

REGISTERED COMPANY NUMBER: SC461601 (Scotland)
REGISTERED CHARITY NUMBER: SC46307

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 October 2020
for
Caithness Broch Project

Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

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for the Year Ended 31 October 2020

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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 October 2020. 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

To benefit the Caithness public by advancing education, community development, heritage, and culture, and the relief of poverty, and by encouraging people to learn about, record, and become involved in the heritage of Caithness through:

- (a) providing opportunities for all ages and abilities to learn about the rich archaeological heritage of their communities;
- (b) developing an understanding of the archaeological heritage through recreating a broch(s) or other structures;
- (c) creating archaeological records from the company's activities (e.g. recording, surveying, excavation), for public access now and in the future (e.g. website, public archives);
- (d) offering a range of activities to suit all interests and to allow progression including courses, above ground surveys, excavation, post-excavation activities and archival research;
- (e) providing tools and knowledge to enable people to make contributions to, and manage their local heritage;
- (f) working with other individuals, organisations, government bodies, quasiautonomous organisations, museums, schools and projects to further the above aims of the Caithness Broch Project;

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The pandemic has not slowed the project greatly and we are glad to report that none of us had covid. If anything, the push towards online meetings and presentations has saved time and money, and enabled us to widen our outreach programme of talks to new audiences around the UK and throughout the world.

Taking our AGM online was also deemed a success, again with a wide dispersion of participants.

We made slow but steady progress on our main project, building a replica broch. Our consultants are Hoskins Architects supported by Jura Consultants, Doig and Smith QS, and Cundall engineers. Two Hoskins architects paid us a visit to look at shortlisted sites, which we managed to accomplish while social distancing. This was inspirational for them and good team building for us. Progress was made on narrowing down the shortlist with the input of the consultant team. Their report is sitting as a draft until we further narrow the shortlist to make sure we can get the most out of this phase. The consultants have been very accommodating to our extended timescales.

We worked with Bob Marshall, historical reconstruction artist and illustrator, on the detail design of the broch and broch village. This is both a design exercise that will feed into the architectural and engineering designs, and also a graphical exercise for communication of our aims.

Our project to conserve the broch at Ousdale was completed over the winter of 2019, delivered late due to a late start, but under budget, and to the satisfaction of HES and the landowner. Some of the funding was reallocated for site maintenance and the installation of a CCTV camera which is our response to fly tipping in the new car park.

It was agreed at the last AGM to sell merchandise through a limited number of local shops on a more commercial basis. The other main change we have started to consider is drop-shipping merchandise from direct-to-garment printers, which means that we would no longer be keeping stock of most of our products. Managing stock has always been a problem for the Project. This will be sold through our new website. We have been communicating with various website designers about making us a new website to replace our current one, which has served us well but is not keeping up with our ambitions and the image we want to project.

Our fantasy-style map was readied for production and we took pre-orders to allow us to optimise printer costs and stock levels. We designed a tourist leaflet to showcase the map and tie into an online version which will launch properly with the new website.

FINANCIAL REVIEW

Financial position

Total income during the year was £162,317 (2019 - £53,401), expenditure was £171,870 (2019 - £11,458) leaving a deficit of £9,552 (2019 surplus - £41,943) for the year. We carried forward reserves of £34,763 (2019 - £44,315) for the continuation of our projects and events and sustainability of the charity.

Reserves policy

The Directors have reviewed the reserves at the year end and of the opinion that they are sufficient to cover the current project work, but will need to build up over future years in the expectation of managing larger value projects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

Recruitment and appointment of new trustees

The methods used to recruit and appoint new charity trustees are identified in the Memorandum and Articles of Association. The committee is healthy with a total number of committee members of 16 of which 7 are Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC461601 (Scotland)

Registered Charity number

SC46307

Registered office

50 Springpark Terrace
Thurso
Caithness
KW14 8NN

Trustees

R Herrick Chairman
J L Howdle-Orange
I K Maclean
K G McElroy
C Aitken (appointed 6.12.19)
D C Mackay (appointed 6.12.19)
P Macrae (appointed 16.9.20)

Independent Examiner

Marcus D. MacIver
CA (ICAS)
Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

Approved by order of the board of trustees on 17 June 2021 and signed on its behalf by:

