

REGISTERED COMPANY NUMBER: SC461352 (Scotland)
REGISTERED CHARITY NUMBER: 048086

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2024
for
Scottish Rural Action

The Kelvin Partnership Ltd
Chartered Accountants
The Cooper Building
505 Great Western Road
Glasgow
G12 8HN

Scottish Rural Action

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Scottish Rural Action
Report of the Trustees
for the Year Ended 31 March 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Scottish Rural Action (SRA) works with members and partners to:

- build a grassroots-led rural movement in Scotland that connects rural communities with each other and with policy makers for the purpose of sharing learning and shaping policy;
- provide secretariat for platforms of the rural movement including the Scottish Rural & Islands Parliament (SRIP) and the Scottish Rural & Islands Youth Parliament (SRIYP);
- collaborate with seldom-heard groups to ensure these platforms are inclusive and accessible;
- build the capacity of sectoral and geographic networks, upskilling organisations and individuals to enable them to participate in the rural movement more effectively;
- collectively develop a cross-sectoral, place based and asset-based understanding of rural Scotland's economy, society and culture that shapes local practice and national policy;
- connect Scotland's rural movement with UK, EU and international partners.

We do this in the context of Scotland's sparsely populated rural and island diaspora with just 17% of the population yet 98% of the landmass and over 90 inhabited islands. Because of this sparseness and diversity, our work building the rural movement is critical to shining a light on effective approaches to addressing longstanding challenges such as the demographic deficit of younger adults. It is also critical to supporting rural strengths and innovation across all areas of community, enterprise, culture and the custodianship of land to mitigate climate change and prevent loss of biodiversity.

Summary of 2023-24: Progress strengthening Scotland's rural movement

2023/24 saw significant progress in strengthening Scotland's rural movement:

1. Defining the rural movement, its structure and governance

The definition of Scotland's rural movement is now consolidated and used more consistently across the various stakeholder groups - civil society (see www.srip.scot), academia (see the Rural Exchange website), Community Led Local Development (see the SRIP/rural movement embedded in the terms of reference for accountable bodies) and government (see for example reference to the rural movement in the Addressing Depopulation Action Plan, and in communications regarding the forthcoming Rural Delivery Plan). This diverse placing is evidence of an emerging recognition of the rural movement as a vehicle for rural and island development.

A structure has been identified which is tailored to the Scottish context and sees the rural movement as a flat structure which brings together sectoral and geographic networks or bodies, and the grassroots, around specific, regularly occurring or permanent platforms such as the Scottish Rural and Islands Parliament and the Scottish Rural & Islands Youth Parliament.

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Governance of these platforms is, as far as possible, decentralised and democratic. An All Curators Group, for example, involving over 70 curator organisations was established between August and November 2023 to support the delivery of the 2023 Scottish Rural & Islands Parliament (SRIP).

2. Securing engagement with the rural movement across the range of stakeholders (building recognition, credibility and confidence of people at all levels to participate)

@ Grassroots level

Recognition and credibility has, in the main, been built this year through the 2023 Scottish Rural & Islands Parliament and the 2023 Scottish Rural & Islands Youth Parliament. For the youth delegates credibility in the rural movement (i.e. evidence that their participation in the rural movement can have impact at local and national level) has been strengthened by the Scottish Parliament debate held in January 2024, focusing on their priorities. For the wider delegation, the evaluation survey showed that 93% of participants returned to their communities with valuable knowledge and connections to support their own local development. Conviction that the 2023SRIP outputs would influence decision-makers was, however, more moderate, with 74% expressing some level of confidence in this. Communications during 2024/25 around the SRIP and SRIYP outputs, and how they are shaping policy, as well as how they are supporting community development, are a cornerstone of this proposal for support from SG.

In 2023/24, Scottish Rural Action has actively engaged the grassroots in the rural movement, drawing on the energy and expertise of our membership. Our online events in January 2023 attracted between 20 and 30 people on average. Now they are seeing participation from between 50 and 70 people on average. Building the capacity of our grassroots members to engage with and shape the rural movement is an organisational priority for 2024/25 and we will pilot "speakers corners" - i.e. opening up our members meetings to be shaped by the campaigns they are involved in. We will also pilot a capacity building/training programme for community mobilisers.

