

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

**Report of the Trustees and**  
**Unaudited Financial Statements for the Year Ended 31 March 2021**  
**for**  
**Scottish Rural Action**

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

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for the Year Ended 31 March 2021**

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**Report of the Trustees  
for the Year Ended 31 March 2021**

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 2021. 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).

**Report of the Trustees  
for the Year Ended 31 March 2021**

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The company supports and promotes the advancement of citizenship and community development, including rural regeneration and civic responsibility. To this end, the company carries out activities:

- To encourage and actively support the development of an inclusive and sustainable Scottish rural movement that is rooted in Scotland's rural communities and empowers and connects them.
- To support the organisation of a Scottish Rural Parliament that meets with the purpose of giving a stronger, more coherent voice to Scotland's rural communities and enabling them to engage more effectively with government at all levels.
- To support and promote the development of a Scottish rural movement and Parliament.

**Activities**

Where 2019-20 was a period of great uncertainty for Scottish Rural Action, 2020-21 brought an influx of people, energy and ideas which have helped build more solid foundations for the organisation's future.

One new Trustee, Brian Cameron from Moray, was co-opted in June 2020. The National Coordinator, Artemis Pana, took up post in April 2020 and Esme Leitch, our Communications & Engagement Officer in September 2020. Our Finance & Admin Officer, Barbara Grieve, was promoted to Finance and Research Officer in October 2020 on completion of her MSc and around the same time we also appointed Innes Morgan as our Youth Consultant.

Like our colleagues in rural and island communities across Scotland, SRA responded to the challenge of the COVID-19 pandemic by re-aligning our activities to strengthen the local and national pandemic response.

1. We launched our COVID-19 information portal through our website, highlighting funding opportunities and good practice. Our articles were accessed 6,278 times between April and September and we received 50 community requests for advice and guidance in the same period.
2. We launched our new website in September 2020 to ensure our materials and materials relating to the Scottish Rural Parliament are fully accessible to our stakeholders.
3. We increased engagement through our newsletter and social media channels and launched an Instagram account.
4. We conducted two major national surveys into the impact of the pandemic on rural and island communities and supplemented these with qualitative research through our CoVID-19 Local Reference Group and a series of online, regional meetings delivered in partnership with the Scottish Islands Federation.

Information from activities under point 4 was fed into government strategic groups, including the Scottish Government's COVID-19 Rural Economy Stakeholder Group, and over ten focused government consultations aimed at identifying action to build the resilience of rural and island communities.

Equally important, activities under point 4 shaped the agenda and sessions of the Scottish Rural Parliament which was held online in March 2021. Indeed, the period between November 2020 and March 2021 was almost entirely focused on coordinating, designing and delivering the 2021 Scottish Rural Parliament.

We are particularly grateful to our co-secretariat, the Scottish Islands Federation, for their enthusiasm and commitment to working with us, to Scottish Rural Network for their support and expertise, to the Scottish Government and South of Scotland Enterprise for sponsoring the Scottish Rural Parliament and to Speakeasy for designing the virtual platform.

## **Scottish Rural Action**

### **Report of the Trustees for the Year Ended 31 March 2021**

Most of all we are grateful to the 'curator' organisations who led on designing and delivering the thematic sessions of the Scottish Rural Parliament and shaping the recommendations. Between the national surveys, the regional events and the main event in March 2021, over 1,500 people participated in the 2021 Scottish Rural Parliament process creating a collective, powerful voice for rural and island communities.

#### **FINANCIAL REVIEW**

##### **Financial Review**

The Scottish Government remains the primary core funder for Scottish Rural Action with additional project related funding secured from contracts and grants, including a grant from Impact Funding Partners. We are very grateful to the Scottish Government, to Impact Funding Partners and our other supporters for their commitment. The Board recognises an ongoing need to diversify SRA's income and we are currently finalising our Fundraising Plan in line with our Strategic Plan.

2020-21 has seen savings on budget headings relating to staff and Board expenses, particularly relating to travel, but it has also seen increases in spend, such as on our new website and on web-based software packages, so that we may continue engaging with our stakeholders under pandemic restrictions. 2020-21 has also seen a significant drop in sponsorship income by moving the Rural Parliament online.

A correction to the 2019-20 accounts has been noted. The impact of this correction is that the reported surplus for the year to 31 March 2020 has decreased by £24,685 with a corresponding decrease in current net assets at 31 March 2020.

##### **Reserves policy**

Scottish Rural Action seeks to retain reserves the equivalent of three 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 31 March 2020.

