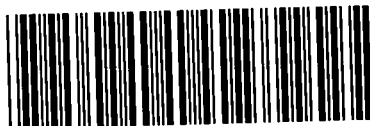


PATHS FOR ALL PARTNERSHIP
(A Company limited by guarantee, not having a share capital)

REPORT and FINANCIAL STATEMENTS

for the year to 31 March 2015

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PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015

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 31 March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' revised in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC168554

Registered Charity number

SC025535

Registered office

Office 8

Forrester Lodge

Tullibody Road

Alloa

FK10 2HU

Trustees

Mr J Boswell

Mr D Brotherston

Mr J Fowlie

Ms A Gray

Ms J Hoeflich Appointed 22 October 2014

Mr N Kempe

Ms M Kidd

Prof R Mitchell

Ms E Reid

Mr S Rennie

Mr M Sangster

Ms D Wilson Retired 22 October 2014

Day to day management of the charity is delegated to the Chief Officer, Ian Findlay, who is not a director or trustee of the charity.

Company Secretary

Ian Findlay

Auditors

Dickson Middleton

Chartered Accountants & Statutory Auditors

20 Barnton Street

Stirling

FK8 1NE

Bankers

Bank of Scotland

21 Mar Street

Alloa

FK10 1HR

Virgin Money

9 Castle Street

Edinburgh

EH2 3AH

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

REFERENCE AND ADMINISTRATIVE DETAILS

Advisors

Accountants

French Duncan LLP
Chartered Accountants
Macfarlane Gray House
Castle Craig Business Park
Springbank Road
Stirling
FK7 7WT

Health and Safety Adviser

John Morris Safety Ltd
Craignavie Farmhouse
Killin
FK21 8SJ

Employment Law Adviser

Glasgow Council for the Voluntary Sector
11 Queens Crescent
Glasgow
G4 9AS

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The Paths for All Partnership is a company limited by guarantee and has no share capital. It was founded by Scottish Natural Heritage to take forward the Paths for All Initiative to help others provide better opportunities for walkers, horse riders and cyclists to enjoy the countryside in and around their town or village. Since its inception, the Charity's remit has expanded significantly with a vision to create a happier and healthier Scotland through the delivery themes of walking for health, active environments, active travel and communications and policy.

The Paths for All Partnership currently comprises 28 Partner organisations representing the public sector and national representative bodies which share a commitment to the delivery of the Charity's charitable purposes, i.e. the objects as defined in the Memorandum and Articles of Association. The Charity was incorporated on 19 September 1996 at Companies House, Edinburgh. Its Scottish Charity number is SC025535. It is also recognised by Entrust as an Enrolled Environmental Body, accredited to receive Landfill Tax Credits.

The principal activity of the Charity, as set out in its Objects, is to work in partnership with others to advance, encourage and facilitate the creation, improvement, management, promotion and use by everyone of paths and other routes on land and water for recreation, everyday journeys and physical activity; and in so doing advance health and well-being, environmental improvement, heritage, community development, sustainable transport and economic development.

Recruitment and appointment of new trustees

The Directors of the Charity are also charity trustees for the purposes of charity law and under the Company's Articles are known as the Board of Directors. The Board comprises up to eleven Directors including the above mentioned office bearers. The Directors are appointed by the Members of the Charity (i.e. the Partners) at Annual General Meetings. Directors are restricted to a maximum term of office of three consecutive three-year terms from the date of appointment at an AGM.

The Board of Directors is the governing body of the Charity and is responsible for monitoring overall governance needs. Currently, there are two Sub-groups of the Board, the Staffing Sub-group and the Finance Sub-group. Both Sub-groups work to Terms of Reference which have been approved by the Board of Directors. Directors have agreed to adhere to a Code of Corporate Governance, including the retention of a Register of Interests which is held at the Charity's Registered Office and reviewed annually. Directors also sign a charity trustee declaration.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Honorary Officers and Staff

The Directors have the right to appoint an individual to be President of the Charity. This is an honorary appointment, restricted to a maximum term of five years, and the President is not a Director of the Charity. The Directors appointed Mark Stephen as President at their Board meeting on 30 October 2013.

At 31 March 2015, the Charity employed 22.06 full-time equivalents, based in Alloa or Inverness. The staff team comprises (expressed in full-term equivalents) 1 Chief Officer, 2.95 Managers, 4.82 Senior Development Officers, 1 Communications Manager, 5.76 Development Officers, 1 Technical Officer, 1 Corporate Services Co-ordinator, 0.43 HR and Finance Officer, 1.2 Communications Officer, 0.7 Training Administrator and 2.2 Administrators.

Induction and training of new trustees

New Directors are generally familiar with the work of the Charity in that Directors are drawn from the Partner organisations, which are already engaged in the Partnership's activities, or are individuals with knowledge and experience relating to the Charity's objects.