R Herrick - Trustee

Independent examiner's report to the trustees of Caithness Broch Project ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Marcus D. MacIver
CA (ICAS)
Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

17 June 2021

Caithness Broch Project

Statement of Financial Activities
for the Year Ended 31 October 2020

	Notes	Unrestricted fund £	Restricted funds £	31.10.20 Total funds £	31.10.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	4,361	1,775	6,136	19,494
Charitable activities	4				
Lyth Arts & Archaeology Events		-	-	-	1,172
Ousdale		-	123,846	123,846	20,000
Achvarasdal		-	-	-	500
Other charitable activities		-	961	961	-
Project Development Brief		-	11,228	11,228	7,720
Other trading activities	3	20,146	-	20,146	4,515
Total		24,507	137,810	162,317	53,401
EXPENDITURE ON					
Raising funds		4,687	570	5,257	1,623
Charitable activities					
Lyth Arts & Archaeology Events		-	-	-	777
Ousdale		-	133,308	133,308	3,676
Other charitable activities		3,747	907	4,654	5,382
Project Development Brief		-	28,650	28,650	-
Total		8,434	163,435	171,869	11,458
NET INCOME/(EXPENDITURE)		16,073	(25,625)	(9,552)	41,943
Transfers between funds	12	(3,661)	3,661	-	-
Net movement in funds		12,412	(21,964)	(9,552)	41,943
RECONCILIATION OF FUNDS					
Total funds brought forward		6,115	38,200	44,315	2,372
TOTAL FUNDS CARRIED FORWARD		18,527	16,236	34,763	44,315

The notes form part of these financial statements

Caithness Broch Project

Balance Sheet
31 October 2020

	Notes	Unrestricted fund £	Restricted funds £	31.10.20 Total funds £	31.10.19 Total funds £
FIXED ASSETS					
Tangible assets	8	104	6,440	6,544	138
CURRENT ASSETS					
Stocks	9	200	-	200	200
Cash at bank and in hand		19,111	49,796	68,907	45,053
		<u>19,311</u>	<u>49,796</u>	<u>69,107</u>	<u>45,253</u>
CREDITORS					
Amounts falling due within one year	10	(888)	(40,000)	(40,888)	(1,076)
NET CURRENT ASSETS		<u>18,423</u>	<u>9,796</u>	<u>28,219</u>	<u>44,177</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,527</u>	<u>16,236</u>	<u>34,763</u>	<u>44,315</u>
NET ASSETS		<u>18,527</u>	<u>16,236</u>	<u>34,763</u>	<u>44,315</u>
FUNDS	12				
Unrestricted funds				18,527	6,115
Restricted funds				<u>16,236</u>	<u>38,200</u>
TOTAL FUNDS				<u>34,763</u>	<u>44,315</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

Caithness Broch Project

Balance Sheet - continued
31 October 2020

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 June 2021 and were signed on its behalf by:

R Herrick - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

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.

Tangible fixed assets

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

General Equipment - 25% on reducing balance

Computer equipment - 33% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

2. DONATIONS AND LEGACIES

	31.10.20	31.10.19
	£	£
Donations	3,626	15,504
Subscriptions	2,510	3,990
	<u>6,136</u>	<u>19,494</u>

3. OTHER TRADING ACTIVITIES

	31.10.20	31.10.19
	£	£
Shop income	<u>20,146</u>	<u>4,515</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.10.20	31.10.19
		£	£
Grants	Lyth Arts & Archaeology Events	-	1,172
Grants	Ousdale	123,846	20,000
Grants	Achvarasdal	-	500
Grants	Other charitable activities	961	-
Grants	Project Development Brief	11,228	7,720
		<u>136,035</u>	<u>29,392</u>

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

	31.10.20	31.10.19
	£	£
The Highland Council	-	1,000
Historical Environment Scotland	55,870	-
Caithness & North	11,228	-
Beatrice Offshore Windfarm	-	20,000
Dunnet Bay Distillers	-	3,720
Groundworks UK	-	2,000
Ecclesiastical Insurance Group	-	1,000
West Caithness Community Fund	-	500
Stroupster Community Fund	-	1,172
Leader	67,976	-
Your Cash, Your Caithness	961	-
	<u>136,035</u>	<u>29,392</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

5. NET INCOME/(EXPENDITURE)

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

	31.10.20	31.10.19
	£	£
Depreciation - owned assets	34	1,000
	<u> </u>	<u> </u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2020 nor for the year ended 31 October 2019.

