

Charity registration number SC043521 (Scotland)

Company registration number SC425808 (Scotland)

HIGHLAND THIRD SECTOR INTERFACE LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

A9 Accountancy Limited
Chartered Accountants
Elm House
Cradlehall Business Park
Inverness
IV2 5GH

HIGHLAND THIRD SECTOR INTERFACE LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

David Brookfield
Linda Lawton
Catherine Wright
Natalie Sutherland
Owen Cochrane

(Appointed 29 November 2024)

Iain McKenzie

(Appointed 29 November 2024)

Kenny Steele

(Appointed 29 November 2024)

Corey Spengler-Gathercole

(Appointed 14 January 2025)

Secretary

Mhairi Wylie

Key management

Mhairi Wylie

Charity number (Scotland)

SC043521

Company number

SC425808

Registered office

Thorfin House
Dingwall
Ross-Shire
Scotland
IV15 9SL

Auditor

A9 Accountancy Limited
Elm House
Cradlehall Business Park
Inverness
United Kingdom
IV2 5GH

HIGHLAND THIRD SECTOR INTERFACE LTD

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HIGHLAND THIRD SECTOR INTERFACE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 31 March 2025.

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

Objectives and activities

Activities

The Highland Third Sector Interface has been formed to promote the benefit of the public within Highland by advancing citizenship and community development, including rural and urban regeneration and the promotion of civic responsibility, volunteering, the voluntary sector and the effectiveness and efficiency of charities.

The trustees have paid due regard to guidance issued by the Office of the Scottish Charity Regulator (OSCR) in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

The Highland Third Sector Interface continues to sustain income from various sources reflecting the increasing diversity of the activity of the organisation. The staffing numbers fluctuate within the organisation to reflect Project adjustments and the ongoing pressures of a competing employment market.

The most significant activity in year was a comprehensive review of our TSI service provision due to changing financial environments and increasing costs. The review highlighted the need to balance regional and local service delivery, embrace digital technology, and address growing financial pressures. Key outcomes include a call for enhanced clarity in work planning, reduction of events to alleviate member burdens, and strengthening collaboration within the third sector. Additionally, there is a focus on improving volunteering services, leveraging additional funding for local provisions, and refining the model of delivery to better support community needs.

We also continued to host the Community Mental Health and Wellbeing Funding for a third year and distributing just under £700k on behalf of the Scottish Government with 70 different awards made in conjunction with partners from within the CPP agencies involved in decision making. Our activities for the period are more fully summarised in a separate annual report covering various areas of activity including our TSI Services, volunteering, Café 1668 and Refugee Support.

We continued to host the Community Justice Partnership (CJP) Manager, Chair, and development post, with successful recruitment processes as part of a succession planning process for both the manager and Chair completed in 24/25.

Financial review

Presently the HTSI core activities are funded through an agreement with the Scottish Government, however, this funding has been subject to annual confirmation and in all but one year as a standstill budget since 2012. As a result cost pressures have grown year on year. The open dialogue with colleagues across the Scottish Government and the wider TSI network in Scotland, however, does help to ensure that, despite the annual nature of the funding arrangement, the Board are able to manage any associated risks within the fullness of their ability.

We have received confirmation of funding for some aspects of project work into 2024/25 but the competition and demand for funds has put pressure on our ability to secure longer term positions for some of our activity.

The results for the year show a deficit of £37,831 (2024: surplus £18,640). The restricted funds decreased by £61,030 (2024: £17,381) and the unrestricted funds increased by £23,199 (2024: £36,021). The total funds at 31 March 2025 were £589,561 (2024: £627,392) of which £280,180 (2024: £256,981) were unrestricted and £309,381 (2024: £370,411) were restricted.

HIGHLAND THIRD SECTOR INTERFACE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Reserves policy

Purpose:

To ensure the stability of the mission, programs, employment, and ongoing operations of the HTSI. Our Operating Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserve may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of HTSI for Operating Reserves to be used and replenished within a reasonably short period of time.

