

COMPANY REGISTRATION NUMBER: SC024950
CHARITY REGISTRATION NUMBER: SC002278

REGISTRAR OF COMPANIES
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**Scottish Environmental and Outdoor Education Centres
Association**

Company Limited by Guarantee

Financial Statements

For the year ended

31 December 2017

SATURDAY



SCT *S7DKFIK2* #183
01/09/2018
COMPANIES HOUSE

I.A. STEWART & CO

Chartered Accountants & Statutory Auditor
The Mechanics Workshop
New Lanark
ML11 9DB

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2017

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Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Chair's Statements

Year ended 31 December 2017

Scottish Environmental and Outdoor Education Centres (SOEC)

During the year, the charity refreshed and updated its Articles and formally changed its registered name to Scottish Environmental and Outdoor Education Centres Association; dropping "Limited" in line with best practice.

The emphasis of our work however remains very much the same. The Board and the staff team as outdoor specialists are committed to using their skills and resources to benefit disabled, disadvantaged and vulnerable young people as well as young people in schools, youth groups and many other charities and voluntary organisations.

I am pleased to report the sale of land on our former Glengonnar Centre site. This was part of a planned realisation of assets which, combined with the previous sale of Loaningdale House (2015) has enabled us to significantly reduce borrowing with the bank.

This is a significant achievement for the charity, particularly since our historical debt has been paid down in the years following the economic downturn, but also given that we have been able to invest over £1.4m in improvements at the Centres during the same period. There is still some way to go.

We are ready to start work on the renewal of two accommodation blocks at Dounans Centre with new wet areas and showers, upgraded rooms for teachers and group leaders and new heating systems in the dorms. In fact the necessary preliminary work was undertaken last year and earlier this year with the installation of a new water supply system and new boilers.

We anticipate that with this work, we will be able to accommodate groups of up to 156 pupils/young people and their teachers/group leaders in upgraded dorms at Dounans. It has taken some time to undertake essential preliminary work but with this phase of the work, we are able to address customer concerns and accommodate large groups in upgraded accommodation.

We were successful in being awarded a grant from the Heritage Lottery Fund for an Oral History Project. This is a fascinating project that aims to capture stories of people who stayed at SOEC Centres from its earliest days of operation in the 1940's and 1950's. We have commissioned an historian, Mr Howard Mitchell, who is gathering material for a film of our story at that time.

This early part of our 78 year old history includes stories of young people engaged in outdoor learning as early as 1940. About this time we sheltered refugees from Eastern Europe and at the end of the war, young people from the Netherlands. The period was brought vividly to mind in a meeting last year with Mr Heycoop who, as a Dutch child, and along with hundreds of others, stayed at one of our Centres to avoid the impact of famine in Holland and while their country was being rebuilt. Later in the 1950's we also housed refugees from Hungary following the Soviet invasion of that country.

We are grateful to the many people from around the world who have contributed already by providing stories or sending in photographs and other material. We look forward to hearing more of these fabulous stories and seeing the film next year.

The experiences of thousands of young people at our Centres are the sources of many vivid memories over several decades. And in delivering real benefits for young people, our work is as important as it ever was. We are in no doubt of the continued need to deliver our charitable objectives to all young people and we can evidence that we can trigger positive changes in the face of tenacious behaviours that impeded personal development, health and well-being and learning.

However our charitable objectives also require us to **construct, own, operate and manage residential centres and facilities in Scotland**. Our buildings and infrastructure have been well used for nearly 80 years and this presents our greatest challenge.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Chair's Statements *(continued)*

Year ended 31 December 2017

We should not underestimate the importance to young people of the Centres. Our specialist tutors engage people in outdoor and adventurous activities which are powerful development experiences that empower them to gain essential skills and qualities such as confidence, resilience, team work, and positive "can-do" mind set. However it is the immersive, away-from-home experiences that occur at the residential Centres that changes a young persons' self-perception and self-belief.

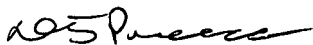
Of course this can be done in other ways, through camps and expeditions etc. But Scotland needs an infrastructure that will make such experiences possible for all young people.

The Trustees and Directors of SOEC are all convinced of the importance of getting young people active in the outdoors and of the essential corollary to rebuild the Centres. This is a major multi-million pound challenge and we cannot do this without support from many people and organisations. SOEC needs the support of people, organisations and companies that are similarly convinced of the potential of our outdoor education Centres for the young people of Scotland.

I would like to take the opportunity to thank all our supporters. I include in this the groups that regularly visit and the staff members who visit with them, who give their own time and energies to ensuring that residents at SOEC achieve the best possible outcomes for the young people. With over 95% of our income arising from provision of residential experiences and outdoor learning programmes, our visitors are not only looking for tangible outcomes from well thought-out programmes, they are also supporting the future of the SOEC Charity.

We are very grateful to the late Mr Bob Durward for his continued support for SOEC. Some of the progress this year could not have been achieved without Mr Durward's support. I also wish to thank Mr James Cameron for his continued support of our Head Office. I would like to thank the Gannochy Trust, Heritage Lottery Fund, Wessex Trust and the Government's Voluntary Organisation Support Fund for their support. Also, we were delighted to receive a donation from East Neuk First Responders of a defibrillator for Broomlee Centre. We are very grateful to them for this gift.

Finally I would like to thank the Trustees of the SEOEC Charity and the Directors of the SOEC Company Board for their combined efforts during the year.



