	5,863
Property Costs	20,881	300
Other Overheads	<u>7,119</u>	<u>1,252</u>
	<b>38,789</b>	<b>8,760</b>
Total resources expended	<u>816,511</u>	<u>942,883</u>
<b>Net (expenditure)/income</b>	<u><b>(109,635)</b></u>	<u><b>220,911</b></u>

This page does not form part of the statutory financial statements