New Directors receive a half-day induction session with the Chief Officer and an induction pack. This session covers corporate governance, strategic planning and reporting, Charity policies and procedures, risk management, staff structures, and the roles and responsibilities of being a Director. OSCR's published guidance, such as 'Guidance for Charity Trustees' is a key element of the induction process.

Organisational structure

The Board of Directors is the sole executive committee of the Charity and is responsible for decisions regarding strategic direction. The Board meets formally four times per annum. Authority for the day-to-day management of the Charity is delegated to the Chief Officer and is governed by a wide range of policies, all of which are approved by the Directors. In addition, the Board of Directors have delegated certain procurement and grant approval decisions to the Finance Sub-group of the Board as set out by the Sub-group's Terms of Reference. The policies and operating procedures are contained in the Staff Handbook and are available to all staff and Directors.

Risk management

A Risk Management Register is produced and approved by Directors on an annual basis. The Register covers the relationship between the Charity's objects and objectives, barriers to achieving its objectives, potential damage to reputation and name, protection of assets, management of liabilities, compliance risk, data protection, health and safety, personnel risks, environmental change, project management, physical disasters and financial controls. The major risks identified are loss of funding and/or key personnel. Strategies are in place to mitigate these risks as far as possible.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

OBJECTIVES AND ACTIVITIES

Objectives, mission and aims

Objects, mission and programmes

The Objects for which the Charity is established are:-

a) to advance, encourage and facilitate the creation, improvement, management, promotion and use by everyone of paths and other routes on land and water for recreation, everyday journeys and physical activity; and in so doing advance health and well-being, environmental improvement, heritage, community development, sustainable transport and economic development;

b) to advance, encourage and facilitate the creation, improvement, management, promotion and use by everyone of paths and other routes for public amenity, recreation, everyday journeys and physical activity within the vicinity of a landfill site in order to comply with Entrust's requirements for enrolment as an Environmental Body.

The above Objects are in turn translated into the Charity's Vision which is for a **happier and healthier Scotland**. Paths for All has a very clear focus; it wants to significantly increase the number of people walking: **everyone, everyday, everywhere**.

The Charity's Vision is delivered through four, interlinked, delivery themes as follows:

- **Walking for Health** We will increase the number of people who regularly join our led Health Walks. We will work with partners to develop projects promoting everyday walking.
- **Active environments** We will enable communities to create, maintain and promote safe, welcoming everyday walking paths and routes.
- **Active travel** We will increase the number of everyday journeys walked and cycled, through communications, support and partnership projects.
- **Communications and policy** We will increase the profile of the benefits of everyday walking and will be a strong voice advocating for policy which supports physical activity and walking.

A detailed Business Plan is produced annually, which states what the Charity plans to achieve in that year within the context of the 3-year Strategy. An important element of the Business Plan is the Performance Framework which sets out how the Charity will monitor and evaluate its performance. The Business Plan also forms the basis of individual staff work programmes. Performance is reported quarterly to the Board of Directors and the Charity's main funders.

Significant activities

Details of all activities during the reporting year can be found in the Charity's quarterly Business Plan reports, which are presented to the Board of Directors at each Board meeting.

Headline outputs for 2014-15 are as follows:

- There are currently 123 active community and 42 (not including workplaces taking part in the Step Count Challenges, see below) workplace walking projects supported by PFA
- It is estimated that the 123 community walking projects generated approximately 20,524 community walks, 209,346 walking attendances and nearly 5,000 new walkers between April 2014 and March 2015
- 30% of the Scottish population lives within 2km of a PFA walk start point; over 50% live within 5km of a PFA walk start point and the average distance between each walker and a PFA walk start point is 3.9km
- PFA has a network of 7,880 Volunteer Walk Leaders and ran 697 walk leader training courses
- The proportion of walkers who are regularly physically active when followed up 6 months after joining a walking group has steadily risen from 65% in 2010-11 to 70.18% in 2014-15
- In 2014 a new online platform was launched to host the Step Count Challenge. The spring challenge saw 3,370 people from 232 workplaces take part in an 8 week challenge. A 4 week autumn challenge was also piloted with a further 1,260 participations from 108 workplaces. Research by Edinburgh University found those taking part in the challenge had walked over one and half hours more and sat for 6 hours less each week

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Significant activities (continued)