Dave Preece,
Chair of Scottish Environmental & Outdoor Education Centres Council and Management Committee.
23 August 2018

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Chair's Statements *(continued)*

Year ended 31 December 2017

Scottish Outdoor Education Centres Limited (SOEC Ltd)

Following several years of surplus generation, the trading company, SOEC Ltd. made a loss in 2017 although the consolidated charity/company accounts still show a surplus. Some of the expenditure is attributed to legal and consultancy fees involved in changes including the organisation's move to the Clydesdale Bank.

In 2017, we worked with over 10,000 children and young people providing around 80,000 learning days in the outdoors (school days equivalent). Our excellent tutor teams are able to use outdoor activities in order to deliver the development of skills and qualities aligned with Curriculum for Excellence and Health and Well-being outcomes. They work with young people of different ages and abilities, and particularly in delivering brilliant outcomes for those with very specific, additional support needs. In this way we hope to support teachers and group leaders.

Following the pilot in 2016 of an innovative, Life Skills Development Programme for young people with autistic spectrum diagnoses, we replicated that programme in 2017 for a new group of young people from Lothian Autistic Society (LAS).


The programme had twin aims of exploring the therapeutic benefits of the outdoor environment, and developing qualities and skills to enhance employability prospects. This programme was highly successful as borne out in feedback from parents/carers, the young participants, and our partners LAS.

That success was based in large part on the approach we adopted in being people-centred, being clear sighted on outcomes and particularly the emphasis on partnership working. In fact, what emerged was a model for a range of Life Skills Development Programmes that will benefit many different groups of vulnerable young people. This led to the co-production of a similar programme with West Lothian Young Carers which also produced multiple, positive outcomes for young people with very different needs.

Also, we made links to bring in other potential partners such as the Trust for Conservation Volunteers and the Butterfly Conservation Trust. We hope to develop this programme further and to maximise the benefits of the programme in developing confidence, team work, communications skills etc. but also creating networks for young people to continue to use their skills through mentoring and volunteering work.

On behalf of the Board, I would like to thank the Senior Management Team that has managed to run a tight organisation in challenging economic circumstances. I particularly wish to thank the Centre Managers who have worked hard to provide innovative programmes that meet the needs of a diverse range of customer groups while the Centres are being upgraded.

We look forward to building on 2017 achievements in 2018.



Bruce Tait
Chair of Scottish Outdoor Education Centres Limited
23 August 2018

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2017

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2017.

Reference and administrative details

Registered charity name	Scottish Environmental and Outdoor Education Centres Association
Charity registration number	SC002278
Company registration number	SC024950
Principal office and registered office	Loaningdale House Carwood road Biggar Lanarkshire ML12 6LX

The trustees

Mr D J Preece	
Mr G Calder	
Mr B Tait	
Ms D Bird	
Mr D J Spence	(Resigned 24 August 2017)

Ms L Wilson, a representative from The Educational Institute of Scotland sat on the Council until March 2017. Mr D Belsey replaced Ms Wilson in December 2017.

Ms D Bird resigned 9 May 2018.

Key management personnel

Chief executive officer	Mr D J Spence
Company secretary	Mr D J Spence
Auditor	I.A. Stewart & Co Chartered Accountants & Statutory Auditor The Mechanics Workshop New Lanark ML11 9DB
Bankers	Royal Bank of Scotland 104 High Street Biggar ML12 6DH
Solicitors	Lindsays Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2017

Structure, governance and management

Structure

The charity, Scottish Environmental and Outdoor Education Centres Association (SOEC) trades through its wholly owned subsidiary company, Scottish Outdoor Education Centres Limited (SOEC Ltd). With SOEC as the sole shareholder, the group maintains its status as a charity and social enterprise.

Governing Document and Members

Established following the Camps Act of 1939, the organisation was formed as Scottish National Camps Association in 1947. It was a Non-Departmental Public Body until 1987 when it became a voluntary organisation approved for grant making purposes and renamed itself Scottish Environmental & Outdoor Education Centres Association Limited or Scottish Centres. In 2008, it adopted a further name change to Scottish Outdoor Education Centres or SOEC.

The organisation has a Council consisting of representatives nominated by professional, educational, academic and public authority bodies such as the Educational Institute of Scotland (EIS) and University of Dundee, as well as individuals from the private sector.

Scottish Environmental and Outdoor Education Centres Association is a Scottish Charity and the parent of its wholly owned subsidiary company: Scottish Outdoor Education Centres Limited (SOEC Ltd).

Scottish Outdoor Education Centres (SOEC) has two separate but related governing bodies:

- Scottish Environmental and Outdoor Education Centres Association, a registered Scottish Charity (referred to below as the "Charity"); and
- Scottish Outdoor Education Centres Limited (SOEC Ltd) a limited company (referred to as the "Company").

The Charity has Members (collectively referred to as the "Council") and Trustees; 3-8 members of the Council elected by the Council to serve on the Management Committee.

The Company has a Board of Directors. They are registered as such with Companies House. Directors oversee the work of the Executive Team involved in the management of the Company who report to the Board. The Board shall recommend actions and advise on the strategic direction of the Company to ensure financial and long term viability of the Company.

The sole member of the Company is the Charity itself and some Members of the Charity fully engage with the Board. This creates a parent/subsidiary relationship between the Charity and the Company and ensures that the Charity retains control over the Company to ensure compliance with our charitable objectives.

