

REGISTERED COMPANY NUMBER: SC196243 (Scotland)
REGISTERED CHARITY NUMBER: SC029027

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2018
FOR
THE ARRAN ACCESS TRUST**



**Cornerstone Accountants
90 Mitchell Street
Glasgow
Lanarkshire
G1 3NQ**

THE ARRAN ACCESS TRUST

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Statement of cash flows	8
Notes to the Financial Statements	9 to 14

THE ARRAN ACCESS TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) FRS102 'Accounting and Reporting by Charities' (revised in 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC196243 (Scotland)

Registered Charity number
SC029027

Registered office
Arran Community & Voluntary Service
Park Terrace
Lamlash
Isle of Arran
KA27 8NB

Trustees
M Whitmore
K J Morrison
Mrs M M Currie

S R Blake
A G Walker
J S McDonald

J Murchie

Chairperson
Treasurer
Director –
Resigned 31/1/18
Director
Director
Director –
Appointed 31/1/18
Director

Independent examiner
Cornerstone Accountants
90 Mitchell Street
Glasgow
Lanarkshire
G1 3NQ

Bankers
Bank of Scotland
Shore Road
Brodick
Isle of Arran
KA27 8AP

Solicitors
Messrs J & H Mitchell
51 Atholl Road
Pitlochry
Perthshire
PH16 5BU

THE ARRAN ACCESS TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, its Memorandum and Articles of Association, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The trustees are recruited by self-nomination or invitation. They are normally appointed by membership vote at each Annual General Meeting. North Ayrshire Council, Scottish Natural Heritage and The National Trust for Scotland are each entitled to nominate one trustee.

Induction and training of new trustees

There are no formal induction and training arrangements in place for new trustees. Such persons are normally well-known to the Trust and the current Trustee categories ensure that they will already have a reasonable working knowledge of the activities, structure and objectives of the Trust. Any new trustee can learn more about the Trust by attending meetings regularly, reading minutes and Trust literature, and can also be guided by existing trustees regarding its everyday workings.

Risk management

The trustees have reviewed the risks to which the charity is exposed and consider that appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are as follows:

- a) to advance, provide for, improve and maintain access opportunities on the Islands of Arran, Holy Island and Pladda and promote good management of that access, for the benefit of the public as a whole and in a way which integrates the needs of land managers, access users, the local community and the natural heritage.
- b) to promote the aims and principles of the Access Concordat, as published by the National Access Forum, to bring together the various interests who have a key role in its implementation and to promote its effective delivery on the Islands of Arran, Holy Island and Pladda.
- c) to seek the funds needed to secure the above objectives and management of access on Arran following the above principles.

Volunteers and donated facilities

All trustees are volunteers who give freely of their time and experience and receive no form of payment or expenses while carrying out their duties. Similarly, Public Sector Members receive no additional payment or expenses whilst engaged in Trust business.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The main activities in the past year were as follows:

- Improving access provision on Arran.
- Settling disputes arising from access matters.
- Construction, repair and maintenance of paths and routes in Arran.
- Sourcing funding for the above activities.
- Liaising with other national organisations in regard to access laws etc.

THE ARRAN ACCESS TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2018

FINANCIAL REVIEW

Reserves policy

Unrestricted funds: these consist of funds which are available to the charity to use in furtherance of achieving its objectives.

The unrestricted fund balance of £29,334 represents the free reserves of the charity arising from operating results. The trustees would like to apply "best practice" and have free reserves at a level which would cover at least three months operating activity.

Restricted funds are those to which income has been received with the condition that it be reserved for a particular purpose. During the year, a total of £118,028 has been classed as restricted income. The majority of this was received from the Coastal Communities Fund towards the Arran Geopark Project.

Principal funding sources

During the year, the charity received donations and subscriptions.

