

Charity registration number SCO28833 (Scotland)

THE PICKAQUOY CENTRE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THE PICKAQUOY CENTRE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

G Bevan, Orkney Islands Council
C Chalmers, Public Representative
B Clubley, Public Representative
S Kemp, Public Representative
K Macleod, Public Representative
R May, Public Representative
F McNaughton, Public Representative
R Peace, OIC councillor
J Scott, OIC councillor
G Skuse, OIC councillor
G Smee, Public Representative
I Taylor, OIC councillor

Charity number (Scotland)

SCO28833

Principal address

Muddisdale Road
Kirkwall
Orkney
KW15 1LR

Auditor

A J B Scholes Ltd
8 Albert Street
Kirkwall
Orkney
KW15 1HP

Bankers

Virgin Money
3 Broad Street
Kirkwall
Orkney
KW15 1DH

THE PICKAQUOY CENTRE TRUST

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THE PICKAQUOY CENTRE TRUST

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

The Pickaquoy Centre Trust operates and manages sports, leisure and cultural services from the Pickaquoy Centre, Kirkwall which has, over the years, become an integral part of the fabric of the Orkney Community.

We continue to strive towards recovering the usage profile and membership numbers that were exhibited pre-2020, and as determined efforts to increase membership continue it is pleasing to once again see marginal growth in this area. During this long-term recovery period, it has been essential to maintain astute and dynamic management of the business, whilst also continuing to seek out external funding opportunities. The continued global financial position around increasing utility and raw material costs, paired with a reduction in core funding have added significant challenges to the current operating model of the centre. We are indebted to the Management Team for their efforts in this respect, as well as those external funding bodies who continue to support us.

The 2025 International Island Games are now just behind us and the Pickaquoy Centre acted as the central hub for many of the sports as well as much of the games' social activities. An enormous amount of meticulous work and additional effort was required to get the centre prepared, and then to run the many functions across the week of the Games. Every morning when I arrived early at the centre, I felt immensely proud of what had been created at Picky, and pleasingly during the week many people from many other island communities commented that this was the best Games they had ever attended. The management and staff at the Pickaquoy Centre deserve enormous credit for their part in what was such a wonderful success, not just for the Orkney 2025 Games, but for Orkney as a whole.

The event did of course require very substantial external funding from a number of key partners, to whom we are indebted, and continue to work with, as we now look towards maximising the legacy of Orkney 2025.

Finally, I would like to sincerely thank the Trust's staff without whom we simply could not continue to provide the fantastic services that we do to the local community.



Stephen Kemp

Chairman

Dated: 2 October 2025

THE PICKAQUOY CENTRE TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the 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

As per the terms of our service level agreement with Orkney Islands Council. The Trust's aim is to provide facilities for recreation, leisure and cultural activities, with the objective of improving the social and physical wellbeing of the inhabitants of and visitors to Orkney; in particular, equipping, maintaining and continually developing a sports, leisure and cultural complex at The Pickaquoy Centre, Kirkwall, Orkney.

Achievements and performance

We have been pleased to see user numbers and ActiveLife membership continue to increase year-on-year. As with the previous year, 2024/25 has provided financial challenges with the continuing cost-of-living crisis nationally and globally. Additionally, with our previous long standing electricity contract expiring at the end of September 2024, we had 6 months at our now standard higher prices with monthly invoices now up to 33% higher, circa £120K per annum.

Additionally, the cost of food and general provisions for the Café continue to increase and take their toll on our financial performance. We have though seen oil prices reduce and stabilise and sourcing a new pool chemicals provider has helped reduce costs there. Staff retention has continued to be a significant challenge although inroads continue to be made here with the ratified pay increases and becoming a Real Living Wage provider proving influential. We continue to review our offering and how best to deliver a fantastic service for our community, with ongoing discussion with OIC regarding the long-term financial stability of the centre and its key role within the Orkney Community.

Key stakeholders

We continue to work very closely with SportScotland, Creative Scotland, VAO, NHS Orkney, Orkney Islands Council, Community Leisure UK and Scottish Leisure Network Group. We continue to develop our partnership working with SportScotland and OIC with funding and planning for legacy projects ongoing.

We were delighted to be able to work with partners in securing funds as below:

Filmhub Scotland – funding used for showing specific 'Art of Action' films.

Orkney Rape and Sexual Assault Service – funding used for Film Screenings during and for International Women's Day/Women's History Month

OIC - Community Learning and Development – funding used for Friday afternoon 'The Hub' sessions for KGS and Stromness Academy pupils.