Expenses

Membership of any of the SOEC governance bodies is purely voluntary, although Members are eligible to recover any agreed travel and subsistence costs associated with the work of the charity and company. Directors oversee the organisation's pay policy for the senior staff team. Their pay rates are set based on equivalent posts in the public and private sectors.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2017

Structure, governance and management *(continued)*

Recruitment, Appointment and Retirement of Members of the Council and Management Committee

The directors of SOEC are charity trustees for the purposes of charity law and under the company's Articles of Association. Under this, Members of the Management Committee are elected to serve for a period of 3 years after which they must be re-elected at the next Annual General Meeting.

All Members of the Management Committee give their time voluntarily and receive no benefits from the charity. Any expenses claimed are disclosed in note 16 of the accounts.

Due to the broad ranging nature of our work, the Management Committee and Council seek to ensure that the needs of children and young people, outdoor learning and education are appropriately reflected through the diversity of the trustee body. The day to day content and provision of outdoor learning and education is delegated to staff.

Members Induction and Training

The Members of the Management Committee and Council are fully familiar with the aims and purpose of the charity as set out in the Corporate Business Plan, other corporate documents and promotional and marketing material.

Meetings take place throughout the year at different SOEC Centres at which time Members have opportunities to tour the Centres and meet with the staff team. Members engage in SOEC's work where they employ their particular areas of specialism such as: education, outdoor learning, or business expertise. All Members and staff are required to be PVG checked.

Risk Management and Health and Safety

The trustees have sight of documents and policies relating to risk and health and safety management including;

- The Reports from the Annual Inspections of the Adventure Activity Licensing Authority;
- Annual Health and Safety Reviews including Audits and Action Plans for the Centres;
- The SOEC Risk Register.

In addition, SOEC has Standard Operating Procedures and Risk Assessments for outdoor activities and the Centres. These documents have been seen and considered by SOEC's Technical Advisors. There are two Technical Advisors, for high rope activities and water activities.

These along with other procedural and management documents are checked by AALA during the annual inspection.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2017

Objectives and activities

Our charitable objects are:

- for the social, physical and intellectual advancement of the community at large and of children and young people in particular... (and)
- for the purpose of promoting and furthering education, the arts and outdoor, sporting, leisure and recreational activity... (to)
- construct, own, operate and manage residential centres and facilities in Scotland.

Charitable objects are met through the delivery of residential experiences and by the Tutor teams who are trained to design and deliver a range of outdoor learning programmes with multiple outcomes for children and young people of all ages and abilities.

The integration of the residential experience with outdoor learning programmes is a powerful pedagogy that delivers simultaneously multiple outcomes sought in Government health and well-being and youth policy areas as well as education, particularly in relation to the delivery of Curriculum for Excellence outcomes.

The Centres operate to provide a safe and nurturing, away-from-home environment. Programmes are designed with and for young people to develop the qualities, skills, knowledge and experiences such as confidence, resilience, teamwork and communication skills, creativity, problem solving, risk awareness, determination and adaptability, and "can do" growth mind set. These are the qualities and skills that they will need in their future, in their communities and in the world of work.

SOEC advocates partnership working. We support and collaborate with teachers, youth group leaders, and particularly the support groups for disadvantaged and disabled young people to deliver benefits and outcomes that they seek.

Achievements and performance

Who benefits from our Educational Services?

In 2017, SOEC worked with over 10,000 children, young people and leaders delivering a wide range of away-from-home experiences, adventure activities and outdoor learning.

An increasing proportion of these young people face significant social, emotional or physical challenges. We work with a large number of support networks and organisations including Lothian Autistic Society, Young Carers, the Royal National Institute for the Blind, Deaf Action and several special schools, colleges and clubs. Some came for just a few days; others for day visits over several months.

We also work with primary and secondary school groups and many come with a range of additional support needs. Group sizes range from just a handful of pupils to groups of over 180. Customer groups in 2017 included youth groups, choirs and orchestras, sport clubs, and overseas groups. Our charitable work extends to working with schools from areas of multiple deprivation. We have created a pricing structure that aims to be accessible and affordable to those from deprived areas.

We continue to focus on developing new programmes to meet the needs of disabled, vulnerable and disadvantaged people. We replicated the Transition to Work programme with a second group of young people from Lothian Autistic Society and delivered a similar programme for young carers. Going forward, we are looking to develop partnerships with other autism organisations, additional support needs schools, and other support networks such as the Black and Ethnic Minority Infrastructure in Scotland (Bemis).

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2017

Achievements and performance *(continued)*

Monitoring and Achievements and Performance

Our effectiveness in delivering these outcomes can be gauged by a Social Return on Investment ratio of over £1:£11 which is a very high ratio. Also through a comparative analysis from the National Citizenship Service whose programme required stays at many outdoor centres throughout the UK who rated the SOEC experience above average on nearly all parameters.

In outdoor learning, we are assessed on a wide range of parameters from the food, to accommodation to the activities and learning outcomes. Our success is apparent from the feedback of teachers and groups leaders. For example, the lead teacher from the School of Moscow stated,

"I've been on lots of residential & worked at residential Centres in the past, and this is by far the best I've been on. This is down to the overall experience but also the friendliness, enthusiasm, skill and professionalism of all the staff."

Related Activities: Outdoor Learning Development at the National Level and Research

SOEC is a national voluntary organisation providing residential experiences and outdoor learning programmes to groups and schools from the majority of local authority areas across Scotland. This year, visitors came from 24 out of 32 local authority areas in Scotland. Other groups came from England, France, Finland and Russia. The total number of learning days in 2017 was in excess of 80,000 (school days equivalent).