In June 2017, the Trust took on responsibility for The Geopark Project. During the year, the Trust completed an information centre and commenced work on a number of geology walks. In the coming year, a second interpretation centre, further walks and an App will be completed. The Geopark Project remains principally funded by the Coastal Communities Fund, which will run until December 2019. The project has additional funding from the Arran Trust and North Ayrshire Council together with support from Lochranza Field Study CiC and the National Trust for Scotland.

During the year, the Coastal Communities Fund has contributed £100,549 in total.

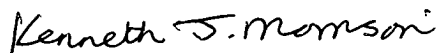
FUTURE DEVELOPMENTS

The Trust will continue to attempt to resolve any access issues brought to their attention. They will also continue to seek funding to create and maintain paths on the Isle of Arran in conjunction with local land owners and the needs of the general public.

Nial Moffat is coordinating a bid for funding from Scottish National Heritage's Natural Culture and Heritage Fund. The bid will focus on bringing together the 'ologies' on the island, improved access and parking for Glen Rosa, improved accessibility walks and improved interpretation. It is hoped if successful, it will help to bring together many of the outdoor focussed groups on the island and provide the foundation for a permanent footpath team on the island.

The Arran Access Trust will continue to work together with other organisations on Arran to achieve good management of the island's footpath network.

Approved by order of the board of trustees on 24 April 2019 and signed on its behalf by:



K J Morrison - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ARRAN ACCESS TRUST

I report on the financial statements of the charity for the year ended 30 September 2018 which are set out on pages five to fourteen.

Respective responsibilities of trustees and examiner

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

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking 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 financial statements.

Independent examiner's statement

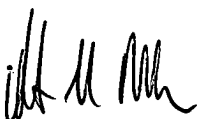
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
- to prepare financial statements which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations (as amended).

have not been met; or

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



Stephen McKelvie
FCCA
Cornerstone Accountants
90 Mitchell Street
Glasgow
Lanarkshire
G1 3NQ

25 April 2019

THE ARRAN ACCESS TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	3,978	340	4,318	5,077
Raising funds	4	-	-	-	4,800
Charitable activities	5	-	117,688	117,688	78,335
TOTAL INCOME		3,978	118,028	122,006	88,212
EXPENDITURE ON:					
Charitable activities	6	8,164	100,865	109,029	55,803
TOTAL EXPENDITURE		8,164	100,865	109,029	55,803
NET INCOME/(EXPENDITURE)		(4,186)	17,163	12,977	32,409
Reconciliation of funds:					
TOTAL FUNDS BROUGHT FORWARD		7,421	68,131	75,552	43,143
FUND TRANSFERS		26,099	(26,099)	-	-
TOTAL FUNDS CARRIED FORWARD		29,334	59,195	88,529	75,552

All the activities of the charity relate to continuing activities.

THE ARRAN ACCESS TRUST

**BALANCE SHEET
AT 30 SEPTEMBER 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	9	11,541	389
CURRENT ASSETS			
Debtors	10	-	-
Cash at bank and in hand		<u>79,879</u>	<u>75,919</u>
		79,879	75,919
CREDITORS			
Amounts falling due within one year	11	(2,891)	(756)
NET CURRENT ASSETS		<u>76,988</u>	<u>75,163</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>88,529</u>	<u>75,552</u>
NET ASSETS		<u><u>88,529</u></u>	<u><u>75,552</u></u>
FUNDS	12,13		
Unrestricted funds		29,334	7,421
Restricted funds		<u>59,195</u>	<u>68,131</u>
TOTAL FUNDS		<u><u>88,529</u></u>	<u><u>75,552</u></u>

The notes form part of these financial statements

THE ARRAN ACCESS TRUST

**BALANCE SHEET - CONTINUED
AT 30 SEPTEMBER 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies for the year ended 30 September 2018.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 September 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 24 April 2019 and were signed on its behalf by:



K J Morrison -Trustee

Company number – SC196243

THE ARRAN ACCESS TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	2018 £	2018 £	2017 £	2017 £
Cash flows from operating activities				
Net income for the period	12,977		32,409	
Depreciation charges	3,848		130	
Gain on disposal	-		(4,558)	
Decrease in debtors	-		677	
Increase in creditors	2,135		(1,570)	
	<hr/>		<hr/>	
Cash provided by operating activities		18,960		27,088
Cash flows from investing activities				
(Purchases)/Sales of fixed assets	(15,000)		13,700	
	<hr/>		<hr/>	
Cash (used in) investing activities		(15,000)		13,700
		<hr/>		<hr/>
Increase in cash and cash equivalents in the year		3,960		40,788
Cash and cash equivalents at the beginning of the year		75,919		35,131
		<hr/>		<hr/>
Total cash and cash equivalents at the end of the year		79,879		75,919
		<hr/> <hr/>		<hr/> <hr/>
Cash and cash equivalents comprise:				
Cash at bank and in hand		79,879		75,919
		<hr/> <hr/>		<hr/> <hr/>

The notes form part of these financial statements

THE ARRAN ACCESS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost convention. The charity is a Public Benefit Entity and a company limited by guarantee, incorporated in Scotland with the registered office as noted on page 1. The financial statements are compliant with the charity's constitution, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Statement of Recommended Practice (SORP) FRS 102 "Accounting and Reporting by Charities" (revised 2015), and in accordance with Financial Reporting Standard 102 (FRS 102).

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. For donations and legacies this is normally upon receipt; for income from raising funds this is normally when the goods have been sold or the services delivered; and for charitable grant income this is recognised in the year in which the charity is entitled to it. The value of services provided by volunteers has not been included.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Expenditure on charitable purposes comprises those direct costs incurred by the charity in the fulfilment of its charitable objectives, along with an allocation of overhead support costs required to run the charity. Governance costs are those associated with meeting the constitutional and statutory requirements of the charity and include the independent examiner's fees and costs linked to the strategic management of the charity. As required by Charities SORP (FRS 102) governance costs are included within expenditure on charitable activities.

Tangible fixed assets

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

Plant and machinery	- 25% on a reducing balance basis
Motor vehicles	- 25% on a reducing balance basis
Computer equipment	- 33% on a straight-line basis

Debtors

Prepayments are valued at the amount prepaid net of any trade discounts due.

The notes form part of these financial statements

THE ARRAN ACCESS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. ACCOUNTING POLICIES (*continued*)

Cash

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Taxation

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

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

VAT

The charity is not registered for VAT: therefore, costs are stated inclusive of irrecoverable VAT.

2. NET INCOME/(EXPENDITURE)

Net income is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation - owned assets	3,848	130
Independent examiner's fee	1,098	1,104
	====	====

The notes form part of these financial statements

THE ARRAN ACCESS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2018

3. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Donations	2,887	340	3,227	3,682
Subscriptions	1,091	-	1,091	1,395
	<u>3,978</u>	<u>340</u>	<u>4,318</u>	<u>5,077</u>
	=====	=====	=====	=====

2017 comprised £4,212 of unrestricted donations, grants and subs and £865 of restricted donations and subs.

4. RAISING FUNDS

	Restricted 2018 Total £	Restricted 2017 Total £
Sale of boards	-	4,800
	<u>-</u>	<u>4,800</u>
	=====	=====

5. CHARITABLE ACTIVITIES

	Restricted 2018 Total £	Restricted 2017 Total £
Grants from		
Coastal Communities Fund	100,549	73,335
North Ayrshire Council	5,000	-
Arran Trust	11,500	-
Historic Environment Scotland	639	-
Brown Forbes Trust	-	5,000
	<u>117,688</u>	<u>78,335</u>
	=====	=====

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Direct project costs	-	30,709	30,709	24,236
Wages & salaries (note 7)	-	66,308	66,308	25,200
Support costs (note 8)	8,164	3,848	12,012	6,367
	<u>8,164</u>	<u>100,865</u>	<u>109,029</u>	<u>55,803</u>
	=====	=====	=====	=====

2017 costs comprise £5,404 of unrestricted costs and £50,399 of restricted costs.