Scottish Swimming – funding used toward Swimming Teacher Qualification

OIC - Community Development Fund – funding used for LED Display Screen at Swimming Pool

SportScotland - Sport Facilities Fund – funding used for LED Display Screen at Swimming Pool

Orkney 2025 – funding used for Internet Upgrade

THE PICKAQUOY CENTRE TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Staff Training

Course Description	Attendees
Youth Strength & Conditioning Coach	1
Youth Strength & Conditioning Specialist	1
Child Wellbeing and Protection in Sport Course	20
Trainer Assessor Course	1
Scottish Swim Teachers Qualification (SSTQ)	10
Skills for Line Managers	1
InDesign 2022 Essential Training	2
RLSS UK Level 2 Award in Automated External Defibrillator – AED	5
RLSS UK Qualifications Level 3 Award in First Aid at Work	4
Designated Child Protection Lead Scotland	3
Deaf Awareness Course	11
Leadership and Management Training Day	11
RLSS UK Qualifications Level 3 Award in Pool Lifeguarding	9
Active IQ Level 3 Award in Managing Pool Operations	7
Scottish Certificate for Personal Licence Holders (Refresher) at SCQF Level 6	4
ACAS Line Management Training for Developing Managers	1
ACAS Line Management Training for New Managers	3
Level 2 Certificate in Group Indoor Cycling	1
Managing Conflict training	12
Level 2 Exercise to Music Instructor	1
Level 2 Hygiene Training	2
UKSCA Diploma in Strength and Conditioning (ongoing)	2
Highfield Award in First Aid at Work at SCQF Level 6	2
Award in Awareness of First Aid for Mental Health at SCQF Level 4	5
NEBOSH National General Certificate (ongoing)	1
YMCA Level 2 Certificate in Group Exercise Instructing: Exercise to Music – Freestyle	1
National Pool Lifeguard Qualification (NPLQ)	10
Working with Autistic Participants in Sport & Physical Activity	6
Fire Risk Assessment Training (Low-Medium Risk Premises)	1
Website Training	5
First Aid at Work	1
Licensing Training	12
LCD Screen Training	6
PureStretch Instructors Course	1
Child protection: an introduction (3.0)	1
Inclusive Swimming Teaching CPD	12
Skills & Drills/Powerswim CPD	11
Adults CPD	12
Scottish Certificate for Personal Licence Holders at SCQF Level 6	1
SRSA Rope Access Setter revalidation	2

THE PICKAQUOY CENTRE TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Key performance indicators

Description of Indicator	Number of Participants			
	2023/24	2024/25	Variance	%
Fitness including Strength and Conditioning	48,344	54,858	6,514	13.47%
Group Exercise	25,232	26,621	1,389	5.50%
Health	18,711	19,292	581	3.11%
Junior Activities & Sports Courses	116,520	112,740	(3,780)	(3.24%)
Arena Sports	40,658	38,991	(1,667)	(4.10%)
Other Indoor Leisure	15,732	23,094	7,362	46.80%
Campsite	13,575	15,479	1,904	14.03%
Track and Infield	10,824	5,395	(5,429)	(50.16%)
Playing Fields	13,175	12,299	(876)	(6.65%)
Synthetic Grass Pitch	4,393	7,120	2,727	62.08%
Swimming	75,045	70,235	(4,810)	(6.41%)
Squash	4,116	6,395	2,279	55.37%
Cinema	24,163	28,486	4,323	17.89%
Indoor Soft Play	12,253	11,002	(1,251)	(10.21%)
Climbing & Bouldering	4,521	4,538	17	0.38%
	427,262	436,545	9,283	2.17%

Financial review

The trust reports a net decrease in funds of £776,605 with total funds as at 31 March 2025 of £511,899. Excluding the deficit in the Trust's share of the local authority defined benefit pension scheme and the associated actuarial adjustments, there was a deficit of £16,605. Net current assets fell from £333,302 to £267,827.

Incoming resources increased from £2.99m to £3.35m. Income from Donations and Grants increased from £849k to £925k. Expenditure increased from £2.97m to £3.33m.

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The trust has appointed a well qualified and experienced management team to oversee the operation of the centre. Risk is minimised by adherence to written quality procedures and work instructions, staff training and assessment, and internal management review. Policy, Procedural documentation and Risk assessments are reviewed and updated regularly.

We continue working with our key stakeholders to identify new ways of working together in order to provide cost effective improved services to the wider community, which are inclusive and provide tangible benefit to both the physical and mental health of our users.

Structure, governance and management

The trust is governed by:-

1. An agreement between the Millennium Commission, Orkney Islands Council (OIC) and The Pickaquoy Centre Trust;
2. A declaration of trust by Orkney Islands Council registered with the Registers of Scotland on 27 May 1999;
3. A schedule of powers dated 6 April 1999 and registered with the Registers of Scotland;
4. A deed of variation dated 16 January 2008;
5. The standing orders of The Pickaquoy Centre Trust as agreed by the board of trustees; and
6. The service agreement with Orkney Islands Council which is re-negotiated every three years.