We are focusing on exploring the therapeutic potential of the outdoors and natural heritage for vulnerable and disabled young people. We are also developing our capability to provide exciting opportunities for volunteers.

Current focus

We continue to offer Activity and Adventure Programmes, Eco-literacy Programmes and Field Studies, Transition from Primary to Secondary and Transition to Work programmes. We can place emphasis on any aspect of these to develop co-designed programmes in collaboration with teachers and leaders to meet a group's specific needs.

We have invested heavily in our Centres in recent years and it is essential we continue to maintain momentum in Centre renewal. There is still some way to go to bring all three Centres up to the specification we wish to see. We continue to attract support for our Centres but our work is not constrained to them. We also undertake outreach, camping and bothying, and expeditions using the hills and lochs of Scotland.

It is these away-from-home experiences that, combined with our skilful tutor's use of adventurous activities, make outdoor learning such a powerful pedagogy. While each activity can result in one or more positive outcomes, it is the immersive, multi-day programme that can change a young person's self-perception and self-belief. We want to empower more children and young people to develop these qualities and skills therefore we look for supporters who recognise the essential contribution of the Centres, facilities, grounds and adventure activities to our charitable work.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2017

Financial review

Principal Funding Sources

The group's principal source of funding is remuneration from the provision of outdoor educational courses. SOEC derives over 95% of its income from trading - essentially from the parents of children and young people who undertake residential outdoor learning. The remainder came from the Scottish Government and other grant income.

Results for the year

The group has produced a surplus of £357,456 (2016: £60,893) mainly as a result of the gain on sale of the Glengonnar property and changes to the loan structure as a result of changing banks. The trustees have been working with a private investor and have now paid off the majority of the bank loan. The bank has confirmed that it will not seek to recover the balance, and this has been cleared from the accounts.

The surplus has been added to reserves brought forward, bringing total funds to be carried forward to £1,427,822 (2016: £1,070,366).

Reserves policy

The majority of our reserves are held within fixed assets (£1,644,840) to the extent that excluding those fixed assets, the general fund shows a deficit of £229,693 (2016: £674,601). The Trustees believe that there are sufficient funds to meet the group's working capital requirement.

Ideally SOEC would wish to establish a cash reserve equivalent to six months operational costs of between £300,000 and £500,000. To date the demands of maintaining our ageing properties have not allowed this to become a reality.

Restricted reserves at the year end total £12,675 (2016: £10,609) and represent the balance of restricted grants received but not yet spent.

Key Performance Indicators

The trustees are satisfied with the results of the group for the year and consider the key performance indicators for the year are as follows:

Income from charitable activities: a reduction of 11.2% over the previous year in comparison with a 3.4% increase in 2016.

Net surplus: a net surplus of £357,456 (2016: £60,893)

Reserves: an increase in group reserves of 33.4% (2016: increase of 6.0%)

Total liabilities: a decrease of 56.3% in overall group liabilities (2016: decrease of 5.5%).

Plans for future periods

SOEC delivers services but increasingly SOEC is looking to work in partnership. Close collaboration enables us to understand the specific needs of an organisation and more accurately the children and young people they support. It enables them to better understand the potential of outdoor learning in delivering the outcomes they seek. In turn, this approach enables SOEC to build a stronger relationship with the young people and deliver the benefits and outcomes more effectively and incisively.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2017

Partnership approaches require more time and effort, particularly in the initial stages but they result in better outcomes. This is apparent in our collaboration with Lothian Autistic Society and we hope to develop further our work with young people with autistic spectrum diagnoses as well as other young people with disabilities.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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 trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

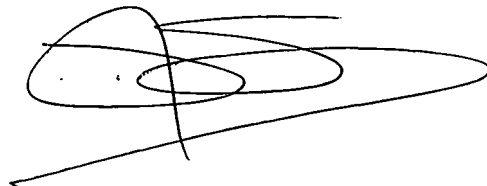
Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report was approved on 23 August 2018 and signed on behalf of the board of trustees by:

Mr D J Spence
Charity Secretary



Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Independent Auditor's Report to the Members of Scottish Environmental and Outdoor Education Centres Association

Year ended 31 December 2017

Opinion

We have audited the financial statements of Scottish Environmental and Outdoor Education Centres Association (the 'charity') and its subsidiary (the 'group') for the year ended 31 December 2017 which comprise the consolidated statement of financial activities (including income and expenditure account), statement of financial activities (including income and expenditure account), consolidated statement of financial position, statement of financial position, consolidated statement of cash flows and the related notes, 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, including FRS 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 group's and of the charity's affairs as at 31 December 2017 and of the group's and of the charity's 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 requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' (who are the directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Independent Auditor's Report to the Members of Scottish Environmental and Outdoor Education Centres Association *(continued)*

Year ended 31 December 2017

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. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report, prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the trustees' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included within the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustees' annual report, and from the requirement to prepare a strategic report.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Independent Auditor's Report to the Members of Scottish Environmental and Outdoor Education Centres Association *(continued)*

Year ended 31 December 2017

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) 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 group's and 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 group or the charity or 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 under the Companies Act 2006 and report in accordance with the Acts 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the charity to cease to continue as a going concern.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Independent Auditor's Report to the Members of Scottish Environmental and Outdoor Education Centres Association *(continued)*