The Operating Reserve Policy will be implemented in concert with the other governance and financial policies of HTSI and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Definitions and intentions:

The Operating Reserve Fund is defined as a designated fund set aside by action of the Board of Directors. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum Operating Reserve Fund is equal to three months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, rent, travel, insurances, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The amount of the Operating Reserve Fund target minimum will be calculated each year after the approval of the annual budget, reported to the Finance Committee/Board of Directors, and included in the regular financial reports.

Accounting for reserves:

The Operating Reserve Fund will be recorded in the financial records as Board-Designated Operating Reserve. The Fund will be funded and available in cash or cash equivalent funds. Operating Reserves will be maintained in a segregated bank account or investment fund, in accordance with the agreement of the Board at the start of any financial year.

Funding of reserves:

The Operating Reserve Fund will be funded with surplus unrestricted operating funds. The Board of Directors may from time to time direct that a specific source of revenue be set aside for Operating Reserves. Examples may include one-time gifts or bequests, special grants, or special appeals.

Use of reserves:

The use of the Operating Reserves requires three steps:

Identification of appropriate use of reserve funds:

The Directors and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

HIGHLAND THIRD SECTOR INTERFACE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Authority to use operating reserves:

The Board of Directors will receive a request to use Operating Reserves from either the Finance Sub Committee or the Chief Officer. The request will include the analysis and determination of the use of funds and plans for replenishment. The organisation's goal is to replenish the funds used within twelve months to restore the Operating Reserve Fund to the target minimum amount. If the use of Operating Reserves will take longer than 12 months to replenish, the request will be scrutinised more carefully. The Board will approve or modify the request and authorize transfer from the fund.

Reporting and monitoring:

The Chief Officer is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the Chief Officer will maintain records of the use of funds and plan for replenishment. They will provide regular reports to the Finance Sub Committee/Board of Directors of progress to restore the Funds to the target minimum amount.

Plans for future periods

HTSI currently has in place a strategy that is due for review in 2025. It is likely that this will present an opportunity to frame wide discussions on the future of TSI services in Highland, more specifically the structure of these services given the ongoing and anticipated cost pressures. Work undertaken this year around the Review of HTSI has helped to provide an understanding of members and stakeholder views on the service that will help to support future work on the strategy and potentially on the structure of delivery.

For the immediate 2024/25 year we have submitted our annual work plan to the Scottish Government and will anticipate delivery of this and other workstreams, while continuing to work closely with Highland Council on the establishment of the regional Volunteer Academy and increasing capacity support for communities and the third sector as part of their strategy recently published.

Structure, governance and management

The Charity is a company limited by guarantee as well as a Scottish registered charity, governed by its articles of association that were reviewed and adopted most recently on the 16th December 2022.

Day to day management of the HTSI is overseen by the Chief Officer, this post is currently being held by Mhairi Wylie, who is supported in this role by the Management Team formed across the various teams and functions of HTSI work and activity.

The Chief Officer attends the board meetings to present reports and provide assurances to the Trustees.

The Trustees are aware of their responsibility towards their staff and have taken out all the necessary insurances. A training and development policy has been written and the Trustees are committed to supporting the growth and development of staff.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Sally Amour	(Resigned 29 November 2024)
David Brookfield	
Linda Lawton	
Catherine Wright	
Lyndy Geddes	(Resigned 29 November 2024)
Natalie Sutherland	
Owen Cochrane	(Appointed 29 November 2024)
Iain McKenzie	(Appointed 29 November 2024)
Kenny Steele	(Appointed 29 November 2024)
Corey Spengler-Gathercole	(Appointed 14 January 2025)

HIGHLAND THIRD SECTOR INTERFACE LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Recruitment and appointment of trustees

The Board of Trustees meets on a quarterly basis with a membership formed from a maximum of ten from within the membership of HTSI and four appointed members based on skill needs, with a minimum of six in total and a maximum of fourteen. Currently there are three appointed based on skill needs and three from within the wider membership of HTSI.