THE PICKAQUOY CENTRE TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees who served during the year were:-

G Bevan, Orkney Islands Council

C Chalmers, Public Representative

B Clubley, Public Representative

S Kemp, Public Representative

K Macleod, Public Representative

R May, Public Representative

F McNaughton, Public Representative

J Nelson, Public Representative

(Resigned 19 August 2024)

R Peace, OIC councillor

J Scott, OIC councillor

G Skuse, OIC councillor

G Smee, Public Representative

I Taylor, OIC councillor

When a vacancy occurs for a publicly nominated trustee, an advertisement is placed on the trust's website and circulated on social media. Additional materials, created by the trust's Marketing Officer are included to encourage potential applicants and provide further information. Interested applicants are sent a trustee duties specification and asked to complete and return a trustee application form. Applicants require nomination by two independent members of the local community. All completed applications are submitted to the existing trustees who aim to maintain a board with a good spread of skills and knowledge and a good gender mix.

The board of trustees meets at least six times per year. The trustees have delegated the day to day management of the centre to the Managing Director, James Linklater. Sub-committees are formed as required and last until a report has been submitted to the board and a strategy agreed.

New trustees are given an induction pack that includes details of The Pickaquoy Centre and the activities that take place within it, information on the role and responsibilities of a trustee, details of the legal framework, the trust's advisors, the internal organisation of the centre, quality standards, past financial reports and, finally, past board and sub-committee minutes.

The Trust has an arm's length relationship with Orkney Islands Council. Communications are channelled through the designated Council officer and all centre use by Council departments is invoiced to the Council at market prices. Where the Council provides services to the Trust, the actual costs incurred are invoiced to the Trust. Decisions on strategy and programme development are entirely the responsibility of the board of trustees but do of course take account of the requirements laid out in the service agreement with Orkney Islands Council and the needs of all user stakeholders.

The current board of 13 trustees includes five representatives of Orkney Islands Council. The Board consider that this is an appropriate level of representation for one of its major stakeholders. All trustees are fully aware of the requirement to act in the best interests of the trust when acting in their capacity as a trustee. The trust has a conflict of interest policy which all trustees are required to adhere to.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

The trustees report was approved by the Board of Trustees.



S Kemp
Trustee

Dated: 2 October 2025

THE PICKAQUOY CENTRE TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities and Trustees Investment (Scotland) Act 2005, the Charity (Accounts and Reports) Regulations 2006 (as amended) and the provisions of the trust deed. 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.

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

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

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

THE PICKAQUOY CENTRE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PICKAQUOY CENTRE TRUST

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 26 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

THE PICKAQUOY CENTRE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PICKAQUOY CENTRE TRUST

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- . the nature of the industry and sector, and control environment;
- . results of our enquiries of management;
- . any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- . the matters discussed among the audit engagement team.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and irregularities. Income recognition and material related party transactions/balances were key areas of focus. In common with all audits under ISA's (UK), we are also required to perform specific procedures to respond to the risk of management override.

THE PICKAQUOY CENTRE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PICKAQUOY CENTRE TRUST

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, such as tax legislation and relevant charities acts.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These include laws and regulations pertaining to employment regulations; and health and safety legislation.

In addition to the above, our procedures to respond to risks identified included the following:


- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 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.



For and on behalf of A J B Scholes Ltd, Statutory Auditor

Chartered Accountants

8 Albert Street

Kirkwall

Orkney

KW15 1HP

Date: 02/10/2025

A J B Scholes Ltd is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE PICKAQUOY CENTRE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income and endowments from:							
Donations and legacies	3	818,948	106,223	925,171	821,306	27,454	848,760
Charitable activities	4	2,276,502	-	2,276,502	1,990,624	-	1,990,624
Other trading activities	5	54,454	-	54,454	50,345	-	50,345
Investments	6	10,802	-	10,802	29,099	-	29,099
Other incoming resources	7	83,000	-	83,000	72,000	-	72,000
Total income		3,243,706	106,223	3,349,929	2,963,374	27,454	2,990,828
Expenditure on:							
Raising funds	9	25,356	-	25,356	22,818	-	22,818
Charitable activities	8	3,280,807	23,371	3,304,178	2,905,933	44,995	2,950,928
Total resources expended		3,306,163	23,371	3,329,534	2,928,751	44,995	2,973,746
Net (outgoing)/incoming resources before transfers		(62,457)	82,852	20,395	34,623	(17,541)	17,082
Gross transfers between funds		(1,000)	1,000	-	4,980	(4,980)	-
Net (outgoing)/incoming resources		(63,457)	83,852	20,395	39,603	(22,521)	17,082
Other recognised gains and losses							
Actuarial (loss)/gain on defined benefit pension schemes		(797,000)	-	(797,000)	445,000	-	445,000
Net movement in funds		(860,457)	83,852	(776,605)	484,603	(22,521)	462,082
Fund balances at 1 April 2024		1,246,207	42,297	1,288,504	761,604	64,818	826,422
Fund balances at 31 March 2025		385,750	126,149	511,899	1,246,207	42,297	1,288,504

The statement of financial activities includes all gains and losses recognised in the year.