Year ended 31 December 2017

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Russell Watson (Senior Statutory Auditor)

For and on behalf of
I.A. Stewart & Co
Chartered Accountants & Statutory Auditor
The Mechanics Workshop
New Lanark
ML11 9DB

23 August 2018

I.A. Stewart & Co is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

**Consolidated Statement of Financial Activities
(including consolidated income and expenditure account)**

Year Ended 31 December 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	2016 £
Income					
Donations and grants	5	-	41,210	41,210	57,386
Income from charitable activities:	7	1,345,388	-	1,345,388	1,514,751
Other income	8	427,701	-	427,701	2,395
Total income		1,773,089	41,210	1,814,299	1,574,532
Expenditure					
Costs of raising funds:					
Expenditure on charitable activities	9/10	1,417,699	39,144	1,456,843	1,513,639
Total expenditure		1,417,699	39,144	1,456,843	1,513,639
Net income / expenditure	12	355,390	2,066	357,456	60,893
and Net movement in funds					
for the year		355,390	2,066	357,456	60,893
Reconciliation of funds					
Total funds brought forward		1,059,757	10,609	1,070,366	1,009,473
Total funds carried forward		1,415,147	12,675	1,427,822	1,070,366

The Statement of Financial Activities includes all gains and losses recognised in the year

All income and expenditure derives from continuing activities.

The notes on pages 19 to 30 form part of these financial statements

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

**Charity Statement of Financial Activities
(including income and expenditure account)**

Year ended 31 December 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	2016 £
Income					
Donations and grants	5	76	41,210	41,286	187,171
Other income	8	425,572	-	425,572	-
Total income		425,648	41,210	466,858	187,171
Expenditure					
Expenditure on charitable activities	9	58,141	39,144	97,285	111,893
Total expenditure		58,141	39,144	97,285	111,893
Net income / expenditure and net movement in funds for the year	12	367,507	2,066	369,573	75,278
Reconciliation of funds					
Total funds brought forward		1,015,004	10,609	1,025,613	950,335
Total funds carried forward		1,382,511	12,675	1,395,186	1,025,613

The Statement of Financial Activities includes all gains and losses recognised in the year

All income and expenditure derive from continuing activities.

The notes on pages 19 to 30 form part of these financial statements

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee
Consolidated Statement of Financial Position**

31 December 2017

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Fixed assets					
Tangible assets	16	1,644,839	1,734,358	1,593,282	1,665,250
Investments	17	-	-	1	1
Total fixed assets		1,644,839	1,734,358	1,593,283	1,665,251
Current assets					
Stocks	18	13,288	16,594	-	-
Debtors	19	62,771	211,968	13,201	162,890
Cash at bank and in hand	20	144,045	108,513	126,989	2
Total current assets		220,104	337,075	140,190	162,892
Creditors: Amounts falling due within one year	21	(276,981)	(981,567)	(188,287)	(802,530)
Net current liabilities		(56,877)	(644,492)	(48,097)	(639,638)
Total assets less current liabilities		1,587,962	1,089,866	1,545,186	1,025,613
Creditors: Amounts falling due after more than one year	23	(160,140)	(19,500)	(150,000)	-
Net assets		1,427,822	1,070,366	1,395,186	1,025,613
Funds					
Restricted income funds	25	12,675	10,609	12,675	10,609
Unrestricted income funds	26	1,415,147	1,059,757	1,382,511	1,015,004
Total funds		1,427,822	1,070,366	1,395,186	1,025,613

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and s44 of the Charities and Trustee Investment (Scotland) Act 2005.

These financial statements were approved by the members of the committee and authorised for issue on 23 August 2018 and signed on their behalf by:



Mr David Preece
Director

Company Registration Number: SC024950

The notes on pages 19 to 30 form part of these financial statements

**Scottish Environmental and Outdoor Education Centres
Association**

Company Limited by Guarantee

Statement of Cashflows - Consolidated and Charity

31 December 2017

	Note	Group Total funds 2017 £	Group Total funds 2016 £	Charity Total funds 2017 £	Charity Total funds 2016 £
Cash flows from operating activities					
(Loss)/profit for the financial year		357,456	60,893	369,573	75,278
<i>Adjustments for:</i>					
Depreciation of tangible assets		27,424	26,768	7,251	8,488
Interest payable and similar charges		11,359	31,320	11,018	30,844
Gain on disposal of tangible assets		(132,311)	-	(132,311)	-
Accrued income/expenditure		(30,692)	-	18	-
<i>Changes in:</i>					
Stocks		3,306	2,966	-	-
Trade and other debtors		(1,725)	6,738	-	39,371
Trade and other creditors		9,326	65,388	67,726	(8,187)
Cash generated from operations		244,143	194,073	323,275	145,794
Interest paid		(11,359)	(31,320)	(11,018)	(30,844)
Interest received		-	-	-	-
Net cash used in operating activities		232,784	162,753	312,257	114,950
Cash flows from investing activities:					
Purchase of tangible assets		(2,622)	(23,828)	-	-
Net proceeds from sale of tangible assets		347,949	-	347,949	-
Net cash (used in)/provided by investing activities:		345,327	(23,828)	347,949	-
Cash flows from financing activities:					
Repayment of borrowings		(589,360)	(8,587)	(580,000)	-
Proceeds from borrowings		150,000	-	150,000	-
Net cash used in financing activities		(439,360)	(8,587)	(430,000)	-
Change in cash and cash equivalents		138,751	130,338	230,206	114,950
Cash and cash equivalents at 1 January		5,294	(125,044)	(103,217)	(218,167)
Cash and cash equivalents at 31 December	20	144,045	5,294	126,989	(103,217)

The notes on pages 19 to 30 form part of these financial statements

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2017

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is Loaningdale House, Carwood road, Biggar, Lanarkshire, ML12 6LX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The charity meets the definition of a public benefit entity in terms of FRS102.