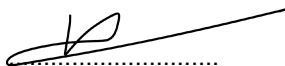
Auditor

In accordance with the company's articles, a resolution proposing that A9 Accountancy Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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



Mhairi Wylie

Secretary

Date: 31st October 2025

HIGHLAND THIRD SECTOR INTERFACE LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Highland Third Sector Interface Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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.

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

HIGHLAND THIRD SECTOR INTERFACE LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF HIGHLAND THIRD SECTOR INTERFACE LTD

Opinion

We have audited the financial statements of Highland Third Sector Interface Ltd (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

HIGHLAND THIRD SECTOR INTERFACE LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF HIGHLAND THIRD SECTOR INTERFACE LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable 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 section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

HIGHLAND THIRD SECTOR INTERFACE LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF HIGHLAND THIRD SECTOR INTERFACE LTD

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- United Kingdom Generally Accepted Accounting Practice
- Companies Act 2006
- Corporation Tax legislation
- Charities and Trustees Investment (Scotland) Act 2005
- Charities Accounts (Scotland) Regulations 2006
- VAT legislation

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management. We corroborated these enquiries through our review of relevant correspondence and board meeting minutes.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance;
- Reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.
- Procedures to confirm the existence and completeness of revenue ensuring it was recognised in line with the company's accounting policies.
- Enquiries with management regarding the compliance with laws and regulations.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

HIGHLAND THIRD SECTOR INTERFACE LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF HIGHLAND THIRD SECTOR INTERFACE LTD

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Capewell

Paul Capewell FCA CA (Senior Statutory Auditor)
for and on behalf of A9 Accountancy Limited

31 October 2025

Chartered Accountants
Statutory Auditor

Elm House
Cradlehall Business Park
Inverness
United Kingdom
IV2 5GH

A9 Accountancy Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HIGHLAND THIRD SECTOR INTERFACE LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Current financial year		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
	Notes				
Income from:					
Charitable activities	3	849,761	1,291,540	2,141,301	2,453,694
Total income		849,761	1,291,540	2,141,301	2,453,694
Expenditure on:					
Charitable activities	4	825,755	1,353,377	2,179,132	2,435,054
Total expenditure		825,755	1,353,377	2,179,132	2,435,054
Net income/(expenditure)		24,006	(61,837)	(37,831)	18,640
Transfers between funds		(807)	807	-	-
Net movement in funds		23,199	(61,030)	(37,831)	18,640
Reconciliation of funds:					
Fund balances at 1 April 2024		256,981	370,411	627,392	608,752
Fund balances at 31 March 2025		280,180	309,381	589,561	627,392

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

The notes on pages 14 to 29 form part of these financial statements.

HIGHLAND THIRD SECTOR INTERFACE LTD

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes			
Income from:				
Charitable activities	3	788,898	1,664,796	2,453,694
Total income		788,898	1,664,796	2,453,694
Expenditure on:				
Charitable activities	4	769,311	1,665,743	2,435,054
Total expenditure		769,311	1,665,743	2,435,054
Net income/(expenditure)		19,587	(947)	18,640
Transfers between funds		16,434	(16,434)	-
Net movement in funds		36,021	(17,381)	18,640
Reconciliation of funds:				
Fund balances at 1 April 2023		220,960	387,792	608,752
Fund balances at 31 March 2024		256,981	370,411	627,392

HIGHLAND THIRD SECTOR INTERFACE LTD

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	11		26,933		37,341
Current assets					
Debtors	12	252,464		344,032	
Cash at bank and in hand		847,644		428,795	
		1,100,108		772,827	
Creditors: amounts falling due within one year	13	(537,481)		(182,776)	
Net current assets			562,627		590,051
Total assets less current liabilities			589,560		627,392
The funds of the charity					
Restricted income funds	16	309,381		370,411	
Unrestricted funds		280,180		256,981	
		589,561		627,392	

The notes on pages 14 to 29 form part of these financial statements.