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

THE PICKAQUOY CENTRE TRUST

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	15		244,072		195,202
Current assets					
Stocks	16	53,611		42,411	
Debtors	17	116,257		193,433	
Cash at bank and in hand		577,429		550,958	
		747,297		786,802	
Creditors: amounts falling due within one year	18	(479,470)		(453,500)	
Net current assets			267,827		333,302
Total assets less current liabilities			511,899		528,504
Net assets excluding pension (liability)/surplus			511,899		528,504
Defined benefit pension (liability)/surplus	20		-		760,000
Net assets			511,899		1,288,504
Income funds					
Restricted funds	21		126,149		42,297
<u>Unrestricted funds</u>					
Designated funds	22	212,342		156,017	
General unrestricted funds		173,408		1,090,190	
			385,750		1,246,207
			511,899		1,288,504

The financial statements were approved by the board of trustees and authorised for issue on 2 October 2025 and are signed on its behalf by:


 S Kemp
 Trustee

THE PICKAQUOY CENTRE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		115,817		(39,925)
Investing activities					
Purchase of tangible fixed assets		(100,148)		(54,915)	
Proceeds on disposal of tangible fixed assets		-		3,750	
Investment income received		10,802		29,099	
Net cash used in investing activities			(89,346)		(22,066)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			26,471		(61,991)
Cash and cash equivalents at beginning of year			550,958		612,949
Cash and cash equivalents at end of year			577,429		550,958

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Pickaquoy Centre Trust is a charity registered in Scotland (charity number SC028833). Its principle address is Muddisdale Road, Kirkwall, Orkney, KW15 1LR.

1.1 Accounting convention

These accounts have been prepared in accordance with the 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) (effective 1 January 2019), the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Incoming resources

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

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable. Income generated from the supply of goods and services is included in the Statement of Financial Activities in the period in which the supply is made and is stated net of VAT.

Deferred income represents amounts received or invoiced in advance for future periods, and is released to incoming resources in the period it is earned.

1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. The trust is registered for VAT, and expenditure is shown net of recoverable VAT.

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Charitable expenditure comprises those costs incurred by the trust in delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the trust and include the audit fees and costs linked to the strategic management of the trust.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

Expenditure on fixed assets held for ongoing use by the charity is capitalised and depreciated over the life of the asset. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	10% straight line basis
Plant and machinery	25% reducing balance basis
Fixtures, fittings & equipment	25% reducing balance basis or 10% straight line basis
Computers	33% straight line basis

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

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks held for resale are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost.

Stocks of consumable resources, including heating oil and chemicals, are carried at cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

THE PICKAQUOY CENTRE TRUST

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

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The trust's employees are eligible to join a defined benefit local government pension scheme. Contributions payable to this scheme are charged to the statement of financial activities over the working lives of the members of the scheme. The contributions are determined by a qualified actuary on the basis of triennial valuations. These contributions are invested separately from the trust's assets.

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities on a straight line basis.

2 Critical accounting estimates and judgements

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

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

THE PICKAQUOY CENTRE TRUST

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2024 £	2024 £
Donations and gifts	-	-	-	-	4,980
Grants receivable	818,948	106,223	925,171	22,474	843,780
	<u>818,948</u>	<u>106,223</u>	<u>925,171</u>	<u>27,454</u>	<u>848,760</u>
Grants receivable for core activities	792,200	-	792,200	-	792,200
OIC management fee for delivery of leisure services	-	8,000	8,000	12,000	12,000
OIC - Community Learning and Development	-	500	500	6,000	6,000
Film Hub Scotland - Film Exhibition Fund	-	42,083	42,083	-	-
OIC - Community Development Fund	-	46,040	46,040	-	-
SportScotland - Sport Facilities Fund	-	7,500	7,500	-	-
Orkney 2025 - Internet Upgrade	-	1,100	1,100	-	-
Scottish Swimming - Teacher Qualification	-	2,000	2,000	-	-
Orkney Rape and Sexual Assault Service - Film Screenings	-	(1,000)	(1,000)	2,000	2,000
Scottish Ballet - SB Elevate	26,748	-	26,748	-	-
OIC - Renewable Heat Incentive	-	-	-	29,106	29,106
Other	-	-	-	2,474	2,474
	<u>818,948</u>	<u>106,223</u>	<u>925,171</u>	<u>22,474</u>	<u>843,780</u>