To support the rural movement from an Islands dimension, we have worked with a group of MSPs in the Scottish Parliament to establish a Cross Party Group on Islands, together with the Scottish Islands Federation as co-secretariat. The CPG has the simple purpose of "strengthening the links between island communities and the Scottish Parliament" and it is grassroots-led. The most recent CPG was so popular it had to be capped at 120 people, representing 39 inhabited islands.

We have also worked with the Participation and Communities Team (PACT) at the Scottish Parliament to co-create processes for rural and island grassroots communities to input into Committee work. We have run two workshops - one for youth delegates of the Scottish Rural & Islands Parliament and one for grassroots stakeholders who would be directly impacted by the forthcoming Agriculture and Rural Communities Bill. In total around 90 people participated in these.

Finally, in 2023/24 we piloted our first policy-focused learning exchange in partnership with InspirAlba and funded by the Scottish Community Alliance. This took the form of a two day residential bringing women from across rural and island areas to talk about their enterprises. The outputs of this residential which are designed to shape implementation of the Scottish Government Pathways report, have been presented at the Scottish Rural & Islands Parliament, at the Cross Party Group on Women in Enterprise and various academic symposiums.

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@ Regional level

In 2023/24 we have continued working with the Community Led Local Development network, strengthening their participation in the rural movement through supporting them to curate a roundtable at the Scottish Rural & Islands Parliament, to co-curate the Scottish Rural & Islands Youth Parliament and to input directly into the Scottish Parliament Rural Affairs & Islands Committee deliberations on the Agriculture & Rural Communities Bill.

The CLLD network is still going through a period of consolidation and transition from LEADER. 2024/25 will therefore see SRA working with CLLD colleagues to involve them in the governance of the rural movement, including in selecting the locus of the next Scottish Rural & Islands Parliament and shaping the programme; and in developing a youth led rural network.

@ National (Intermediate/second tier) level

Recognition and credibility in the rural movement has been built through implementation of many of the recommendations in the Birnam Report (the foundation document of Scotland's rural movement). These recommendations included developing a unique brand for the Scottish Rural & Islands Parliament, separate to SRA's own brand (see the website www.srip.scot), establishing a decentralized approach to SRIP governance (the All Curators' Group involving over 70 organisations) and progressing work on specific cooperation strands including cooperation between community organisations, community researches and academics (this work, for example, took the form of a curated roundtable at the 2023SRIP).

Strengthening participation of intermediary organisations through more robust governance arrangements, and developing a clear workplan leading us to the 2025 Scottish Rural & Islands Parliament are priorities for 2024/25.

@ Cross border/international level

In 2023/24, SRA developed stronger links to the UK Government (DLUHC and DEFRA) through which we raise awareness of the role of the rural movement in Scotland. Work with sister organisations in Northern Ireland, Wales and England is gaining pace with plans for a consolidated cross-border network, underpinned by opportunities for grassroots learning exchanges, taking the form of an application to the Esmee Fairbairn Foundation.

International work mainly focuses on Europe through participation in the European Rural Community Alliance (ERCA) network. In 2023/24 SRA piloted a short term capacity building project with ERCA, supporting ERCA to consolidate its communications strategy and wider network offerings, with a view to strengthening the participation of both EU and non-EU partners, in particular Scotland. In 2024/25 we would aim to build on this pilot, and deliver two international workshops showcasing Scottish practice to European rural movement stakeholders.

3. Establishing the platforms of the rural movement

Work in 2023/24 focused on delivery of the Scottish Rural & Islands Parliament which saw over 500 people participate in the hybrid event. We also launched the inaugural Scottish Rural & Islands Youth Parliament which saw 75 young people from across Scotland participate.

In addition, we set up our monthly members' meet ups, took on the secretariat of the Cross Party Group on Islands together with the Scottish Islands Federation and have initiated exploratory talks with CLLD Local Action Groups who have expressed interest in hosting the European Rural Parliament in 2025.