The financial statements were approved by the trustees on 31 October 2025



.....
Catherine Wright
Trustee

Company registration number SC425808 (Scotland)

HIGHLAND THIRD SECTOR INTERFACE LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	21		420,360		(825,483)
Investing activities					
Purchase of tangible fixed assets		(1,511)		(8,446)	
Net cash used in investing activities			(1,511)		(8,446)
Net increase/(decrease) in cash and cash equivalents			418,849		(833,929)
Cash and cash equivalents at beginning of year			428,795		1,262,724
Cash and cash equivalents at end of year			847,644		428,795

The notes on pages 14 to 29 form part of these financial statements.

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Highland Third Sector Interface Ltd is a private company limited by guarantee incorporated in Scotland. The registered office is Thorfin House, Dingwall, Ross-Shire, IV15 9SL, Scotland.

The charity is a public benefit entity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Where there are performance conditions attached to any grant or donation the income has been recognised when the conditions have been met or when the conditions are within the control of the charity and there is sufficient evidence that the performance conditions will be met. Where a grant allows for the recovery of any unexpended grant, a liability has been recognised when that repayment becomes probable.

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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:

Property improvements	10% straight line basis.
Fixtures and fittings	25% straight line basis.
Office equipment	25% straight line basis.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

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.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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 charity 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 Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

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

3 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Recovery Cafe						
Donations and legacies	-	7,167	7,167	-	4,994	4,994
Grant income	-	28,400	28,400	-	151,729	151,729
Other income	-	38,560	38,560	-	22,027	22,027
Community Justice						
Grant income	-	50,972	50,972	-	(7,316)	(7,316)
Projects						
Donations and legacies	-	-	-	-	547	547
Grant income	-	236,245	236,245	-	344,970	344,970
Funding						
Grant income	-	927,210	927,210	-	1,121,794	1,121,794
Other income	-	2,986	2,986	-	-	-
LGOWIT						
Grant income	-	-	-	-	26,051	26,051
HTSI General						
Donations and legacies	862	-	862	-	-	-
Grant income	759,592	-	759,592	780,230	-	780,230
Other income	89,307	-	89,307	8,668	-	8,668
	<u>849,761</u>	<u>1,291,540</u>	<u>2,141,301</u>	<u>788,898</u>	<u>1,664,796</u>	<u>2,453,694</u>

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Income from charitable activities

(Continued)

Grants received

	Total 2025 £	Total 2024 £
Scottish Government	1,448,421	1,454,190
Highland Alcohol and Drug Partnership	294,694	642,729
The Highland Council	149,642	102,255
NHS Highland	20,825	51,000
Paths for All	4,052	22,606
Nature Scot	-	9,686
Glasgow Council for The Voluntary Sector	47,632	45,356
The National Lottery Community Fund	-	4,000
Robertson Trust	-	19,000
SCVO	-	1,553
Mental Health Fund	17,154	15,733
Whole Family Wellbeing	-	30,000
Police Scotland	19,999	19,350
	<u>2,002,419</u>	<u>2,417,458</u>

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Expenditure on charitable activities		Recovery Cafe		Community Justice		Projects		Funding		LGOWIT		HTSI General		Total	
		2025	£	2025	£	2025	£	2025	£	2025	£	2025	£	2025	£
	Direct costs														
	Depreciation and impairment	321		317		899		387		606		9,388		11,918	
	Direct costs	5,839		8,151		47,091		851,919		-		35,404		948,404	
		6,160		8,468		47,990		852,306		606		44,792		960,322	
	Grant funding of activities (see note 5)	-		-		-		-		-		310,805		310,805	
	Share of support and governance costs (see note 6)														
	Support	105,329		57,144		229,577		45,596		201		424,682		862,529	
	Governance	-		-		-		-		-		45,476		45,476	
		111,489		65,612		277,567		897,902		807		825,755		2,179,132	
	Analysis by fund														
	Unrestricted funds	-		-		-		-		-		825,755		825,755	
	Restricted funds	111,489		65,612		277,567		897,902		807		-		1,353,377	
		111,489		65,612		277,567		897,902		807		825,755		2,179,132	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