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

4 Charitable activities

	Sports & functions 2025 £	Arts 2025 £	In-house catering 2025 £	Campsite 2025 £	Total 2025 £	Total 2024 £
Sale of goods	1,582,551	242,324	254,526	197,101	2,276,502	1,990,624

For the year ended 31 March 2024

	Sports & functions £	Arts £	In-house catering £	Campsite £	Total 2024 £
Sale of goods	1,411,245	193,087	245,233	141,059	1,990,624

5 Other trading activities

	2025 £	2024 £
Non-charitable trading activities	54,454	50,345

6 Investments

	2025 £	2024 £
Interest receivable	10,802	29,099

7 Other incoming resources

	2025 £	2024 £
Pension scheme interest income	83,000	72,000

THE PICKAQUOY CENTRE TRUST

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

8 Expenditure on charitable activities

	Sports and functions	Arts	Catering	Campsite	Total
	2025	2025	2025	2025	2025
	£	£	£	£	£
Direct costs					
Staff costs	912,635	122,733	166,550	53,307	1,255,225
Depreciation and impairment	20,525	2,326	4,925	10,469	38,245
Purchases	13,689	114,892	102,541	-	231,122
Other direct costs	37,057	-	13,975	335	51,367
Repairs and property costs	79,014	8,357	5,168	12,724	105,263
Heating oil	54,634	8,684	8,684	7,105	79,107
Electricity	211,276	33,682	33,682	46,447	325,087
Water and sewerage	14,299	2,279	2,279	3,594	22,451
Cleaning	41,776	2,293	2,594	4,119	50,782
Subs and licences	17,374	2,839	71	3,071	23,355
Marketing	1,186	337	12	2,331	3,866
OIC hire of facilities	132,000	-	-	-	132,000
Lease costs	19,880	-	-	-	19,880
Equipment	15,827	-	1,028	-	16,855
Other charitable expenditure	26,122	183	5,029	5,958	37,292
	<u>1,597,294</u>	<u>298,605</u>	<u>346,538</u>	<u>149,460</u>	<u>2,391,897</u>
Share of support and governance costs (see note 10)					
Support	650,150	87,384	80,539	83,220	901,293
Governance	7,582	1,209	1,209	988	10,988
	<u>2,255,026</u>	<u>387,198</u>	<u>428,286</u>	<u>233,668</u>	<u>3,304,178</u>
Analysis by fund					
Unrestricted funds	2,234,484	384,369	428,286	233,668	3,280,807
Restricted funds	20,542	2,829	-	-	23,371
	<u>2,255,026</u>	<u>387,198</u>	<u>428,286</u>	<u>233,668</u>	<u>3,304,178</u>

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Expenditure on charitable activities

(Continued)

Previous year:	Sports and functions	Arts	Catering	Campsite	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Direct costs					
Staff costs	843,825	100,325	136,062	49,560	1,129,772
Depreciation and impairment	17,919	2,652	5,177	9,970	35,718
Purchases	7,053	93,278	100,189	-	200,520
Other direct costs	25,668	-	9,332	269	35,269
Travel and transport	-	270	-	-	270
Repairs and property costs	75,272	8,264	7,201	13,678	104,415
Heating oil	68,625	9,666	11,599	6,766	96,656
Electricity	156,851	22,091	26,510	34,264	239,716
Water and sewerage	16,604	2,339	2,806	4,150	25,899
Cleaning	40,253	2,143	2,879	3,595	48,870
Subs and licences	15,681	2,194	1,749	3,223	22,847
Marketing	779	153	-	655	1,587
OIC hire of facilities	132,000	-	-	-	132,000
Lease costs	30,148	-	-	-	30,148
Equipment	4,564	-	1,902	260	6,726
Other charitable expenditure	14,221	225	5,709	3,763	23,918
	<u>1,449,463</u>	<u>243,600</u>	<u>311,115</u>	<u>130,153</u>	<u>2,134,331</u>
Share of support and governance costs (see note 10)					
Support	590,332	73,682	68,817	73,451	806,282
Governance	7,323	1,032	1,238	722	10,315
	<u>2,047,118</u>	<u>318,314</u>	<u>381,170</u>	<u>204,326</u>	<u>2,950,928</u>
Analysis by fund					
Unrestricted funds	2,009,494	310,943	381,170	204,326	2,905,933
Restricted funds	37,624	7,371	-	-	44,995
	<u>2,047,118</u>	<u>318,314</u>	<u>381,170</u>	<u>204,326</u>	<u>2,950,928</u>