Trustees' expenses

The following expenses were paid to Trustees as reimbursement for expenses incurred on behalf of Caithness Broch Project:

TRUSTEE	31.10.20	31.10.19
I K Maclean	176.40	161.10
D Mackay	171.00	131.42
C Aitken	0	9.93
R Herrick	1,305.69	508.07
K McElroy	454.13	758.31
	<u> </u>	<u> </u>
	2,107.22	1,568.83
	<u> </u>	<u> </u>

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	8,529	10,965	19,494
Charitable activities			
Lyth Arts & Archaeology Events	-	1,172	1,172
Ousdale	-	20,000	20,000
Achvarasdal	-	500	500
Project Development Brief	-	7,720	7,720
Other trading activities	4,515	-	4,515
	<u> </u>	<u> </u>	<u> </u>
Total	13,044	40,357	53,401
EXPENDITURE ON			
Raising funds	1,560	63	1,623

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
Charitable activities			
Lyth Arts & Archaeology Events	-	777	777
Ousdale	-	3,676	3,676
Other charitable activities	5,382	-	5,382
Total	6,942	4,516	11,458
NET INCOME	6,102	35,841	41,943
Transfers between funds	(2,359)	2,359	-
Net movement in funds	3,743	38,200	41,943
RECONCILIATION OF FUNDS			
Total funds brought forward	2,372	-	2,372
TOTAL FUNDS CARRIED FORWARD	6,115	38,200	44,315

8. TANGIBLE FIXED ASSETS

	General Equipment £	Computer equipment £	Totals £
COST			
At 1 November 2019	520	2,375	2,895
Additions	6,440	-	6,440
Disposals	-	(2,649)	(2,649)
At 31 October 2020	6,960	(274)	6,686
DEPRECIATION			
At 1 November 2019	382	2,375	2,757
Charge for year	34	-	34
Eliminated on disposal	-	(2,649)	(2,649)
At 31 October 2020	416	(274)	142
NET BOOK VALUE			
At 31 October 2020	6,544	-	6,544
At 31 October 2019	138	-	138

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

9. STOCKS

	31.10.20	31.10.19
	£	£
Stocks	200	200
	<u>200</u>	<u>200</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.20	31.10.19
	£	£
Other loans (see note 11)	40,000	-
Accrued expenses	888	1,076
	<u>40,888</u>	<u>1,076</u>

11. LOANS

An analysis of the maturity of loans is given below:

	31.10.20	31.10.19
	£	£
Amounts falling due within one year on demand:		
Highland Council bridging loan	<u>40,000</u>	<u>-</u>

12. MOVEMENT IN FUNDS

	At 1.11.19 £	Net movement in funds £	Transfers between funds £	At 31.10.20 £
Unrestricted funds				
General fund	6,115	16,073	(3,661)	18,527
Restricted funds				
Lyth Art & Archaeology Events	-	(12)	343	331
Project Development	18,634	(17,422)	3,300	4,512
Achvarasdal	-	-	19	19
Maps and Leaflets	-	86	-	86
Ousdale Security Camera	-	1,743	-	1,743
Ousdale Broch	19,566	(10,020)	(1)	9,545
	<u>38,200</u>	<u>(25,625)</u>	<u>3,661</u>	<u>16,236</u>
TOTAL FUNDS	<u>44,315</u>	<u>(9,552)</u>	<u>-</u>	<u>34,763</u>

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	24,507	(8,434)	16,073
Restricted funds			
Lyth Art & Archaeology Events	-	(12)	(12)
Project Development	11,228	(28,650)	(17,422)
Maps and Leaflets	961	(875)	86
Ousdale Security Camera	1,775	(32)	1,743
Ousdale Broch	123,846	(133,866)	(10,020)
	<u>137,810</u>	<u>(163,435)</u>	<u>(25,625)</u>
TOTAL FUNDS	<u>162,317</u>	<u>(171,869)</u>	<u>(9,552)</u>

