

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2025
for
John O' Groats Mill Trust
(a Scottish Charitable Incorporated
Organisation)**

Reid & Fraser Audit Ltd
Statutory Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

**John O' Groats Mill Trust
(a Scottish Charitable Incorporated
Organisation)**

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for the Year Ended 31 March 2025**

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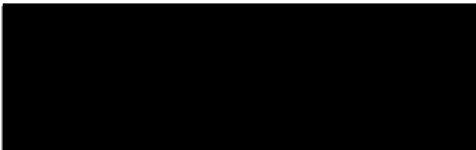
John O' Groats Mill Trust
(a Scottish Charitable Incorporated
Organisation)

Chairman's Report
for the Year Ended 31 March 2025

Over the financial year to March 2025, the Trust has come a long way in achieving its ambition of saving its historic mill to provide the facility the community behind the Trust want. Though still a building site at the end of the year it was already secure and almost ready for hand over. The year had been largely focused on this with community involvement frustratingly limited. Since the end of the year, the community now has access. The response has been overwhelmingly positive with hundreds of people accessing it for a large range of activities, social and educational. This is exactly in line with the Trust's raison d'être.

Volunteers have been an important aspect of the Trust's plans. The Trust's elected Board give freely of their time. In addition a good number of volunteers are on hand to help as and when required. This has been limited by the building site status of the Mill over the past year. But since being open to the community the opportunities for volunteering are becoming more apparent and with that the interest in being involved.

The priority into the immediate future is to ensure the financial security of the organisation, providing facilities which have a positive effect on local residents and on visitors to the area. The aim of providing facilities to enrich local lives at minimum cost in an area of social isolation with financial challenges is the priority.



**John O' Groats Mill Trust
(a Scottish Charitable Incorporated
Organisation)**

**Report of the Trustees
for the Year Ended 31 March 2025**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2025. 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 advance education by providing a visitor attraction, interpretation and exhibition spaces, meeting and training facilities for local groups and encouraging the development of local training and informal educational provision using the John O'Groats Mill and associated buildings.

To support local heritage by engaging in activities in particular as they relate to the Mill.

The aims of the Trust remain unchanged from founding concepts, though its papers were updated at the AGM in February to reflect the current position of ownership of the Mill rather than, as was stated in original document, the investigation towards acquiring and developing the properties.

The development of the Mill at the financial year ending March 2025 had yet to further the aims of the Trust, but it had gone a long way to providing the facilities to enable the Trust to develop its ambitions.

Since the year end the Trust now has possession of the site and a solid start to its future as a visitor attraction for guests to the area has been made. Use as a stimulating facility for visitors and local is highly rated in feedback. The facility is becoming popular as a meeting place for a range of groups and organisations. These range from children focused fun events using the building and its wider amenities, through to presentations and social events.

Significant activities

Through the year there were limited opportunities to focus on the long term purposes of the Trust because in effect the Mill was a building site under the control of the main contractor. There were a few occasions when the community were invited in to view and discuss progress.(Doors Open Days; Traditional skills liaison with local college; pond dipping events; bat watching). Though it is difficult to come up with hard statistical evidence, all of these events were very popular and people, both local and visitors were very engaged and enthused. Since the year end the Trust has built on this and its first few months of being open to the community have been promising in the variety of sectors making use of the Mill. The efforts put in to ensuring the building is accessible to all have been much commented on, both verbally but also in local press articles.

The effort to involve the community focused largely on social media and its feedback. In addition, the Mill Trust went out into the community, being a visible presence in any community events (Highland Games, Agricultural shows etc.) Trustees and volunteers were on hand to answer questions and receive feedback. Invariably, feedback was positive and there was a huge amount of interest and enthusiasm for the Trust's ambitions.

A lot of effort has been put into keeping the community up to date with progress. The Mill's social media page has been a very popular forum leading to much positive feedback. Since the year end a huge effort has been made to run a series of events encouraging all sectors of the community to get involved, explore and enjoy the facility we now have.