9 Raising funds

	2025 £	2024 £
<u>Trading costs</u>		
Other trading activities	25,356	22,818
	<u>25,356</u>	<u>22,818</u>

THE PICKAQUOY CENTRE TRUST

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

10 Support costs

	Support costs	Governance costs	2025	2024	Basis of allocation
	£	£	£	£	
Staff costs	610,652	-	610,652	528,744	Estimated staff time
Depreciation	25,966	-	25,966	33,495	See notes
Other staff costs	17,364	-	17,364	12,439	See notes
Clothing	2,934	-	2,934	6,684	See notes
Insurance	24,704	-	24,704	21,608	See notes
Service fees	41,777	-	41,777	40,433	See notes
Equipment	2,103	-	2,103	1,319	See notes
Stationary & postages	3,943	-	3,943	2,578	See notes
Telephone	13,420	-	13,420	12,448	See notes
Travel	3,525	-	3,525	407	See notes
Professional fees	12,736	-	12,736	8,576	See notes
Bank charges	17,112	-	17,112	15,078	See notes
Printing	1,614	-	1,614	3,036	See notes
Advertising	11,578	-	11,578	10,187	See notes
Non-recoverable VAT	82,493	-	82,493	69,491	All sports & functions
Other general expenses	3,410	-	3,410	1,475	See notes
Subscriptions & Licences	25,962	-	25,962	38,284	See notes
 Audit fees	-	4,750	4,750	4,500	See notes
Accountancy	-	6,238	6,238	5,815	See notes
	<u>901,293</u>	<u>10,988</u>	<u>912,281</u>	<u>816,597</u>	
 Analysed between					
Charitable activities	<u>901,293</u>	<u>10,988</u>	<u>912,281</u>	<u>816,597</u>	

Support and governance costs have been apportioned to charitable activities on the following basis (unless noted otherwise): sports and functions - 69%; Arts - 11%; Catering - 11%; Campsite - 9%.

11 Trustees

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

12 Auditor's remuneration

Support costs include payments to the auditor for: audit fees of £4,750 (2024: £4,455), assistance with preparation of the financial statements of £6,238 (2024: £5,860) and other non-audit services of £6,625 (2024: £6,415).

THE PICKAQUOY CENTRE TRUST

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

13 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Management & administration	31	26
Sports & functions	79	85
Arts	6	6
Maintenance & cleaning	10	9
Catering	13	10
Total	139	136

Employment costs	2025 £	2024 £
Wages and salaries	1,573,938	1,420,332
Social security costs	85,622	73,110
Other pension costs	206,317	165,074
	1,865,877	1,658,516

Key management personnel received remuneration during the year totalling £60,527 (2024: £55,130).

The number of employees whose annual remuneration was £60,000 or more were:

	2025 Number	2024 Number
£60,001 - £70,000	1	-

14 Taxation

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

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 April 2024	44,386	404,525	300,484	153,347	902,742
Additions	2,172	3,506	90,705	16,698	113,081
At 31 March 2025	46,558	408,031	391,189	170,045	1,015,823
Depreciation and impairment					
At 1 April 2024	10,636	301,611	266,420	128,873	707,540
Depreciation charged in the year	4,473	26,334	11,789	21,615	64,211
At 31 March 2025	15,109	327,945	278,209	150,488	771,751
Carrying amount					
At 31 March 2025	31,449	80,086	112,980	19,557	244,072
At 31 March 2024	33,750	102,914	34,064	24,474	195,202

16 Stocks

	2025 £	2024 £
Goods for resale and consumables	53,611	42,411

17 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	44,786	123,710
Other debtors	29,584	26,948
Prepayments and accrued income	41,887	42,775
	116,257	193,433

THE PICKAQUOY CENTRE TRUST

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

18 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	83,106	46,552
Deferred income	160,775	127,038
Trade creditors	59,135	94,671
Other creditors	5,984	1,588
Accruals	170,470	183,651
	<u>479,470</u>	<u>453,500</u>

19 Operating lease commitments

Lessee

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

	2025 £	2024 £
Within one year	<u>5,505</u>	<u>5,505</u>

20 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £160,317 (2024 - £155,074).

Defined benefit schemes

The company's employees are eligible to join a Local Government pension scheme, which is a defined benefit statutory scheme. The most recent full actuarial valuation was on 31 March 2023 and was carried out by a qualified independent actuary. An updated valuation has been prepared at 31 March 2025 for the purposes of disclosure in these accounts. Contributions to the scheme are determined by the actuary on the basis of triennial valuations using the projected unit method.