Comparatives for movement in funds

	At 1.11.18 £	Net movement in funds £	Transfers between funds £	At 31.10.19 £
Unrestricted funds				
General fund	2,372	6,102	(2,359)	6,115
Restricted funds				
Lyth Art & Archaeology Events	-	382	(382)	-
Project Development	-	35,459	2,741	38,200
	<u>-</u>	<u>35,841</u>	<u>2,359</u>	<u>38,200</u>
TOTAL FUNDS	<u>2,372</u>	<u>41,943</u>	<u>-</u>	<u>44,315</u>

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	13,044	(6,942)	6,102
Restricted funds			
Lyth Art & Archaeology Events	1,222	(840)	382
Project Development	39,135	(3,676)	35,459
	<u>40,357</u>	<u>(4,516)</u>	<u>35,841</u>
TOTAL FUNDS	<u><u>53,401</u></u>	<u><u>(11,458)</u></u>	<u><u>41,943</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.11.18 £	Net movement in funds £	Transfers between funds £	At 31.10.20 £
Unrestricted funds				
General fund	2,372	22,175	(6,020)	18,527
Restricted funds				
Lyth Art & Archaeology Events	-	370	(39)	331
Project Development	-	18,037	6,041	24,078
Achvarasdal	-	-	19	19
Maps and Leaflets	-	86	-	86
Ousdale Security Camera	-	1,743	-	1,743
Ousdale Broch	-	(10,020)	(1)	(10,021)
	<u>-</u>	<u>10,216</u>	<u>6,020</u>	<u>16,236</u>
TOTAL FUNDS	<u><u>2,372</u></u>	<u><u>32,391</u></u>	<u><u>-</u></u>	<u><u>34,763</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	37,551	(15,376)	22,175
Restricted funds			
Lyth Art & Archaeology Events	1,222	(852)	370
Project Development	50,363	(32,326)	18,037
Maps and Leaflets	961	(875)	86
Ousdale Security Camera	1,775	(32)	1,743
Ousdale Broch	123,846	(133,866)	(10,020)
	<u>178,167</u>	<u>(167,951)</u>	<u>10,216</u>
TOTAL FUNDS	<u>215,718</u>	<u>(183,327)</u>	<u>32,391</u>

The restricted funds represent grants and donations towards the consolidation and conservation of the Ousdale Broch.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 October 2020.

14. COMPANY LIMITED BY GUARANTEE

Caithness Broch Project is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such an amount as may be required, not exceeding £1, to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Caithness Broch Project

Detailed Statement of Financial Activities
for the Year Ended 31 October 2020

	Unrestricted funds £	Restricted funds £	31.10.20 Total funds £	31.10.19 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	1,851	1,775	3,626	15,504
Subscriptions	2,510	-	2,510	3,990
	<hr/> 4,361	<hr/> 1,775	<hr/> 6,136	<hr/> 19,494
Other trading activities				
Shop income	20,146	-	20,146	4,515
Charitable activities				
Grants	-	136,035	136,035	29,392
	<hr/> -	<hr/> 136,035	<hr/> 136,035	<hr/> 29,392
Total incoming resources	<hr/> 24,507	<hr/> 137,810	<hr/> 162,317	<hr/> 53,401
EXPENDITURE				
Other trading activities				
Purchases	4,687	570	5,257	1,623
Charitable activities				
Insurance	237	-	237	221
Archaeology and restoration	-	161,650	161,650	3,676
Broch & Map designs	-	875	875	375
Postage	796	-	796	426
Advertising	91	61	152	305
Sundries	374	279	653	266
Travel and hospitality	385	-	385	1,539
IT	146	-	146	146
Room hire	-	-	-	121
Stationery & office costs	316	-	316	240
Fees	-	-	-	700
Depreciation of tangible fixed assets	34	-	34	1,000
	<hr/> 2,379	<hr/> 162,865	<hr/> 165,244	<hr/> 9,015
Support costs				
Governance costs				
Accountancy and legal fees	1,368	-	1,368	820
	<hr/> 1,368	<hr/> -	<hr/> 1,368	<hr/> 820
Total resources expended	<hr/> 8,434	<hr/> 163,435	<hr/> 171,869	<hr/> 11,458
Net income	<hr/> 16,073	<hr/> (25,625)	<hr/> (9,552)	<hr/> 41,943

This page does not form part of the statutory financial statements