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HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Grants payable

	HTSI General 2025 £	HTSI General 2024 £
Grants to institutions:		
CVG	76,628	80,874
SLCVO	57,431	69,740
VABS	47,139	49,751
VAL	69,466	69,466
VG ES	60,141	63,474
	<u>310,805</u>	<u>333,305</u>

-

6 Support costs allocated to activities

	2025 £	2024 £
Staff costs	759,196	689,704
Operating lease charges	18,900	20,500
Property expenses	24,405	18,097
Insurance	2,349	2,967
Telephone	15,961	14,372
Sundry expenses	500	1,518
Bank charges	125	92
Expenses	13,173	13,995
IT equipment and accessories	8,039	8,192
Software	19,881	42,853
Governance costs	45,476	23,071
	<u>908,005</u>	<u>835,361</u>

Analysed between:

Recovery Cafe	105,329	110,034
Community Justice	57,144	55,839
Projects	229,577	256,197
Funding	45,596	33,639
LGOWIT	201	7,298
HTSI General	470,158	372,354
	<u>908,005</u>	<u>835,361</u>

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Support costs allocated to activities (Continued)

	2025 £	2024 £
Governance costs comprise:		
Audit fees	40,466	19,571
Accountancy	5,010	3,500
	<u>45,476</u>	<u>23,071</u>

7 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2025 £	2024 £
For audit services		
Audit of the financial statements of the charity	29,239	19,571
Audit of prior year accounts	11,227	-
	<u>40,466</u>	<u>19,571</u>
For other services		
All other non-audit services	5,010	3,500
	<u>5,010</u>	<u>3,500</u>

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Management and support staff	<u>26</u>	<u>27</u>
Employment costs	2025 £	2024 £
Wages and salaries	670,995	620,659
Social security costs	55,627	47,118
Other pension costs	32,574	21,927
	<u>759,196</u>	<u>689,704</u>

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

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	54,795	53,866

10 Taxation

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

11 Tangible fixed assets

	Property improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 April 2024	35,223	23,509	34,628	93,360
Additions	-	-	1,510	1,510
At 31 March 2025	35,223	23,509	36,138	94,870
Depreciation and impairment				
At 1 April 2024	14,089	19,652	22,278	56,019
Depreciation charged in the year	3,522	1,356	7,040	11,918
At 31 March 2025	17,611	21,008	29,318	67,937
Carrying amount				
At 31 March 2025	17,612	2,501	6,820	26,933
At 31 March 2024	21,134	3,857	12,350	37,341

12 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	206,239	156,582
Other debtors	32,695	27,695
Prepayments and accrued income	13,531	159,756
	252,465	344,033

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		14,603	12,235
Deferred income	14	496,583	153,575
Trade creditors		-	875
Other creditors		3,915	2,728
Accruals		22,380	13,363
		<u>537,481</u>	<u>182,776</u>

14 Deferred income

	2025 £	2024 £
Other deferred income	<u>496,583</u>	<u>153,575</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	<u>496,583</u>	<u>153,575</u>
Movements in the year:		
Deferred income at 1 April 2024	153,575	542,729
Released from previous periods	(153,575)	(542,729)
Resources deferred in the year	<u>496,583</u>	<u>153,575</u>
Deferred income at 31 March 2025	<u>496,583</u>	<u>153,575</u>

Deferred income relates to funds received from HADP, NHS Highland and The Highland Council for distribution in future years and funds received from HADP in relation to the hire of the Donald meeting room.