In preparation for transition to visitor and community hub, a manager was appointed in January to enable time for them to develop their role prior to site handover.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

A summary of the activities of the charity for the year being reported is contained in the Chair's report and within the "Significant activities" section of the report..

**John O' Groats Mill Trust
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**Report of the Trustees
for the Year Ended 31 March 2025**

FINANCIAL REVIEW

Financial position

The results for the year are reported in the financial statements.

The financial year to March 2025 was dominated by the building work on the Mill. Costs associated with this were within budget. But there was an impact on the Trust's ability to raise income. The cottages, normally available for holiday let had to be closed for extended periods with the inevitable loss in revenue.

The continuation of the restoration project was a planned and funded event so the financial effect was as expected, i.e. significant sums paid out to contractors and drawn down from grant funders. As the project remained on budget, it should have no adverse affects on the future financial position of the Trust and the outcome of the works will be to leave the Trust with a sustainable source of income for the future.

Reserves policy

The policy of the Trust is to maintain an appropriate amount of general reserves to meet day to day running costs in the short term.

Total reserves held at 31 March 2025 were £4,663,112 comprising £206,448 of unrestricted reserves and £4,456,664 of restricted reserves.

FUTURE PLANS

Delayed completion, often due to geographical isolation, affected the new manager of the site in her ability to prepare for the coming season, especially as we could not guarantee or advertise opening in advance. This will also affect the following financial year 2025/26. Despite this, having experienced a few months of being available to the community there are good reasons to be positive about the ability of the Trust and its facilities to fulfill its ambitions.

The year 2025/26 will be one of consolidation. The aim is to build on our existing plans to encourage use of the facility, and ensure the activities collectively benefit the community and visitors, but also ensure a financially secure background. We want to learn from the current trading activities and implement any changes necessary.

A measure of success would be increased revenue, returning customers and great feedback within the community and wider population.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust was formed by constitution on 17 January 2017 as a Scottish Charitable Incorporated Organisation .

Recruitment and appointment of new trustees

The Trust is made up of members and a few friends (this is something we will develop). Only members have a vote at an AGM. To be a member, one must reside in the area of benefit which is the community council area. This ensures that control will always stay within the local community.

Members elect the Trustees (the Board). There are up to 11 Board members and a minimum of 6. Trustees are elected for a three year term with a third (4,4,3) standing down each year. They can be re-elected.

The Trustees then elect office bearers from within their numbers. The Trustees can co-opt an additional individual to sit on the Board if that person has skills or expertise needed by the Board. That co-opted member stands down at next AGM.

The directors are not remunerated for their services.

Decision making

The Board of Trustees makes all decisions on running the Trust until the next AGM. The Board of Trustees makes decisions at Board meetings held approximately monthly. On a day to day basis the Chair, Treasurer and Secretary make decisions on general running issues.

Major decisions must be brought to a Board meeting where a majority vote would prevail.

**John O' Groats Mill Trust
(a Scottish Charitable Incorporated
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**Report of the Trustees
for the Year Ended 31 March 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New Trustees are given tuition/explanation of the Trust's aims, its documentation etc. by the Chair and Treasurer or a trustee nominated by them.

Any prospective trustee should have tuition and training (without disclosure of confidential info) prior to election.

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.