- PFA successfully piloted strength and balance activities in care home settings in Tayside. This work included the development of resources and has now been rolled more widely across Scotland. It was also the topic of a PFA presentation to the HEPA Europe conference on physical activity in August 2014
- PFA provided strategic grant support to Living Streets Scotland, Health and Social Care Alliance and Ramblers Association Scotland for projects that assist PFA to deliver its outcomes
- PFA manages 2 major partnership projects: the Commonwealth Woodlands Walk Project in partnership with FCS and the Macmillan Walking Project in partnership with Macmillan Cancer Support. Furthermore, at the end of the reporting year, PFA secured funding from the Life Changes Trust to run a 3-year Dementia Friendly Communities walking programme
- PFA supports community groups to improve, maintain and promote their local path networks through its Local People: Local Paths project, community support and technical advice
 - Local People Local Paths grants with a total value of £17,622 were offered to 14 community path projects across Scotland, involving almost 500 volunteers who gave over 800 hours of their time
 - 37 community groups from within the CSGN area were given advice and support on technical path improvement work, fundraising, training opportunities, group governance and planning. 13 of these groups fall within SIMD areas
 - 92 organisations contacted us for advice and information, including 10 local authorities, 5 NHS boards, 9 community councils, 16 development trusts and other partners
 - 56 site visits were made by PFA involving technical and project development advice and support
 - 28 people attended community action days to learn and improve practical skills, and improve and repair local paths
 - PFA manages 2 national path demonstration sites and managed contracts with local contractors to maintain verges and surface weed control
- PFA became a full member of the National Access Forum in January 2015
- 7 responses were submitted to national consultations (National Walking Strategy and Action Plan; Road Safety Camera Programme; Road Safety Guidance; Infrastructure & Capital Investments Committee scrutiny of the draft budget; Loch Lomond and Trossachs National Park Authority proposed camping Bye-laws; Scottish Parliament Equal Opportunities Committee Loneliness Inquiry; Scottish Government Low Emissions Strategy for Scotland); 4 responses submitted to regional consultations (Regional Transport Partnership active travel strategies; Cairngorms National Park Authority Active Cairngorms); and 3 responses to local consultations (e.g. City of Edinburgh Council 20 mph roll out). Regarding organisational development, Macmillan Cancer Support became a Partner Organisation and PFA developed a new strategy document
- PFA's Development Manager was seconded to the Scottish Government to lead on developing a National Walking Strategy (NWS). The NWS was launched in June 2014 by the Public Health Minister as part of PFA's Commonwealth Big Fit Walk. The Scottish Government has invited PFA to establish a NWS Delivery Forum and develop an action plan for implementation
- Regarding the Commonwealth Games, PFA received funding from the Lottery Celebrate Fund to run Commonwealth Big Fit Walks in June; we secured 200 Games tickets to disperse to volunteers for organising Big Fit Walks and Step Count Challenge teams; and 5 Volunteer Walk Leaders were chosen as Commonwealth Games Baton Bearers in recognition of their work leading walks in their communities
- The Path Grading System was published in November. This is a partnership project with Scottish Natural Heritage and Forestry Commission Scotland. Its purpose is to provide a standard national system that provides simple information on paths to help users to choose the right path for them

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Significant activities (continued)

- PFA's annual Volunteer Awards took place at a Parliamentary Reception in November. The event was sponsored by Patricia Ferguson MSP and hosted by PFA's President, Mark Stephen. The Awards were presented by Cabinet Secretary Shona Robison
- Active travel is now one of PFA's key delivery themes. In the reporting year, as well Smarter Choices mentioned above, PFA has been an active member of the Active Travel Alliance, the Transport Minister's working group on a long-term vision for active travel; the Cycling Action Plan for Scotland Delivery Forum, the Parliamentary Cross Party Group on Cycling, the Central Scotland Green Network Active Travel Working Group and Transport Scotland's Scottish Road Safety Week Working Group. In addition, PFA facilitated the National Cycling Interest Group, which has now been transferred to Cycling Scotland, facilitated a national Cycling Networking Event, led on an update of the Walking Opinion Survey and gave a presentation at the National Cycling Summit
- PFA's social media presence has grown considerably throughout the reporting year. The organisation now has almost 2,000 followers on Twitter and an active Facebook page.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

FINANCIAL REVIEW

Overview

The Company's overall financial position at the end of the reporting year showed a surplus of £24,682 (2014 deficit of £29,060). The key external funding sources for the reporting year are reported in note 2. Regarding the SOFA, resources expended have been allocated between fundraising, charitable activities and governance. Refer to notes 1 and 4 for details on how the allocations have been calculated. In summary, 2.1% of total resources expended have been allocated to fundraising, 94.6% to charitable activities and 3.3% to governance.

Financial management

The Charity's financial management system is Sage 50 Accounts 2010. The Board of Directors approve the annual budget for the Charity at the April Board meeting each year.

The following financial reporting procedure was adopted in the reporting year. Detailed quarterly financial reports are produced by Paths for All accountants approximately 2-3 weeks after the end of each quarter. The reports typically include the following: Balance Sheet, Board Summary Report (including a report of variances in excess of £2,000 and 20% of budget), Forecast reviews in January and March (an analysis which allows for an accurate prediction of year-end out-turn), Detailed variance report, Grants in advance analysis, Budget summary, Detailed analysis of nominal actual activity versus budget and Designated funds. The reports are presented to and reviewed by the Directors at their quarterly meetings.

