



The Flow Country Partnership

**Scottish Charitable Incorporated Organisation
No. SC053100**

Annual Report & Financial Statements

For the Year Ended 28th February 2026

Trustees' Annual Report

For the Year Ended 28th February 2026

The Trustees have pleasure in presenting their report together with the financial statements and the independent examiner's report for the year ended 28th February 2026.

Reference & Administrative Information

Charity Name

The Flow Country Partnership

Charity No

SC053100

Address

The Links, Golspie Business Park, Golspie, KW10 6UB

Current Trustees

Graham Neville	Chair
Prof. Roxane Andersen	Secretary
Peter Faccenda	Treasurer
Kenna Chisholm	
Frances Gunn	
Cllr. Raymond Bremner	
Pete MacRae	

Structure Governance & Management

Constitution

The Charity is a Scottish Charitable Incorporated Organisation (SCIO). It is governed by its constitution which was granted charitable status by OSCR on 1st February 2024.

Appointment of Trustees

The Trustees are elected by members at the Annual General Meeting. There will be a maximum of 12 Trustees and a minimum of 3. Trustees can remain in position for a maximum of six years (except the Chair who can serve for 9 years), they are not eligible for election again until a further year has elapsed.

Management

The Trustees of The Flow Country Partnership are responsible for providing strategic direction and ensuring effective governance. The day-to-day operations and management are overseen by the Flow Country Partnership Manager and Management Committee.

Objectives & Activities

Charitable Purposes

The organisation's purposes are to promote the protection, conservation, and enhancement, for the benefit of the public, of the area within the Counties of Caithness and Sutherland, known as The Flow Country, on account of its outstanding peatland ecosystems and biodiversity, and in particular (but without limitation) to undertake the following:

- a) the advancement of environmental protection or improvement, by promotion and implementation of sustainable land management that maintains and enhances the habitats and species, and (but not limited to) carrying out and supporting the objectives set out in the Management Strategy for the Peatlands of Caithness and Sutherland.
- b) the advancement of education, by education of the public in respect of the area's significance and values, including its special wildlife, carbon store, landscape character, water environment, historical and cultural values, and through promotion of the value of the area as an exemplar and inspiration for others working on peatland management and restoration.
- c) the advancement of citizenship or community development, within the area and its communities by promotion of sustainable development of communities and the economy, based on The Flow Country's outstanding natural values.

Main Activities

The Flow Country Partnership has established workstreams that cover the core activities of the charity. Each workstream reports on progress to the Management Committee on a monthly basis, enabling rapid progress against the core objectives, with key decisions escalated to the Board of Trustees.

During 2025-26 the workstreams covered:

Peatland Restoration

The workstream was tasked with delivering the Facility for Investment Ready Nature in Scotland (FIRNS) funded Flow Country Green Finance Initiative. This has included the development and submission of Peatland ACTION and Peatland Code applications for two of the three project sites (Achentoul and Armadale). Key activities have included mapping, field-based ground-truthing, liaison with landowners and relevant stakeholders, and oversight of the tendering process and subsequent on-the-ground project delivery.

In parallel, development work has progressed on the third project site at Borgie Common Grazings, alongside efforts to build a pipeline of future projects beyond FIRNS. Pipeline development has been a core priority for the Flow Country Partnership, supporting long-term sustainability and creating ongoing opportunities for peatland restoration across the Flow Country region.

Strategic Action Funding was secured from Peatland ACTION for 2025-26, with further funding confirmed for 2026-27.

World Heritage Site

The workstream was tasked with managing and delivering projects in relation to The Flow Country World Heritage Site (WHS). These tasks have included updating the Management Plan post-inscription including undertaking a Strategic Environmental Assessment, responding to planning applications for developments within and adjacent to the Site boundary, drafting a Monitoring Plan to support WHS periodic reporting requirements and producing a Sustainable Tourism Strategy for the WHS and the wider Flow Country. The WHS's Steering Group was also reformed post inscription to guide the delivery of practical actions for the WHS.