#### **FUTURE PLANS**

The first months of 2021-22 will see us working closely with the Scottish Rural Parliament curators to produce session reports and recommendations and to communicate those recommendations to government in Scotland and in Westminster. All materials may be found on the Scottish Rural Action website.

Reflecting on 2020-21, the Board notes that Scottish Rural Action has made significant progress building positive engagement with government, public and academic bodies and with colleagues in third sector, second tier organisations. These organisations will be the cornerstone of Scotland's emerging rural movement.

As we move further into 2021-22, we will continue to consolidate progress on the rural movement. We will work with Scotland's Rural College and the Scottish Government to support international research into different models of rural movements which will generate learning for Scotland. We will also test different approaches to engaging with grassroots rural movement actors through partnering with the Community Led Local Development (ex LEADER) network in the central belt and we will improve our own engagement with Scottish Rural Action's membership.

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

##### **Governing document**

SRA is a Scottish Charity and a Company limited by guarantee, as defined by the Companies Act 2006 and is governed by its Articles of Association

**Report of the Trustees  
for the Year Ended 31 March 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Staffing structure**

Scottish Rural Action recruited two key members of staff during this reporting period, Artemis Pana joined in April 2020 as our new National Co-ordinator and Esme Leitch became our Communications and Engagement Officer in September 2020.

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

Artemis Pana - National Co-ordinator (0.6 FTE)

Finance & Administration Officer - Barbara Grieve (0.53 FTE) promoted to Research and Finance Officer in October 2020.

Esme Leitch - Communications and Engagement Officer (0.6 FTE)

Innes Morgan - Youth Consultant (on 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 2021 was the absence of secured core funding. Mitigating this is work on our Fundraising Strategy and careful stewardship of our resources, including our reserves.

**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

**Scottish Rural Action**

**Report of the Trustees  
for the Year Ended 31 March 2021**

**Trustees**

A V Halhead (resigned 1.9.20)  
G S M Harrison  
A M Macleod (resigned 27.7.20)  
S K Boyd  
P A Kennedy  
K Dams  
T Morrison  
D G Campbell  
A Jones (resigned 7.4.20)  
B W Cameron (appointed 1.6.20)  
C Russell

**Independent Examiner**

Raymond Henry FCA  
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 21 December 2021 and signed on its behalf by:



S K Boyd - Trustee

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

I report on the accounts for the year ended 31 March 2021 set out on pages seven to fourteen.

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

21 December 2021



Scottish Rural Action

**Statement of Financial Activities  
for the Year Ended 31 March 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>					
Grants	3	40,000	9,578	49,578	132,918
Other trading activities	2	-	-	-	24,579
<b>Total</b>		40,000	9,578	49,578	157,497
 <b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Charitable activities		67,826	9,539	77,365	80,120
<b>NET INCOME/(EXPENDITURE)</b>		(27,826)	39	(27,787)	77,377
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>					
As previously reported		172,000	-	172,000	69,938
Prior year adjustment	7	(24,685)	-	(24,685)	-
<b>As restated</b>		147,315	-	147,315	69,938
<b>TOTAL FUNDS CARRIED FORWARD</b>		119,489	39	119,528	147,315

The notes form part of these financial statements

**Scottish Rural Action**

**Balance Sheet  
31 March 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds as restated £
<b>CURRENT ASSETS</b>					
Debtors	9	-	-	-	578
Cash at bank and in hand		120,809	39	120,848	148,057
		<u>120,809</u>	<u>39</u>	<u>120,848</u>	<u>148,635</u>
<b>CREDITORS</b>					
Amounts falling due within one year	10	(1,320)	-	(1,320)	(1,320)
		<u>119,489</u>	<u>39</u>	<u>119,528</u>	<u>147,315</u>
<b>NET CURRENT ASSETS</b>					
		<u>119,489</u>	<u>39</u>	<u>119,528</u>	<u>147,315</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>119,489</u>	<u>39</u>	<u>119,528</u>	<u>147,315</u>
<b>NET ASSETS</b>					
		<u>119,489</u>	<u>39</u>	<u>119,528</u>	<u>147,315</u>
<b>FUNDS</b>					
	11				
Unrestricted funds				119,489	147,315
Restricted funds				39	-
<b>TOTAL FUNDS</b>					
				<u>119,528</u>	<u>147,315</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 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.