The main financial risk during this period were changes to the timeframe and cost of works. This is usual for a construction project and a risk register was kept by the principal designer. The main contractor worked with the Trust to mitigate these risks such as moving some items of work forward in the plan, when there were other parts they could not get on with due to delays. Overall costs continued to fall within the expected budget for the project. Cashflow was occasionally tricky as the Trust relied on grant funding being paid out, but again by working closely with the contractors, the project kept moving forward.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC047345

Principal address



Trustees



Auditors

Reid & Fraser Audit Ltd
Statutory Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

Bankers

RBS
Olrigh Street
Thurso
KW14 7BL

Report of the Trustees
for the Year Ended 31 March 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

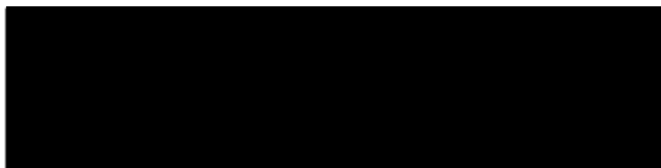
Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Approved by order of the board of trustees on 12 November 2025 and signed on its behalf by:



Report of the Independent Auditors to the Trustees of John O' Groats Mill Trust

Opinion

We have audited the financial statements of John O' Groats Mill Trust (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of John O' Groats Mill Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud.

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations including fraud. This included, but was not limited to, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

We made enquiries of management with regards to compliance with the relevant laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of board meetings and evidence of any solicitor fees.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals. Our procedures included vouching charitable expenditure against corroborating evidence to confirm that the expenditure complied with the terms of the grant award.

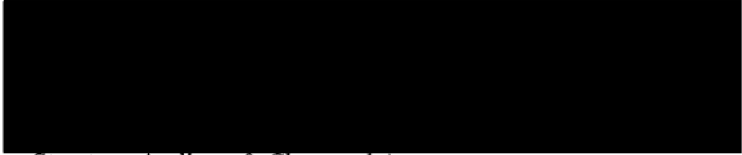
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognizing that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance 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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
John O' Groats Mill Trust**

Use of our report

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



Statutory Auditors & Chartered Accountants
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
15 Princes Street
Thurso
Caithness
KW14 7BQ

Date: 20.11.2025

John O' Groats Mill Trust
(a Scottish Charitable Incorporated
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Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	21,253	2,460,939	2,482,192	1,684,038
Investment income	3	<u>19,883</u>	<u>-</u>	<u>19,883</u>	<u>23,918</u>
Total		<u>41,136</u>	<u>2,460,939</u>	<u>2,502,075</u>	<u>1,707,956</u>
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		<u>37,273</u>	<u>91,145</u>	<u>128,418</u>	<u>100,369</u>
NET INCOME		3,863	2,369,794	2,373,657	1,607,587
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>202,585</u>	<u>2,086,870</u>	<u>2,289,455</u>	<u>681,868</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>206,448</u></u>	<u><u>4,456,664</u></u>	<u><u>4,663,112</u></u>	<u><u>2,289,455</u></u>

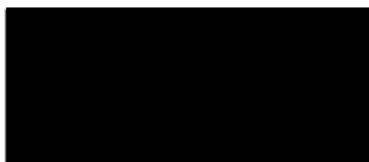
The notes form part of these financial statements

John O' Groats Mill Trust
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Balance Sheet
31 March 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Intangible assets	10	2,688	-	2,688	-
Tangible assets	11	814	4,083,904	4,084,718	1,465,548
Investment property	12	-	267,377	267,377	-
		<u>3,502</u>	<u>4,351,281</u>	<u>4,354,783</u>	<u>1,465,548</u>
CURRENT ASSETS					
Debtors	13	1,030	476,978	478,008	900,016
Cash at bank		<u>217,183</u>	<u>97,712</u>	<u>314,895</u>	<u>312,910</u>
		<u>218,213</u>	<u>574,690</u>	<u>792,903</u>	<u>1,212,926</u>
CREDITORS					
Amounts falling due within one year	14	(15,267)	(469,307)	(484,574)	(389,019)
		<u>202,946</u>	<u>105,383</u>	<u>308,329</u>	<u>823,907</u>
NET CURRENT ASSETS					
		<u>206,448</u>	<u>4,456,664</u>	<u>4,663,112</u>	<u>2,289,455</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>206,448</u>	<u>4,456,664</u>	<u>4,663,112</u>	<u>2,289,455</u>
NET ASSETS					
		<u>206,448</u>	<u>4,456,664</u>	<u>4,663,112</u>	<u>2,289,455</u>
FUNDS	15				
Unrestricted funds				206,448	202,585
Restricted funds:					
Mill Fund				4,456,664	2,082,590
Interpretation Designer				-	4,280
				<u>4,456,664</u>	<u>2,086,870</u>
TOTAL FUNDS				<u>4,663,112</u>	<u>2,289,455</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12 November 2024 and were signed on its behalf by:



John O' Groats Mill Trust
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Cash Flow Statement
for the Year Ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	<u>2,892,200</u>	<u>1,180,373</u>
Net cash provided by operating activities		<u>2,892,200</u>	<u>1,180,373</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(2,688)	-
Purchase of tangible fixed assets		<u>(2,887,527)</u>	<u>(891,483)</u>
Net cash used in investing activities		<u>(2,890,215)</u>	<u>(891,483)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		1,985	288,890
Cash and cash equivalents at the beginning of the reporting period		<u>312,910</u>	<u>24,020</u>
Cash and cash equivalents at the end of the reporting period		<u><u>314,895</u></u>	<u><u>312,910</u></u>

The notes form part of these financial statements

John O' Groats Mill Trust
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Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income for the reporting period (as per the Statement of Financial Activities)	2,373,657	1,607,587
Adjustments for:		
Depreciation charges	980	798
Decrease/(increase) in debtors	422,008	(816,031)
Increase in creditors	<u>95,555</u>	<u>388,019</u>
Net cash provided by operations	<u><u>2,892,200</u></u>	<u><u>1,180,373</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank	<u>312,910</u>	<u>1,985</u>	<u>314,895</u>
	<u>312,910</u>	<u>1,985</u>	<u>314,895</u>
Total	<u><u>312,910</u></u>	<u><u>1,985</u></u>	<u><u>314,895</u></u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

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

The charity has carried forward unrestricted reserves of £206,448 (2024 - £202,585) and £4,456,664 (2024 - £2,086,870) of restricted reserves. The Trustees have carried out an assessment of its ability to continue as a going concern and are satisfied that they have adequate resources to continue in operational existence for the foreseeable future. Consequently they continue to adopt the going concern basis of account in preparing the annual financial statements.

The presentation currency is £ (sterling).

The accounts are rounded to the nearest £.

INCOME

Income received that is earmarked either by the donor or by the terms of the particular project will be shown under Restricted Funds. All income from legacies, gifts, donations and grants is credited to the Statement of Financial Activities when it is recognised that the charitable company has entitlement to the funds, when any performance conditions attached to the item have been met, it is probable that the income will be received and the amount can be reliably measured.

Rental income from the let of holiday accommodation is recognised as receivable in the year.

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

Tangible fixed assets are originally recorded at cost. Depreciation is charged at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	15% reducing balance
IT equipment	15% reducing balance

No depreciation is provided on freehold property and exhibition costs whilst the Mill renovation and development is ongoing.

INVESTMENT PROPERTY

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

FUND ACCOUNTING

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

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	20,003	423
Gift aid	1,250	-
Grants	<u>2,460,939</u>	<u>1,683,615</u>
	<u>2,482,192</u>	<u>1,684,038</u>

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

	2025	2024
	£	£
Stroupster Wind Farm Community Fund	30,000	25,000
Architectural Heritage Fund	-	17,676
National Lottery Heritage Fund	1,029,152	184,638
North Highland Initiative	-	2,800
SSE Highland Sustainable Development Fund	-	250,000
DLUHC Community Ownership Fund	-	300,000
Garfield Weston Foundation	-	150,000
Magnox Ltd Dounreay/Nuclear Restoration Fund	-	100,000
Regeneration Capital Grant Fund	115,254	603,501
Highland Council Community Regeneration Fund	677,811	50,000
Historic Environment Scotland	368,686	-
Wolfson Foundation	50,000	-
Highlands & Islands Enterprise	<u>190,036</u>	<u>-</u>
	<u>2,460,939</u>	<u>1,683,615</u>