The notes form part of these financial statements

HE ARRAN ACCESS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2018

7. STAFF COSTS AND TRUSTEES' REMUNERATION

	2018	2017
	£	£
Wages and salaries	66,308	25,200
Social security costs	-	-
	<u>66,308</u>	<u>25,200</u>
	=====	=====

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

	2018	2017
Full-time	7	5
Part-time	-	-
	<u>5</u>	<u>5</u>
	=====	=====

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

The Trustees are considered to be key management and are not remunerated.

There were no trustees' remuneration or other benefits for the year ended 30 September 2018 nor for the year ended 30 September 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 September 2018 nor for the year ended 30 September 2017.

8. SUPPORT COSTS

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Office accommodation	-	-	-	833
Postage and stationery	2,295	-	2,295	1,183
Sundries	616	-	616	558
Small works	4,155	-	4,155	7,117
Gain on disposal	-	-	-	(4,558)
Depreciation	-	3,848	3,848	130
Governance costs	1,098	-	1,098	1,104
	<u>8,164</u>	<u>3,848</u>	<u>12,012</u>	<u>6,367</u>
	=====	=====	=====	=====
<u>Governance costs comprise</u>				
Accountancy	1,098	-	1,098	1,104
Legal fees	-	-	-	-
	<u>1,098</u>	<u>-</u>	<u>1,098</u>	<u>1,104</u>
	=====	=====	=====	=====

The notes form part of these financial statements

THE ARRAN ACCESS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

9. TANGIBLE FIXED ASSETS

	Motor Vehicles	Plant & Equipment	Computer Equipment	Total
	£	£	£	£
COST				
At 1 October 2017	-	1,054	404	1,458
Additions	15,000	-	-	15,000
Disposals	-	-	-	-
At 30 September 2018	<u>15,000</u>	<u>1,054</u>	<u>404</u>	<u>16,458</u>
DEPRECIATION				
At 1 October 2017	-	665	404	1,069
Charge for year	3,750	98	-	3,848
Eliminated on disposal	-	-	-	-
At 30 September 2018	<u>3,750</u>	<u>763</u>	<u>404</u>	<u>4,917</u>
NET BOOK VALUE				
At 30 September 2018	<u>11,250</u>	<u>291</u>	<u>-</u>	<u>11,541</u>
At 30 September 2017	<u>-</u>	<u>389</u>	<u>-</u>	<u>389</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Prepayments and accrued income	-	-
	<u>-</u>	<u>-</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
PAYE	1,793	-
Accruals and deferred income	<u>1,098</u>	<u>756</u>
	<u>2,891</u>	<u>756</u>

The notes form part of these financial statements

THE ARRAN ACCESS TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2018

12. MOVEMENT IN FUNDS

	At 1 Oct 17 £	Income £	Expenditure £	At 30 Sep 18 £
Unrestricted funds	7,421	3,978	(8,164)	3,235
Restricted funds				
Arran Coastal Way Project	30,768	639	(5,308)	26,099
Arran Geopark Project	37,363	117,389	(95,557)	59,195
	<u>75,552</u>	<u>122,006</u>	<u>(109,029)</u>	<u>88,529</u>

Arran Geopark Project: this consists of grants from a number of different sources as set out in note 5, received to provide interpretation centres and walks to Arran's unique geological sites.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Fixed assets	-	11,541	11,541	389
Current assets	30,432	49,447	79,879	75,919
Current liabilities	<u>(1,098)</u>	<u>(1,793)</u>	<u>(2,891)</u>	<u>(756)</u>
	<u>29,334</u>	<u>59,195</u>	<u>88,529</u>	<u>75,552</u>

14. ULTIMATE CONTROLLING PARTY

The charity is constituted by its Memorandum and Articles of Association and is controlled by its appointed trustees.

The notes form part of these financial statements