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It is important to note that when we talk about 'platforms' of the rural movement, these are processes with longevity that allow anyone in grassroots communities to participate and share their expertise, and that bring grassroots communities together with policy and decision makers.

4. Upskilling people and organisations to participate in the rural movement

Connecting the grassroots to the rural movement is a process that involves supporting and upskilling organisations and people to become active participants. The aim is that organisations and individuals can, independently of SRA or of any other body, shape the rural movement and use its platforms to share knowledge, mobilise or inform policy.

Upskilling the grassroots is a strand of work delivered through our member services (though open also to non-members of SRA). It constitutes a recognised programme of workshops, networking and capacity building that supports activism and collective leadership and in 2024/25 will build on our "speakers' corner" pilot to develop a grassroots UP programme and the SRIP roadshow.

5. Including diverse voices (collaborating with seldom-heard groups to shape platforms)

This area of work has been the focus of Scottish Rural Action's "Advancing Equality" programme which is delivered in partnership with the National Rural Mental Health Forum, Scottish Rural Network the TSI Network THRE project, Sleeping Giants CIC and the Equality Network. The programme completed its scoping phase in 2022/23 and we need to pick up pace again, moving into implementation in 2024/25.

6. Capacity building national and regional networks of place and of interest to strengthen the reach of the rural movement

Scottish Rural Action's capacity building services, as mentioned above are delivered on four levels - grassroots, regional, national and cross-border/international - bringing the right people and resources together to create strong and cohesive networks linked to the wider rural movement.

2023/24 saw Scottish Rural Action support the development of a network project for village halls and community spaces, working with various organisations including SRN, SCVO and DTAS. This was identified as a priority by SRA's membership and through our consultation work. The theme for the 2023 SRIP was "village halls and community spaces." Collaboration with our sister organisation ACRE, which runs the network of village halls in England, adds a cross border learning exchange dimension to this project, including the launch of the inaugural Scottish version of ACRE's Village Halls Week.

On the back of the inaugural Scottish Rural & Islands Youth Parliament, youth delegates asked for a dedicated rural youth network which would connect youth-led groups and organisations with each other to share learning and with policy makers, initially to shape the Rural Delivery Plan.

Finally, in 2023/24 we piloted work to engage more fully with Community Councils on particular thematic such as water and wastewater management. Community Councils are networked through the Improvement Service at national level and through local authority Ward officers at regional level, so the priority is to strengthen our own offerings to these existing networks in 2024/25, rather than create anything new.

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7. Developing a cross-sectoral, grassroots understanding of rural Scotland's economy, society and culture that shapes national policy

Policy engagement work in 2023/24 focused on the Climate Change Plan, the Energy Strategy & Just Transition Plan, the cost of living crisis, the Agriculture & Rural Communities Bill and on water & wastewater management amongst other areas.

The main focus, however, was on supporting curators with connecting their SRIP or SRIYP thematics to policy and decision makers. This work has both individual strands and an overarching (framework) strand.

Individual strands included supporting each curator to develop an output from their session and share this with relevant decision makers depending on the nature of their output.

The overarching strand builds on the Last Dance workshop and aims to create a more robust framework and overarching policy approach to rural and island places, initially through the Rural Delivery Plan and the rural lens toolkit.

At the same time as building connections between communities and different stakeholders, we continued our work to channel grassroots expertise into shaping policy, contributing to a range of consultations including the Scottish Affairs Committee's call for evidence on the cost of living crisis in rural Scotland. Our staff and Directors sat on various expert working groups including the Scottish Government's Rural Visa Working Group. You can find information on our work here: www.sra.scot

We are grateful to our funders, in particular Scottish Rural Network and the Scottish Government, for their ongoing support of our work.

FINANCIAL REVIEW

Financial Review

The Scottish Government remains the primary core funder for Scottish Rural Action. The Board recognises an ongoing need to diversify SRA's income and are pleased that we have started to attract modest income from other sources, mainly donations, sponsorship and sales of services.