John O' Groats Mill Trust
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

3. INVESTMENT INCOME

	2025	2024
	£	£
Rents received	<u>19,883</u>	<u>23,918</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Charitable activities	<u>119,923</u>	<u>8,495</u>	<u>128,418</u>

5. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Charitable activities	<u>95</u>	<u>8,400</u>	<u>8,495</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

7. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	7,523	-
Other pension costs	<u>226</u>	<u>-</u>
	<u>7,749</u>	<u>-</u>

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

	2025	2024
	1	-
Management	<u>1</u>	<u>-</u>

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	150,422	1,533,616	1,684,038
Investment income	<u>23,918</u>	<u>-</u>	<u>23,918</u>
Total	<u>174,340</u>	<u>1,533,616</u>	<u>1,707,956</u>
 EXPENDITURE ON			
Charitable activities			
Charitable activities	<u>29,561</u>	<u>70,808</u>	<u>100,369</u>
 NET INCOME	144,779	1,462,808	1,607,587
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>57,806</u>	<u>624,062</u>	<u>681,868</u>
 TOTAL FUNDS CARRIED FORWARD	<u><u>202,585</u></u>	<u><u>2,086,870</u></u>	<u><u>2,289,455</u></u>

9. FINANCIAL INSTRUMENTS

The Trust has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements where 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; cash and bank balances are initially measure 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 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.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

9. FINANCIAL INSTRUMENTS - continued

Trade and other 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 and other creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derecognition of financial liabilities

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

10. INTANGIBLE FIXED ASSETS

	Design costs £
COST	
Additions	<u>2,688</u>
NET BOOK VALUE	
At 31 March 2025	<u><u>2,688</u></u>
At 31 March 2024	<u><u>-</u></u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Exhibition & Interpretation £	Computer equipment £	Totals £
COST					
At 1 April 2024	1,461,020	5,754	-	-	1,466,774
Additions	2,723,848	-	161,680	1,999	2,887,527
Reclassification	<u>(267,377)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(267,377)</u>
At 31 March 2025	<u>3,917,491</u>	<u>5,754</u>	<u>161,680</u>	<u>1,999</u>	<u>4,086,924</u>
DEPRECIATION					
At 1 April 2024	-	1,226	-	-	1,226
Charge for year	<u>-</u>	<u>680</u>	<u>-</u>	<u>300</u>	<u>980</u>
At 31 March 2025	<u>-</u>	<u>1,906</u>	<u>-</u>	<u>300</u>	<u>2,206</u>
NET BOOK VALUE					
At 31 March 2025	<u>3,917,491</u>	<u>3,848</u>	<u>161,680</u>	<u>1,699</u>	<u>4,084,718</u>
At 31 March 2024	<u>1,461,020</u>	<u>4,528</u>	<u>-</u>	<u>-</u>	<u>1,465,548</u>

John O' Groats Mill Trust
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
Reclassification	<u>267,377</u>
At 31 March 2025	<u>267,377</u>
NET BOOK VALUE	
At 31 March 2025	<u>267,377</u>
At 31 March 2024	<u>-</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other debtors	476,978	888,264
Prepayments and accrued income	<u>1,030</u>	<u>11,752</u>
	<u>478,008</u>	<u>900,016</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other creditors	<u>484,574</u>	<u>389,019</u>

15. MOVEMENT IN FUNDS

	At 1.4.24	Net movement in funds	At
	£	£	31.3.25
			£
Unrestricted funds			
General fund	202,585	3,863	206,448
Restricted funds			
Mill Fund	2,082,590	2,374,074	4,456,664
Interpretation Designer	<u>4,280</u>	<u>(4,280)</u>	<u>-</u>
	<u>2,086,870</u>	<u>2,369,794</u>	<u>4,456,664</u>
TOTAL FUNDS	<u>2,289,455</u>	<u>2,373,657</u>	<u>4,663,112</u>