Investment and Flow Country Restoration Limited (FCRL)

The workstream was tasked with leading on discussion with prospective investors, identifying bridging finance options and developing the relevant and appropriate financial model for different investments portfolio. It also managed the FCRL operations in relation to restoration on the ground (e.g. payment to contractors), working closely with the Peatland Restoration workstream.

Communications

The workstream was tasked with leading on all external facing communication including press, media, social media, public engagement and outreach. The workstream works closely with all other workstreams and with key external partners and agencies.

Fundraising

The workstream was tasked with mapping priority, needs (staffing, resources) and costs, identifying suitable calls for funding and sponsorship opportunities and initiating discussions with funders and prospective sponsors. This also included securing funding to deliver specific activities and engaging in the early stages of application process (e.g. Expression of Interest).

An Expression of Interest was submitted to the Endangered Landscapes & Seascapes Fund in January but was unsuccessful due to the high quantity & quality of applications to this international fund. Funding was secured from NatureScot to deliver The Flow Country World Heritage Site Management Plan SEA, brown gateway signs, Sustainable Tourism Strategy & project development work to feed into future funding applications.

This workstream works closely with the Peatland Restoration, World Heritage Site and Investment workstreams.

Achievements & Performance

The Flow Country Partnership has continued to make good progress over the past year, with work focused on peatland restoration delivery, project development, and longer-term planning for the Flow Country Partnership and the World Heritage Site.

Phase 2 of restoration work at Armadale Farm commenced in August 2025 and was completed by October 2025, with restoration at the site now complete.

Alongside delivery work, the development of a wider project pipeline has remained a core priority, with further restoration projects progressing through planning and application stages. To support this, a Peatland Restoration Offer leaflet has been produced, highlighting the support the Flow Country Partnership can provide to landowners interested in peatland restoration. Engagement events are planned later in the year to support its launch and encourage further participation.

Organisational capacity has also strengthened over the period. The Flow Country Partnership currently comprises six staff (5 FTE) and one intern employed across partner organisations, supporting delivery across restoration, communications, engagement, and World Heritage Site co-ordination.

Governance structures for the World Heritage Site have been re-established and strengthened. The WHS Steering Group reconvened in September 2025 and now meets quarterly, supported by a Management Group as well as Tourism, Communication, Funding and Planning Working Groups.

A Sustainable Tourism Strategy is currently being developed with consultancy support and has been informed by community consultations held in late 2025 and spring 2026. Publication of the strategy is expected in June 2026.

Progress has also been made on strategic planning and funding. The WHS Management Plan is being updated, although its adoption as a material planning consideration has been delayed until August 2026 due to the requirement for a Strategic Environmental Assessment. Planning applications at various stages have also been reviewed and responded to on behalf of the Partnership to help protect the Site's Outstanding Universal Value.

Additional funding has been secured to support delivery of the WHS Management Plan SEA, gateway signage, the Sustainable Tourism Strategy, and further project development work.

To support long-term sustainability, the Flow Country Partnership has been developing a five-year business plan setting out its investment model, project pipeline, financial projections, and organisational structure. A Peatland Restoration Offer booklet and associated marketing strategy have also been prepared to support future pipeline growth during 2026.

Local engagement has also been strong, with the Flow Country Partnership attending school events, including careers and science fairs, as well as wider community events. Further peatland education activity, including school visits and site visits, are planned for later in the year.

Finally, partnership working and profile-raising activities have continued to build momentum. A Memorandum of Understanding was signed with the Caithness Broch Project to support delivery of the Big Broch Build; while fundraising efforts have been supported through activities such as Prof. Roxane Andersen's remarkable 100km traverse of the Flow Country on World Heritage Day, a significant achievement that helped raise both funds and the profile of the Partnership.

Financial Review

The charity continues to receive significant in-kind contributions from partner organisations, including NatureScot, RSPB Scotland, North Highland Initiative, The Highland Council, Highlands and Islands Enterprise, and the University of the Highlands and Islands Environmental Research Institute. This support includes the provision of staff, funding for events, and coverage of associated operational costs.