The financial statements have been prepared on the historical cost basis and are prepared in sterling, which is the functional currency of the entity.

Going concern

These financial statements have been prepared on the going concern basis. The directors have considered the working capital requirements of the company for a period of one year from the balance sheet date and consider that the company will be able to continue to trade and to meet its liabilities as they fall due.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The directors are of the opinion there are no key judgements, estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Basis of consolidation

The financial statements consolidate the financial statements of the Charity and its wholly owned subsidiary undertaking drawn up to 31 December each year. Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Taxation

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to buildings	-	straight line over 4 to 20 years
Motor vehicles	-	straight line over 3 to 5 years
Office and other equipment	-	straight line over 3 years

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock of fuel oil and gas is included at cost.

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Stocks of sports and expendable equipment for use by the charity in providing services are debited to the profit and loss in line with usage or over a period of three years which is considered the average useful life of the equipment.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Scottish Environmental and Outdoor Education Centres Association

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2017

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Pension costs

The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company. The contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees. Variations from the regular costs are spread over the average expected remaining working lives of current members in the scheme.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Limited by guarantee

The Company is limited by guarantee and does not have a share capital. In the event of a winding up each of the members undertakes to contribute an amount not exceeding £1.

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Notes to the Financial Statements

Year ended 31 December 2017

5 Income from donations

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Donations				
Donations	-	-	76	138,880
Gift aid	-	3,125	-	3,125
Grants receivable				
Strategic partnership grant	-	17,500	-	17,500
Other government grant income	41,210	36,761	41,210	27,666
	41,210	57,386	41,286	187,171

All donation and Strategic Partnership grant income was unrestricted for 2017 and 2016.

Other government grant income was restricted for both the group and charity.

6 Income from charitable activities

The wholly owned trading subsidiary, Scottish Outdoor Education Centres Limited, is incorporated in Scotland (company number SC414494) and pays all of its profits to the charity under the gift aid scheme.

Scottish Outdoor Education Centres Limited operates all the charitable trading activities carried out at the charity's premises. The charity owns the entire share capital of one ordinary share of £1.

The summary financial performance of the subsidiary alone is:

	2017	2016
	£	£
Turnover	1,345,388	1,514,751
Cost of sales and administration costs	(1,398,702)	(1,468,306)
Other income	41,273	78,050
Net profit	(12,041)	124,495
Amount gift aided to the charity	(76)	(138,880)
Retained in subsidiary	(12,117)	(14,385)
The assets and liabilities of the subsidiary were:		
Net fixed assets	51,558	69,109
Current assets	230,451	268,963
Current liabilities	(249,374)	(293,320)
Total net assets/(liabilities)	32,635	44,752
Aggregate share capital and reserves	32,635	44,752

7 Income from charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds	
	£	£	2017	2016
	£	£	£	£
Educational services	1,345,388	-	1,345,388	1,514,751

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Notes to the Financial Statements

Year ended 31 December 2017

8 Other income

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Rent received	1,500	1,500	-	-
Other income	293,890	895	293,261	-
Gain on disposal of tangible fixed assets for charity's own use	132,311	-	132,311	-
	427,701	2,395	425,572	-

Other income includes an amount of £280,000 in respect of loans for which the bank will not seek repayment. All amounts in other income were unrestricted for 2017 and 2016.

9 Expenditure on charitable activities

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Educational services	1,398,702	1,468,307	-	-
Grant to subsidiary company	-	-	39,144	66,560
Support costs	50,141	39,332	50,141	39,333
Governance costs (note 11)	8,000	6,000	8,000	6,000
	1,456,843	1,513,639	97,285	111,893

Expenditure on educational services was £1,398,702 (2016: £1,468,307) of which £39,144 (2016: £39,051) was restricted. All other expenditure on charitable activities was unrestricted.

10 Analysis of expenditure on charitable activities

	2017	2016
	£	£
Staff and emoluments	762,386	827,889
Activity equipment	7,074	5,440
Accommodation	160,437	208,175
Property	372,400	344,583
Administrative	82,304	71,522
Sundry	14,101	10,698
Support	50,141	39,332
Governance	8,000	6,000
Educational services	1,456,843	1,513,639

The charity has one charitable activity and all support costs relate to this activity.

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Notes to the Financial Statements

Year ended 31 December 2017

11 Governance costs

	Unrestricted Funds	Total Funds 2017	2016
	£	£	£
Audit fees	8,000	8,000	6,000
	<u>8,000</u>	<u>8,000</u>	<u>6,000</u>

12 Net income / expenditure for the year

This is after charging:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Depreciation	27,424	26,768	7,251	8,488
Interest payable	9,676	29,352	9,676	29,352
Other financial costs	1,683	1,968	1,342	1,492
Auditors' remuneration:				
Audit of the financial statements	8,000	6,000	8,000	6,000
Accountancy fees	4,000	9,000	-	-
Operating lease costs:				
Vehicle and office equipment	28,467	27,961	-	-
	<u>28,467</u>	<u>27,961</u>	<u>-</u>	<u>-</u>

13 Staff costs and emoluments

Total staff costs were as follows:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Wages and salaries	577,486	635,922	-	-
Social security costs	40,075	40,953	-	-
Other pension costs	36,487	38,319	-	-
Activity tutor and volunteer costs	108,338	112,695	-	-
	<u>762,386</u>	<u>827,889</u>	<u>-</u>	<u>-</u>

Particulars of employees:

The average number of employees during the year, calculated on a headcount basis, was as follows:

	2017 No	2016 No
Number of administrative staff	2	2
Number of management staff	7	7
Number of other staff	27	30
	<u>36</u>	<u>39</u>

One employee had emoluments in the band £60,000 to £70,000 (2016: nil).