John O' Groats Mill Trust
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

15. 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	41,136	(37,273)	3,863
Restricted funds			
Mill Fund	2,460,939	(86,865)	2,374,074
Interpretation Designer	-	(4,280)	(4,280)
	<u>2,460,939</u>	<u>(91,145)</u>	<u>2,369,794</u>
TOTAL FUNDS	<u><u>2,502,075</u></u>	<u><u>(128,418)</u></u>	<u><u>2,373,657</u></u>

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	57,806	144,779	202,585
Restricted funds			
Mill Fund	624,062	1,458,528	2,082,590
Interpretation Designer	-	4,280	4,280
	<u>624,062</u>	<u>1,462,808</u>	<u>2,086,870</u>
TOTAL FUNDS	<u><u>681,868</u></u>	<u><u>1,607,587</u></u>	<u><u>2,289,455</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	172,504	(27,725)	144,779
Revenue Projects	1,836	(1,836)	-
	174,340	(29,561)	144,779
Restricted funds			
Mill Fund	1,505,816	(47,288)	1,458,528
Interpretation Designer	27,800	(23,520)	4,280
	<u>1,533,616</u>	<u>(70,808)</u>	<u>1,462,808</u>
TOTAL FUNDS	<u><u>1,707,956</u></u>	<u><u>(100,369)</u></u>	<u><u>1,607,587</u></u>

**John O' Groats Mill Trust
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**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

15. MOVEMENT IN FUNDS - continued

The Mill Fund is for the restoration and development of John O'Groats Mill.

The Development Officer fund is to pay for a Development Officer to manage the Mill project. In the current year, funding for the development officer is included within the Mill Fund.

The Interpretation Designer fund is to meet costs incurred in creating the museum experience for visitors once the renovation works are complete.

16. RELATED PARTY DISCLOSURES

Trustee Andrew Mowat is also a panel member for the Stroupster Community Wind Farm Benefit Fund, which awarded grant funding to John O'Groats Mill Trust for the mill renovation.

John O' Groats Mill Trust
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Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	20,003	423
Gift aid	1,250	-
Grants	<u>2,460,939</u>	<u>1,683,615</u>
	2,482,192	1,684,038
Investment income		
Rents received	<u>19,883</u>	<u>23,918</u>
Total incoming resources	2,502,075	1,707,956
EXPENDITURE		
Charitable activities		
Wages	7,523	-
Pensions	226	-
Rates and water	214	-
Insurance	18,231	7,259
Light and heat	3,609	6,224
Telephone	300	287
Advertising	406	-
Sundries	582	443
Professional fees	21,780	25,985
Development Officer	33,548	31,670
Rental Agency Commission	4,159	4,644
Cleaning	2,552	4,016
General repairs	-	2,164
PayPal fees	-	1
Licences & Permits	323	281
Website development	1,455	-
Activities Officer	17,530	5,848
Membership fees & subscription	100	-
Mill events	455	-
Project costs	5,950	1,836
Depreciation of plant and machinery	680	798
Depreciation of computer equipment	<u>300</u>	<u>-</u>
	119,923	91,456
Support costs		
Finance		
Bank charges	95	73

John O' Groats Mill Trust
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Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

	2025 £	2024 £
Finance		
Governance costs		
Auditors' remuneration	6,400	6,400
Accountancy and legal fees	2,000	2,000
Independent Examiner's Fee	<u>-</u>	<u>440</u>
	<u>8,400</u>	<u>8,840</u>
 Total resources expended	 <u>128,418</u>	 <u>100,369</u>
 Net income	 <u><u>2,373,657</u></u>	 <u><u>1,607,587</u></u>