Key assumptions

	2025 %	2024 %
Discount rate	5.85	4.85
Expected rate of increase of pensions in payment	2.7	2.75
Expected rate of salary increases	<u>3.2</u>	<u>3.25</u>

THE PICKAQUOY CENTRE TRUST

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

20 Retirement benefit schemes

(Continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2025 Years	2024 Years
Retiring today		
- Males	19.0	19.0
- Females	23.3	23.3
Retiring in 20 years		
- Males	21.2	21.3
- Females	25.5	25.5

Amounts recognised in the profit and loss account:

	2025 £	2024 £
Current service cost	206,000	166,000
Net interest on defined benefit liability/(asset)	(83,000)	(72,000)
Total costs	123,000	94,000

Amounts taken to other comprehensive income:

	2025 £	2024 £
Actual return on scheme assets	(102,000)	443,000
Less: calculated interest element	(294,000)	(260,000)
Return on scheme assets excluding interest income	(396,000)	183,000
Actuarial changes related to obligations	1,105,000	(24,000)
(Increase)/decrease in asset not recognised due to asset ceiling	(1,506,000)	(976,000)
Total (costs)	(797,000)	(817,000)

THE PICKAQUOY CENTRE TRUST

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

20 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2025 £	2024 £
Present value of defined benefit obligations	3,560,000	4,240,000
Fair value of plan assets	(6,042,000)	(5,976,000)
Surplus in scheme	(2,482,000)	(1,736,000)
Asset not recognised due to asset ceiling	2,482,000	976,000
Total liability/(asset) recognised	-	(760,000)

Movements in the present value of defined benefit obligations:

	2025 £
Liabilities at 1 April 2024	4,240,000
Current service cost	206,000
Benefits paid	(53,000)
Contributions from scheme members	61,000
Actuarial gains and losses	(1,105,000)
Interest cost	211,000
At 31 March 2025	3,560,000

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2025 £
Fair value of assets at 1 April 2024	5,976,000
Interest income	294,000
Return on plan assets (excluding amounts included in net interest)	(396,000)
Benefits paid	(53,000)
Contributions by the employer	160,000
Contributions by scheme members	61,000
At 31 March 2025	6,042,000

The actual return on plan assets was £102,000 (2024 - £443,000).

THE PICKAQUOY CENTRE TRUST

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

20 Retirement benefit schemes

(Continued)

The fair value of plan assets at the reporting period end was as follows:

	2025 £	2024 £
Equity instruments	3,866,900	5,019,800
Debt instruments	1,510,500	358,600
Property	543,800	478,100
Cash	120,800	119,500
	<u>6,042,000</u>	<u>5,976,000</u>

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Restricted funds

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

	Balance at 1 April 2023 £	Movement in funds			Transfers £	Balance at 1 April 2024 £	Movement in funds			Transfers £	Balance at 31 March 2025 £
		Incoming resources £	Resources expended £				Incoming resources £	Resources expended £			
VAO - Third Sector Cost of Living Crisis Fund	15,000	-	(15,000)	-	-	-	-	-	-	-	-
OIC - Community Learning and Development	-	12,000	(9,516)	-	2,484	8,000	(9,784)	-	-	-	700
Film Hub Scotland - Film Exhibition Fund	-	6,000	(6,000)	-	-	500	(500)	-	-	-	-
Orkney Rape and Sexual Assault Service - Film Screenings	-	2,000	(1,371)	-	629	2,000	(2,329)	-	-	-	300
OIC - Community Development Fund	-	-	-	-	-	42,083	(1,052)	-	-	-	41,031
SportScotland - Sport Facilities Fund	-	-	-	-	-	46,040	(1,151)	-	-	-	44,889
Scottish Ballet - SB Elevate	669	-	(669)	-	-	(1,000)	-	-	1,000	-	-
HIE - E-Bikes for Campsite Users	46,495	-	(8,948)	-	37,547	-	(6,438)	-	-	-	31,109
Other	-	2,474	(2,474)	-	-	-	-	-	-	-	-
Orkney 2025 - Internet Upgrade	-	-	-	-	-	7,500	-	-	-	-	7,500
Scottish Swimming - Teacher Qualification	-	-	-	-	-	1,100	(1,100)	-	-	-	-
OIC - Digital Development Grant	2,654	-	(1,017)	-	1,637	-	(1,017)	-	-	-	620
Orkney Badminton Club - Badminton Posts	-	4,980	-	(4,980)	-	-	-	-	-	-	-
	64,818	27,454	(44,995)	(4,980)	42,297	106,223	(23,371)	1,000	-	126,149	

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Restricted funds

(Continued)

VAO - Third Sector Cost of Living Crisis Fund - funding provided to assist with the challenge of rising energy costs.

OIC - Community Learning and Development - funding awarded to assist with the staff and facility costs of running a free after school club for secondary aged young people in Orkney.