2023-24 has seen our project expenditure increase, compared to recent years, due to this being a Scottish Rural & Islands Parliament (SRIP) year. The main event in Fort William was held in person and online on 1-3 November 2023 with 500 delegates in attendance.

During the year, Scottish Rural Action reported a deficit of £11,105 (2023 - £5,764 surplus), with a decrease in restricted funds to £9,406 (2023 - £32,122) and an increase in unrestricted funds to £71,102 (2023 - £59,491).

Reserves policy

Scottish Rural Action seeks to retain reserves the equivalent of six months operating costs and sufficient to meet our obligations in full upon deciding to close the organisation. The Board is satisfied the necessary amount is available in unrestricted reserves at 31st March 2024.

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FUTURE PLANS

In 2024/25, we aim to further the following platforms of the rural movement -

- i. The Royal Highland Show weekend presence - a celebratory platform which raises awareness of the diversity of rural and island places, but does not act as a conduit to policy and decision makers;
- ii. The SRIP/SRIYP roadshow which will continue to raise awareness of the SRIP while refining the outputs from the Last Dance Workshop.
- iii. The European Rural Parliament – we will work with partners to submit an Expression of Interest to host the 2025 European Rural Parliament in Scotland.

In terms of network building in 2024/25, SRA will focus on -

- i. Consolidating a national network for village halls;
- ii. Establishing a national network for rural youth in partnership with the CLLD Y-LAGs, the Young Islanders Network, the Scottish Youth Parliament, SAYFC and others
- iii. Exploring ways to strengthen SRA's offering to Community Councils in partnership with the Improvement Service

With regards to influencing policy and practice, particular priorities for 2024/25 include:

- i. Raising awareness of the outputs of the Scottish Rural & Islands Parliament, including the Last Dance Framework
- ii. Developing a Rural & Islands Place Standard Tool
- iii. Working with the Scottish Rural and Islands Transport Community to develop a draft rural & island mobility plan.
- iv. Building up an evidence base around community-led water and wastewater management projects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Staffing structure

The staffing structure of SRA during the year was as follows:

Artemis Pana - National Co-ordinator (1FTE)
Catriona Mallows - Campaigns and Communications Officer (0.8FTE)
Christine Fairbairn - Membership and Engagement Officer (0.6FTE)
Innes Morgan - Youth Consultant (on a consultancy basis)

Induction and training of new trustees

New members of the Board attend an induction meeting and are provided with an initial information pack containing previous minutes of Board meetings and literature associated with the business of the organisation. The Trustees receive ongoing, appropriate training by attendance at organisational development days, governance training as part of regular board meetings and other volunteer development sessions.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

As with previous years, the trustees consider the greatest risk to SRA in the year to March 2024 was the reliance on one funder for core costs. Mitigating this is work on our Fundraising Strategy and careful stewardship of our resources, including our reserves.

Scottish Rural Action

**Report of the Trustees
for the Year Ended 31 March 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC461352 (Scotland)

Registered Charity number

048086

Registered office

The Cooper Building
505 Great Western Road
Glasgow
Strathclyde
G12 8HN

Trustees

S K Boyd (resigned 31.3.24)

P A Kennedy (resigned 4.10.23)

K Dams

T Morrison

B W Cameron

A Prior

D Logie (resigned 30.3.24)

B M O'Hanrahan

S E Tel

A L B Spence

A McGuinness

T L Cook (appointed 31.3.24)

F Donald (appointed 31.3.24)

C J Fingland (appointed 31.3.24)

E Pietka-Nykaza (appointed 31.3.24)

Independent Examiner

Raymond Henry

The Kelvin Partnership Ltd

Chartered Accountants

The Cooper Building

505 Great Western Road

Glasgow

G12 8HN

Approved by order of the board of trustees on 17 December 2024 and signed on its behalf by:



B W Cameron - Trustee

Independent Examiner's Report to the Trustees of Scottish Rural Action

I report on the accounts for the year ended 31 March 2024 set out on pages nine to nineteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention :

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Raymond Henry
The Institute of Chartered Accountants in England and Wales

The Kelvin Partnership Ltd
Chartered Accountants
The Cooper Building
505 Great Western Road
Glasgow
G12 8HN

17 December 2024

Scottish Rural Action

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

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	13,203	-	13,203	121
Charitable activities					
Grants	4	-	196,218	196,218	144,942
Other trading activities	3	878	-	878	1,927
Total		<u>14,081</u>	<u>196,218</u>	<u>210,299</u>	<u>146,990</u>
EXPENDITURE ON					
Charitable activities					
Charitable activities		2,470	218,934	221,404	139,288
Other		-	-	-	1,938
Total		<u>2,470</u>	<u>218,934</u>	<u>221,404</u>	<u>141,226</u>
NET INCOME/(EXPENDITURE)		11,611	(22,716)	(11,105)	5,764
RECONCILIATION OF FUNDS					
Total funds brought forward		59,491	32,122	91,613	85,849
TOTAL FUNDS CARRIED FORWARD		<u><u>71,102</u></u>	<u><u>9,406</u></u>	<u><u>80,508</u></u>	<u><u>91,613</u></u>

The notes form part of these financial statements

Scottish Rural Action

**Balance Sheet
31 March 2024**

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	8	-	-	-	199
CURRENT ASSETS					
Cash at bank and in hand		72,662	9,406	82,068	92,734
CREDITORS					
Amounts falling due within one year	9	(1,560)	-	(1,560)	(1,320)
NET CURRENT ASSETS		<u>71,102</u>	<u>9,406</u>	<u>80,508</u>	<u>91,414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		71,102	9,406	80,508	91,613
NET ASSETS		<u><u>71,102</u></u>	<u><u>9,406</u></u>	<u><u>80,508</u></u>	<u><u>91,613</u></u>
FUNDS					
Unrestricted funds	10			71,102	59,491
Restricted funds				9,406	32,122
TOTAL FUNDS				<u><u>80,508</u></u>	<u><u>91,613</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

Scottish Rural Action

Balance Sheet - continued
31 March 2024

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 17 December 2024 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read "B W Cameron". The signature is written in a cursive style with a trailing flourish.

B W Cameron - Trustee

The notes form part of these financial statements

Scottish Rural Action

Notes to the Financial Statements for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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 (FRS102). The financial statements have also been prepared in accordance with the Charities Accounts(Scotland) Regulations Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

The charity is a public benefit entity as defined by FRS102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all periods presented.

Critical accounting judgements and key sources of estimation uncertainty

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

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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 probably that those conditions will be fulfilled in the reporting period.

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.

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

1. ACCOUNTING POLICIES - continued

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.

Governance costs

Governance costs (which are included as a component of support costs (in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination).

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% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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.

Pension costs and other post-retirement benefits

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

Going Concern

The Trustees are obliged to consider the appropriateness of the going concern assumption when preparing the financial statements. The Trustees believe that there are no material uncertainties affecting the charity's ability to continue as a going concern and, accordingly, the financial statements are prepared on a going concern basis.

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 its financial instruments.

Scottish Rural Action

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

1. ACCOUNTING POLICIES - continued

Financial instruments are recognized in the charity's financial statements when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

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

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans are initially recognised at transaction price and 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 business 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.

Cash and cash equivalents

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

Provisions

Provisions are recognised where a legal or constructive obligation has been incurred which will probably lead to an outflow of resources that can be reasonably estimated. Provisions are recorded for the estimated ultimate liability that is expected to arise, taking into account the time value of money where material.

Scottish Rural Action

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

A contingent liability is disclosed where the existence of the obligation will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable.

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23
	£	£
Donations	13,203	121
	<u> </u>	<u> </u>

3. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23
	£	£
Other income	878	1,927
	<u> </u>	<u> </u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.24	31.3.23
	£	£
Activity		
Grants	196,218	144,942
	<u> </u>	<u> </u>

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

	31.3.24	31.3.23
	£	£
Scottish Government	196,218	144,942
	<u> </u>	<u> </u>

5. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23
	£	£
Independent examination fee	1,813	1,320
Depreciation - owned assets	199	200
	<u> </u>	<u> </u>

Scottish Rural Action

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

6. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

During the year to 31 March 2024 £944 (2023-£2,309) was reimbursed in expenses to the trustees.