The number of directors who accrued benefits under company pension schemes was as follows:

	2017 No	2016 No
Defined benefits scheme	1	1

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Notes to the Financial Statements

Year ended 31 December 2017

14 Pension

The group offered to eligible staff, membership of the Strathclyde Pension Fund managed by Glasgow City Council. The fund offers defined benefits based on final pensionable salary. At the last actuarial valuation the fund was in surplus.

There are six members of this scheme and it has been closed to new members.

The assets of the fund are held separately from those of the council. The company's rate of contribution is determined every three years by a professionally qualified firm of actuaries.

The last valuation was as at 31 March 2017 and the company's rate of contribution was set at the following percentage of employee's salary:

Year ending 31/3/19	36.90%
Year ending 31/3/20	36.90%
Year ending 31/3/21	36.90%

Contributions of £8,035 (2016: £13,469) were outstanding to the scheme at the balance sheet date.

15 Related party transactions

Mr David Spence received remuneration of £61,243 for his duties as chief executive officer, and pension contributions of £17,252 were paid on his behalf in the year. He received no remuneration as trustee.

Mr David Preece, a trustee, was paid £750 for providing a training course to staff.

During the year the Charity received £5 on behalf of its wholly owned subsidiary Scottish Outdoor Education Centres Limited (SOEC Ltd), who in turn received £19,462 on behalf of the Charity. The Charity paid £60,272 on behalf of SOEC Ltd and SOEC Ltd paid £5,572 on behalf of the Charity. The Charity paid £70,000 to SOEC Ltd. SOEC Ltd paid £184,785 to the Charity in the year. The balance of last year's donation to the Charity (£11,969) was also paid in the year.

The Charity paid over grants to the SOEC Ltd totalling £39,144.

The balance owed by the Charity to SOEC Ltd at the year end was £150,539 (2016: £82,812) included in creditors.

Under gift aid, SOEC Ltd paid £76 (2016: £126,911) of trading profits to the Charity. A further £nil (2016: £11,969) has been included in accruals at the year end.

Travel and subsistence expenses were reimbursed to two trustees totalling £5,505 (2016: £4,814). No other expenses were paid to trustees.

None of the other directors or trustees received any remuneration or expenses.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company was £61,243 (2016: £49,970).

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Notes to the Financial Statements

Year ended 31 December 2017

16 Tangible fixed assets

Group	Freehold property £	Equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2017	1,745,594	225,901	9,650	1,981,145
Additions	-	2,622	-	2,622
Disposals	(64,717)	-	-	(64,717)
At 31st December 2017	1,680,877	228,523	9,650	1,919,050
Depreciation				
At 1 January 2017	80,344	156,793	9,650	246,787
Charge for the year	7,251	20,173	-	27,424
At 31st December 2017	87,595	176,966	9,650	274,211
Net book value				
At 31st December 2017	1,593,282	51,557	-	1,644,839
At 31st December 2016	1,665,250	39,108	-	1,734,358
Charity				
Cost				
At 1 January 2017	1,745,594	125,111	9,650	1,880,355
Disposals	(64,717)	-	-	(64,717)
At 31st December 2017	1,680,877	125,111	9,650	1,815,638
Depreciation				
At 1 January 2017	80,344	125,111	9,650	215,105
Charge for the year	7,251	-	-	7,251
At 31st December 2017	87,595	125,111	9,650	222,356
Net book value				
At 31st December 2017	1,593,282	-	-	1,593,282
At 31st December 2016	1,665,250	-	-	1,665,250

The charity holds ground at Belmont Centre, Meigle, on lease until 2038 and this ground is included in these accounts at nil value.

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Notes to the Financial Statements

Year ended 31 December 2017

17 Investments

The charity holds one £1 ordinary share in its wholly owned subsidiary company Scottish Outdoor Education Centres Limited which is incorporated in the UK.

The activities and results of this company are summarised in note 6.

18 Stock

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Stock of consumables	13,288	16,594	-	-

19 Debtors

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade debtors	34,897	39,120	-	-
Other debtors	6,967	15,512	-	-
Prepayments and accrued income	20,907	157,336	13,201	162,890
	62,771	211,968	13,201	162,890

20 Cash and cash equivalents

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Cash at bank and in hand	144,045	108,513	126,989	2
Bank overdraft	-	(103,219)	-	(103,219)
	144,045	5,294	126,989	(103,217)

21 Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Bank loans and overdrafts	-	683,219	-	683,220
Other loans	9,360	9,360	-	-
Trade creditors	27,349	12,272	-	-
Due to group undertakings	-	-	150,539	82,812
Taxation and social security	13,629	37,280	-	-
Deferred income (note 22)	122,408	117,710	-	-
Accruals	104,235	121,726	37,748	36,498
	276,981	981,567	188,287	802,530

At the year end bank loans and overdrafts are secured by a bond and floating charge over all of the assets of the company and by standard securities over Dounans Centre.