Film Hub Scotland - Film Exhibition Fund - funding awarded to assist with the screening cost of specialist films in the year.

Orkney Rape and Sexual Assault Service - Film Screenings - funding to assist with running free screenings in celebration of International Women's Day and Women's History Month.

OIC - Community Development Fund/Sport Scotland - Sport Facilities Fund - funding awarded towards the purchase of a new LED scoreboard fitted within the swimming pool. Fund balance represents the net book value of the asset, which will be reduced inline with depreciation.

Scottish Ballet - SB Elevate - awarded to assist with the delivery of the SB Elevate project in Orkney over an 18-21 month period. The final balance has been written off during the year due to an underspend.

HIE - E-Bikes for Campsite Users - 100% funding to purchase e-bikes for use by campsite users and a storage shed. The project was delivered under budget, and a small amount of funding will be repaid to the funder. The fund balance represent the net book value of the assets purchased and will be reduced inline with asset depreciation.

Orkney 2025 - a contribution towards an upgrade of the centre's internet ahead of the 2025 Island Games. Installation was still to take place at the balance sheet date.

Scottish Swimming - retrospective funding towards the training of additional swimming teachers.

OIC - Digital Development Grant - funding awarded to assist with the purchase of a video conferencing system. The fund balance represent the net book value of the funded portion of the assets purchased and will be reduced inline with asset depreciation.

Orkney Badminton Club - Badminton Posts - funding received from Orkney Badminton Club to assist with the purchase of new posts. As no restrictions exist over the asset beyond the initial purchase, the balance has been transferred to unrestricted funds.

Other grants include funding awarded to assist with the staff and hire costs of running Yoga classes for priority groups, and for the cost of lifeguard training courses.

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

22 Unrestricted funds

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

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Fixed assets	156,017	-	-	56,325	-	212,342
General funds	1,090,190	3,243,706	(3,306,163)	(57,325)	(797,000)	173,408
	<u>1,246,207</u>	<u>3,243,706</u>	<u>(3,306,163)</u>	<u>(1,000)</u>	<u>(797,000)</u>	<u>385,750</u>
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
Fixed assets	164,101	-	-	(8,084)	-	156,017
General funds	597,503	2,963,374	(2,928,751)	13,064	445,000	1,090,190
	<u>761,604</u>	<u>2,963,374</u>	<u>(2,928,751)</u>	<u>4,980</u>	<u>445,000</u>	<u>1,246,207</u>

The balance of the fixed asset designated fund represents the net book value of fixed assets held by the trust at the balance sheet date.

23 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total Unrestricted funds 2025 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:					
Tangible assets	212,342	31,730	244,072	39,185	195,202
Current assets/(liabilities)	173,408	94,419	267,827	3,112	333,302
Provisions and pensions	-	-	-	-	760,000
	<u>385,750</u>	<u>126,149</u>	<u>511,899</u>	<u>42,297</u>	<u>1,288,504</u>

24 Related party transactions

THE PICKAQUOY CENTRE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Related party transactions

(Continued)

Orkney Islands Council (OIC), the local authority, is entitled to nominate trustees and in addition it provides annual funding under the terms of a service level agreement to enable the charity to carry on its charitable activities. The property and specific fixtures of the leisure centre are owned by OIC. The lease period is 80 years, expiring 5th April 2079. The annual rental is a nominal value of £1.

OIC charge the charity for certain services including maintenance and utilities. The cost for these recharges in the year totalled £266,565 (2024: £300,094). Creditors falling due within one year include £33,390 (2024: £41,605) due to OIC for services provided to the charity.

The charity received from OIC a revenue contribution of £792,200 (2024: £792,200), £26,748 (2024: £29,106) of Renewable Heat Incentive, a grant of £42,083 (2024: £nil) towards the cost of a new swimming pool scoreboard and £8,000 of other grants (2024: £13,474). The charity provides certain services to OIC, including event management and facilities hire. The total income for these services during the year was £44,901 (2024: £47,235). These transactions are at normal commercial terms. Debtors include balances due from OIC totalling £14,457 (2024: £92,149).

25 Cash generated from operations	2025 £	2024 £
(Deficit)/surplus for the year	20,395	17,082
Adjustments for:		
Investment income recognised in statement of financial activities	(10,802)	(29,099)
Gain on disposal of tangible fixed assets	-	(3,368)
Depreciation and impairment of tangible fixed assets	64,211	72,581
Difference between pension charge and cash contributions	(34,071)	(61,440)
Movements in working capital:		
(Increase) in stocks	(11,200)	(12,325)
Decrease/(increase) in debtors	77,176	(69,189)
Increase in creditors	10,108	45,833
Cash generated from/(absorbed by) operations	115,817	(39,925)

26 Non-audit services provided by auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.