7. STAFF COSTS

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

	31.3.24	31.3.23
Administration	6	6
	<u> </u>	<u> </u>

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

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 April 2023 and 31 March 2024	1,234	599	1,833
	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION			
At 1 April 2023	1,234	400	1,634
Charge for year	-	199	199
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	1,234	599	1,833
	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE			
At 31 March 2024	-	-	-
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	-	199	199
	<u> </u>	<u> </u>	<u> </u>

Scottish Rural Action

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Accrued expenses	1,560	1,320
	<u>1,560</u>	<u>1,320</u>

10. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	At 31.3.24
	£	£	£
Unrestricted funds			
General fund	59,491	11,611	71,102
Restricted funds			
Scottish Government - Scottish Rural & Islands Parliament	8,000	(8,000)	-
Scottish Government - Rural Cohesion and Scottish Rural Network	24,122	(14,716)	9,406
	<u>32,122</u>	<u>(22,716)</u>	<u>9,406</u>
TOTAL FUNDS	<u>91,613</u>	<u>(11,105)</u>	<u>80,508</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	14,081	(2,470)	11,611
Restricted funds			
Scottish Government - Scottish Rural & Islands Parliament	-	(8,000)	(8,000)
Scottish Government - Rural Cohesion and Scottish Rural Network	196,218	(210,934)	(14,716)
	<u>196,218</u>	<u>(218,934)</u>	<u>(22,716)</u>
TOTAL FUNDS	<u>210,299</u>	<u>(221,404)</u>	<u>(11,105)</u>

Scottish Rural Action

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	69,849	(10,358)	59,491
Restricted funds			
Scottish Government - Scottish Rural & Islands Parliament	16,000	(8,000)	8,000
Scottish Government - Rural Cohesion and Scottish Rural Network	-	24,122	24,122
	<u>16,000</u>	<u>16,122</u>	<u>32,122</u>
TOTAL FUNDS	<u>85,849</u>	<u>5,764</u>	<u>91,613</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,048	(12,406)	(10,358)
Restricted funds			
Scottish Government - Scottish Rural & Islands Parliament	-	(8,000)	(8,000)
Scottish Government - Rural Cohesion and Scottish Rural Network	144,942	(120,820)	24,122
	<u>144,942</u>	<u>(128,820)</u>	<u>16,122</u>
TOTAL FUNDS	<u>146,990</u>	<u>(141,226)</u>	<u>5,764</u>

Scottish Rural Action

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

11. RELATED PARTY DISCLOSURES

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

Scottish Rural Action

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

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	13,203	121
Other trading activities		
Other income	878	1,927
Charitable activities		
Grants	196,218	144,942
Total incoming resources	210,299	146,990
 EXPENDITURE		
Charitable activities		
Wages	88,865	85,011
Pensions	7,673	5,071
Insurance	1,289	1,304
Telephone and communications	2,036	1,731
Marketing Materials	-	3,940
Sundries	230	13
Consultancy	915	6,233
Directors travel and subsistence	944	2,309
Computer software and subs	3,666	4,977
Other events	7,962	8,632
Staff travel and subsistence	5,646	5,455
Memberships	229	540
Training	395	540
Projects	99,482	11,934
Computer equipment	199	200
	219,531	137,890
 Support costs		
Management		
Bank charges	60	78
 Governance costs		
Independent examination fee	1,813	1,320
Carried forward	1,813	1,320

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Scottish Rural Action

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	31.3.24	31.3.23
	£	£
Governance costs		
Brought forward	1,813	1,320
Board meeting expenses	-	1,938
	<u>1,813</u>	<u>3,258</u>
Total resources expended	<u>221,404</u>	<u>141,226</u>
Net (expenditure)/income	<u>(11,105)</u>	<u>5,764</u>

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