**Scottish Environmental and Outdoor Education Centres
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Notes to the Financial Statements

Year ended 31 December 2017

22 Deferred income

Deferred income comprises income relating to advance bookings for activities in 2018.

	Group 2017 £	Charity 2017 £
Balance as at 1 January 2017	117,710	-
Released to income	(117,710)	-
Amount deferred in year	122,408	-
Balance at 31 December 2017	122,408	-

23 Creditors: Amounts falling due after more than one year

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Other loans	160,140	19,500	150,000	-

The loan to the charity is secured over property at Broomlee Centre. The amount is repayable by October 2020 and interest is charged at 2%pa.

24 Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Operating leases which expire:				
Within 1 year	43,220	15,260	-	-
Within 2 to 5 years	60,937	10,404	-	-
After 5 years	378	401	-	-
	104,535	26,065	-	-

25 Restricted income funds - group

	Balance at 1 Jan 2017 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2017 £
Restricted fund	10,609	41,210	(39,144)	-	12,675

The restricted fund balance represents grant income received but not expended at the year end.

Restricted grants received by the charity are used in funding the charitable activities, for which the grants were intended, through the company.

**Scottish Environmental and Outdoor Education Centres
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Notes to the Financial Statements

Year ended 31 December 2017

26 Unrestricted income funds - group

	Balance at 1 Jan 2017 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2017 £
General fund	1,059,757	1,773,089	(1,417,699)	-	1,415,147
	<u>1,059,757</u>	<u>1,773,089</u>	<u>(1,417,699)</u>	<u>-</u>	<u>1,415,147</u>

The general fund holds the free reserves available to the Charity for its charitable purposes.

27 Analysis of net assets between funds

	General funds £	Restricted funds £	Total £
Tangible fixed assets	1,644,839	-	1,644,839
Cash at bank and in hand	131,370	12,675	144,045
Other net current assets (liabilities)	(200,922)	-	(200,922)
Creditors due after more than one year	(160,140)	-	(160,140)
Total	<u>1,415,147</u>	<u>12,675</u>	<u>1,427,822</u>

28 Volunteers

The charity benefits from the contribution of its volunteers who give their time and talents willingly in areas of administration and teaching. In accordance with FRS102 no value is attributed to such contributions in the accounts.

29 Contingencies

The trustees have confirmed that there were no contingent liabilities which should be disclosed at 31st December 2017.

30 Capital commitments

Amounts contracted for but not provided in the accounts amounted to £nil (2016: £nil).

**Scottish Environmental and Outdoor Education Centres
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Management Information

Year ended 31 December 2017

**The following pages do not form part of the statutory financial statements
which are subject to the independent auditor's report on pages 11 to 14**

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Detailed Consolidated Statement of Financial Activities

Year ended 31 December 2017

	2017 £	2016 £
Income		
Voluntary income		
Donations	-	-
Strategic partnership grant	-	17,500
Gift aid	-	3,125
Other grant income	41,210	36,761
	<u>41,210</u>	<u>57,386</u>
Income from charitable activities		
Educational services	1,345,388	1,514,751
Other income		
Rent received	1,500	1,500
Other income	293,890	895
Gain on disposal of fixed assets	132,311	895
	<u>427,701</u>	<u>3,290</u>
Total income	<u>1,814,299</u>	<u>1,575,427</u>

**Scottish Environmental and Outdoor Education Centres
Association
Company Limited by Guarantee**

Detailed Consolidated Statement of Financial Activities

Year ended 31 December 2017

	2017	2016
	£	£
Expenditure		
Charitable activities		
Souvenirs	2,665	2,126
Activity equipment hires and purchases	7,074	5,440
Activity tutor and volunteer costs	108,338	112,695
Catering costs	144,729	186,861
Laundry	11,368	18,623
Cleaning	1,676	565
Wages and salaries	577,486	635,922
Employer's NIC	40,075	40,954
Pension costs	36,487	38,319
Other staff related expenses	60	342
Rates and water	8,268	7,399
Light and heat	108,971	109,561
Repairs and maintenance	119,732	98,524
Insurance	38,575	44,086
Motor vehicle expenses	3,012	3,304
Vehicle hire charges	2,460	3,535
Travel and subsistence	19,854	8,761
Telephone	8,519	8,612
Office expenses	14,369	14,561
Staff training	4,608	3,204
Uniforms	1,979	141
Accountancy fees	24,939	28,078
Legal and professional fees	53,835	40,887
Sales and recruitment advertising	3,128	1,738
Operating lease costs	28,467	27,961
Other financial costs	341	476
Depreciation	20,173	18,279
Sundry expenses	7,514	7,353
	1,398,702	1,468,307
Support costs		
	2017	2016
	£	£
Loan interest payable	9,676	29,352
Legal and professional fees	31,872	-
Other financial costs	1,342	1,492
Depreciation	7,251	8,488
	50,141	39,332

**Scottish Environmental and Outdoor Education Centres
Association**

Company Limited by Guarantee

Detailed Consolidated Statement of Financial Activities

Year ended 31 December 2017

	2017	2016
	£	£
Governance costs		
Accountancy fees	-	-
Audit fees	8,000	6,000
	8,000	6,000
Total expenditure	1,456,843	1,513,639
Net income / (expenditure) for the year	357,456	61,788