15 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>32,574</u>	<u>21,927</u>

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

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Restricted funds

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

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Recovery Cafe	38,150	74,127	(111,489)	-	788
Community Justice	191,408	50,972	(65,612)	-	176,768
Projects	131,212	236,245	(277,567)	-	89,890
Funding	9,641	930,196	(897,902)	-	41,935
LGOWIT	-	-	(807)	807	-
	<u>370,411</u>	<u>1,291,540</u>	<u>(1,353,377)</u>	<u>807</u>	<u>309,381</u>

Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Recovery Cafe	(21,105)	178,750	(119,495)	-	38,150
Community Justice	282,736	(7,316)	(84,012)	-	191,408
Projects	81,201	345,517	(295,506)	-	131,212
Funding	(31,049)	1,121,794	(1,081,104)	-	9,641
LGOWIT	76,009	26,051	(85,626)	(16,434)	-
	<u>387,792</u>	<u>1,664,796</u>	<u>(1,665,743)</u>	<u>(16,434)</u>	<u>370,411</u>

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Restricted funds

(Continued)

Restricted funds

Recovery Cafe

Fund represents grants and other income received towards or made by the Cafe 1668 less the costs of its' operations. There are a number of projects operated or partly operated through the Recovery Cafe fund including the Kickstart Programme, Cafe Link Worker, the Community Justice Partnerships' support and interests in the Cafe, and other Cafe related projects.

Community Justice

Fund primarily represents the income and costs associated with the Charity providing the Community Justice Manager on behalf of The Community Justice Partnership. Also included is development work for the Community Justice Partnership.

Projects

This fund heading includes multiple different projects which received restricted funding, including: Arts in Nature, Custody Links Project, Health Walks, Green Health Communication, Equalities, Raigmore Garden Facilitator, Refugee Resettlement Officer, Resilience and Social Prescribing Mapping.

Funding

This fund includes multiple funding projects which received restricted funding, including: Alcohol and Drug Partnership, Scottish Government Mental Health Funding and NHS funding.

LGOWIT

Fund relates to the LGOWIT project (Let's Get on With it Together), a project to support people with long-term health needs to access resources.

17 Unrestricted funds

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

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
General funds	256,981	849,761	(825,755)	(807)	280,180
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
General funds	220,960	788,898	(769,311)	16,434	256,981
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Unrestricted funds

(Continued)

Unrestricted funds

General fund

These funds represent the free and unrestricted reserves of the charity.

Included within the unrestricted fund is the grant from the Scottish Government towards the core costs of the charity £710,528 (2024 - £710,528).

18 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	24,044	2,889	26,933
Current assets/(liabilities)	256,136	306,492	562,628
	<u>280,180</u>	<u>309,381</u>	<u>589,561</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	31,942	5,399	37,341
Current assets/(liabilities)	225,039	365,012	590,051
	<u>256,981</u>	<u>370,411</u>	<u>627,392</u>

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19 Operating lease commitments

Lessee

The operating leases represent leases for the office used by the charity and the rental of an officer printer. The office lease is on a 10 year term and is subject to 3 yearly rent reviews. The printer lease is on a 5 year fixed term.

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

	2025 £	2024 £
Within one year	16,692	17,384
Between two and five years	62,667	64,692
In over five years	-	14,667
	<u>79,359</u>	<u>96,743</u>

20 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Expenses of £1,987 (2024: £2,214) were paid to key management as reimbursement for expenses paid personally. These expenses were in relation to travel and phone costs.

Organisations connected to one or more of the Trustees were paid £nil (2024: £115) as reimbursement for expenses paid on behalf of the charity. Organisations connected to one or more of the Trustees were paid £49,848 (2023: £17,312) in grant funding. The grant funding was part of the MHWF.

This was approved by the other directors and the payments were made in accordance with the charitable company's governing document.

The charity received income of £250 (2023: £Nil) from organisations connected to one or more of the Trustees. The income was in relation to room hire, meetings and a vacancy advert.

HIGHLAND THIRD SECTOR INTERFACE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

21	Cash generated from operations	2025 £	2024 £
	(Deficit)/surplus for the year	(37,831)	18,640
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	11,918	18,057
	Movements in working capital:		
	Decrease/(increase) in debtors	91,568	(247,459)
	Increase/(decrease) in creditors	11,697	(225,567)
	Increase/(decrease) in deferred income	343,008	(389,154)
	Cash generated from/(absorbed by) operations	420,360	(825,483)

22 Analysis of changes in net funds

The charity had no material debt during the year.