**Scottish Rural Action**

**Balance Sheet - continued**  
**31 March 2021**

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 21 December 2021 and were signed on its behalf by:

A handwritten signature in black ink that reads "Sheena Boyd". The signature is written in a cursive style with a large initial 'S'.

S K Boyd - Trustee

Notes to the Financial Statements  
for the Year Ended 31 March 2021

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.

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.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

2. OTHER TRADING ACTIVITIES

	31.3.21	31.3.20 as restated
	£	£
Sponsorships	-	24,579
	<u>          </u>	<u>          </u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31.3.21	31.3.20 as restated
	£	£
Grants	49,578	132,918
	<u>          </u>	<u>          </u>

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

	31.3.21	31.3.20 as restated
	£	£
Scottish Government	40,000	123,000
Impact/Voluntary Action Fund	9,578	9,918
	<u>          </u>	<u>          </u>
	<u>49,578</u>	<u>132,918</u>

4. NET INCOME/(EXPENDITURE)

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

	31.3.21	31.3.20 as restated
	£	£
Independent examination fee	1,320	1,320
	<u>          </u>	<u>          </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

5. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

During the year to 31 March 2021 £954 (2020-£12,789) was reimbursed in expenses to the trustees.

6. STAFF COSTS

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

	31.3.21	31.3.20 as restated
Administration	3	2
	<u>3</u>	<u>2</u>

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

7. PRIOR YEAR ADJUSTMENT

The accounts have been restated to incorporate an over accrual of income in the year to 31 March 2020.

The impact of this restatement is that the reported surplus for the year to 31 March 2020 has decreased by £24,685 with a corresponding decrease in current and net assets at 31 March 2020.

8. TANGIBLE FIXED ASSETS

	Plant and machinery £
<b>COST</b>	
At 1 April 2020 and 31 March 2021	1,234
	<u>1,234</u>
<b>DEPRECIATION</b>	
At 1 April 2020 and 31 March 2021	1,234
	<u>1,234</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	-
	<u>-</u>
At 31 March 2020	-
	<u>-</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20 as restated
	£	£
Prepayments	-	578
	<u>          </u>	<u>          </u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20 as restated
	£	£
Accrued expenses	1,320	1,320
	<u>          </u>	<u>          </u>

11. MOVEMENT IN FUNDS

	At 1.4.20 £	Prior year adjustment £	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	172,000	(24,685)	(27,826)	119,489
<b>Restricted funds</b>				
Impact/Voluntary Action Fund	-	-	39	39
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>172,000</u>	<u>(24,685)</u>	<u>(27,787)</u>	<u>119,528</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	40,000	(67,826)	(27,826)
<b>Restricted funds</b>			
Impact/Voluntary Action Fund	9,578	(9,539)	39
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>49,578</u>	<u>(77,365)</u>	<u>(27,787)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
<b>Unrestricted funds</b>			
General fund	69,938	77,377	147,315
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>69,938</u>	<u>77,377</u>	<u>147,315</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	147,579	(70,202)	77,377
<b>Restricted funds</b>			
Impact/Voluntary Action Fund	9,918	(9,918)	-
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>157,497</u>	<u>(80,120)</u>	<u>77,377</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.



**Scottish Rural Action**

**Detailed Statement of Financial Activities  
for the Year Ended 31 March 2021**

	31.3.21	31.3.20
	£	as restated £
<b>INCOME AND ENDOWMENTS</b>		
<b>Other trading activities</b>		
Sponsorships	-	24,579
<b>Charitable activities</b>		
Grants	49,578	132,918
<b>Total incoming resources</b>	<u>49,578</u>	<u>157,497</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	46,684	14,231
Pensions	4,611	1,202
Insurance	578	577
Telephone and communications	844	818
Postage and stationery	-	3,465
Sundries	-	13
Consultancy	7,686	22,735
Directors travel and subsistence	954	12,789
Computer software and subs	9,496	2,982
Other events	461	1,984
Staff travel and subsistence	1,718	517
Legal and professional	244	907
Training	212	-
Conference costs	2,488	15,392
	<u>75,976</u>	<u>77,612</u>
<b>Support costs</b>		
<b>Management</b>		
Bank charges	69	60
<b>Governance costs</b>		
Independent examination fee	1,320	1,320
Board meeting expenses	-	1,128
	<u>1,320</u>	<u>2,448</u>
<b>Total resources expended</b>	<u>77,365</u>	<u>80,120</u>
<b>Net (expenditure)/income</b>	<u>(27,787)</u>	<u>77,377</u>

This page does not form part of the statutory financial statements