North Highland Initiative has continued to act as the grant holder for the Facility for Investment Ready Nature in Scotland (FIRNS), which enabled delivery of the Flow Country Green Finance Initiative and supported two key roles, the Peatland Restoration Officer (1.0 FTE) and Project Officer (0.8 FTE), until March 2025.

Funding was secured from Peatland ACTION's Strategic Partnership Fund from March 2025 to support core costs associated with peatland restoration delivery, including salary costs for two staff members (Peatland Restoration Officer and FCP Project Officer) employed through North Highland Initiative, with funding paid directly to the Flow Country Partnership.

In addition, The Highland Council hosts the Flow Country Partnership Manager (1.0 FTE) and World Heritage Site Co-ordinator (1.0 FTE), while RSPB employs a Peatland Restoration Officer (0.8 FTE), a Peatland Communications and Engagement Officer (0.4 FTE), and a Peatland Restoration Intern (1.0 FTE, funded by Peatland ACTION).

Ongoing financial management support has been provided by North Highland Initiative.

Approved by the Trustees on 6th May 2026 and signed on their behalf by:-

Graham R. Neville

Peter Faccenda

GRAHAM R. NEVILLE

PETER FACCENDA

Chair

Treasurer

Independent Examiner's Report

Independent Examiner's Report to the Trustees of The Flow Country Partnership report on the accounts of the charity for the year ended 28th February 2026 which are set out on the following pages.

Respective Responsibilities of Trustees and Examiner

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

Basis of Independent Examiner's Statement

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

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

have not been met, or

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

Signature: *Christine Ross*

Date: 8th May 2026

Name: CHRISTINE ROSS

Address: LAIRG COMMUNITY CENTRE, MAIN STREET, LAIRG, IV27 4DB

Relevant Professional qualification/professional body if appropriate: n/a

Statement of Receipts and Payments

For the Year Ended 28th February 2026

RECEIPTS AND PAYMENTS	Unrestricted	Restricted Flowing Forward	Restricted Peatland ACTION	2026 Total	2025 Total
INCOME					
Charitable income - grants	0	4,403	85,911	90,314	
Donations and gifts	23,346	0	0	23,346	
Total Turnover	23,346	4,403	85,911	113,660	
TOTAL INCOME	23,346	4,403	85,911	113,660	0
EXPENDITURE					
Audit & Accountancy fees	0	0	13,525	13,525	
Bank fees	74	0	0	74	
General expenses	0	0	40	40	
Insurance	0	0	2,061	2,061	
IT Software etc	0	0	1,199	1,199	
Legal expenses	0	0	1,147	1,147	
Marketing & Advertising	0	0	315	315	
Meetings and Events	0	1,226	0	1,226	
Printing & Stationery	0	44	20	64	
Recharges	0	0	2,421	2,421	
Social security costs	0	0	6,926	6,926	
Staff pension costs	0	0	1,635	1,635	
Staff Training	0	0	1,568	1,568	
Travel - National	104	1,433	976	2,513	
Wages and salaries	0	0	54,513	54,513	
Flow Country Restoration Ltd	19,820	0	0	19,820	
TOTAL EXPENDITURE	19,998	2,703	86,346	109,047	0
SURPLUS/(DEFICIT)	3,348	1,700	(435)	4,613	0

Statement of Balances – As at 28th February 2026

STATEMENT OF BALANCES	Unrestricted	Restricted Flowing Forward	Restricted Peatland ACTION	2026 Total	2025 Total
OPENING BALANCE	0	0	0	0	0
SURPLUS/(DEFICIT)	3348	1700	(435)	4613	0
CLOSING BALANCE 28.2.2026	3348	1700	(435)	4613	0

Please see previous statement in the Trustee Annual Review financial section.

Approved by the Trustees on 6th May 2026 and signed on their behalf by:-

Graham R. Neville

Peter Faccenda

GRAHAM R. NEVILLE

PETER FACCENDA

Chair

Treasurer

Notes to the Accounts – For the Year Ended 28 February 2026

1. Reserves

All funds are unrestricted.

2. Trustee Remuneration and Expenses

No trustees received any remuneration in the year and one Trustee received travel expenses totalling £179.10

3. Basis of Accounting

These accounts have been prepared on the receipts and payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).