The Finance Sub-group (FSG) meets in January and September to coincide with the year-end forecast out-turn and completion of the annual accounts.

A key financial management tool is the year-end forecast out-turns. The out-turns are produced at the beginning of January and the third week in March and are based on the finances up to the end of Quarter 3 and beginning of March respectively. The out-turn produced in January is reviewed by the FSG. Both out-turns are critical in terms of year-end expenditure decisions and ensuring income due is received.

The Chief Officer and Management Team receive detailed monthly management reports generated by Sage.

Development Fund

The Charity received an endowment of £130,228 from Scottish Natural Heritage in 1997. This sum was placed in the Development Fund; and the Directors use the Fund to further Paths for All's Vision and Outcomes. The sum of £59,418 was provided as a match funding contribution to the original 5 year Paths to Health Project, which finished in October 2006. The Development Fund balance at 31 March 2015 stood at £86,055.

Value Added Tax

The Charity is now VAT registered and has now put in place appropriate procedures to comply with its VAT registration obligations.

Policy on Reserves

The Charity's Financial Reserves Policy was reviewed and approved by the Paths for All Board of Directors in July 2015. The Policy comprises 2 elements: the funds required for an orderly wind-up of the Charity and the funds required to cover a repositioning of the Charity in the event of a significant decrease in funding. The former equates to £132,140 (2014 - £118,642), while the latter approximates to three months' operating costs plus redundancy payments, which was calculated to be £410,000 (2014 - £365,854) in July 2015. Currently the financial reserve (General Fund) stands at £291,181 (2014 - £263,453).

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

FUTURE DEVELOPMENTS

The national policy environment in which the Charity is working remains predominantly positive. Within Government, the Sport & Physical Activity Division has now become the Active Scotland Division now sits within the Health Improvement Directorate, the physical activity budget is relatively stable, the Active Scotland Division has adopted the Physical Activity Implementation Plan as its over-arching vision, the National Walking Strategy (NWS) have been produced, an Active Travel long-term vision (to 2035) has been produced by Transport Scotland and was led by the then Transport Minister. The Charity has been successful in securing the managing role for Smarter Choices Smarter Places and a national cycling and walking network is included as 1 of 14 National Developments in National Planning Framework 3. Furthermore, with respect to the NWS, Paths for All has been given the task of facilitating the NWS Delivery Forum, which will be responsible for overseeing implementation of the NWS.

Taking these factors into account, it was decided that the Charity should build on its successes and what it uniquely does best by developing and evolving its current strategic direction and activities, rather than significantly changing direction. Consolidation, focus and innovation continue to be emphasised.

A key output of this process was to agree the four delivery themes mentioned above, i.e. walking for health, active environments, active travel and communications and policy. The Charity will continue to plan, deliver and report on all its activities around these 4 themes.

In the latter part of the reporting year, the Charity's Board and staff managers started and organisational planning exercise. The main purpose of this initiative is to think in detail about how the organisation functions with a view to maximising our impact and sustainability. This process is ongoing into the 2015-16 financial year.

Regarding funding from the Scottish Government and SNH beyond March 2016, Paths for All is already in dialogue with these funders. Key meetings are scheduled for the autumn of 2015. However, from the dialogue to date, Paths for All is optimistic of securing favourable funding agreements with both parties. The fact that Paths for All will be facilitating implementation of the NWS through a Delivery Forum is an important and positive factor regarding potential Scottish Government funding. In addition to continuation of the existing Scottish Government and SNH funding, Paths for All is in positive dialogue regarding funding from other sources.

With respect to the Transport Scotland funding to manage the Smarter Choices Smarter Places Programme in 2015-16, Paths for All received an offer letter for £5,353,478 in September 2014, of which £5,000,000 is to be distributed to local authorities in 2015-16. The remainder is management costs split across 2014-15, 2015-16 and 2016-17. Paths for All is in discussion with Transport Scotland regarding a multi-year programme fund and as a minimum a continuation of the programme funding for 2016-17.

The trustees are aware that the Charity's current funding arrangements are dominated by public sector grants. Therefore, as reported in previous Trustees' reports, the Charity has developed and is implementing a Fundraising Strategy with the aim of diversifying its funding base. The Priorities are:

- Priority 1 – Secure Scottish Government Active Scotland funding for the period 2016 – 19.
- Priority 2 – Secure Transport Scotland funding for Smarter Choices Smarter Places beyond 2015-16.
- Priority 3 – Deliver on SNH funding agreement for the period 2015-17 to maximise the Charity's chances of securing funding beyond March 2017.
- Priority 4 – Secure funding from Partners to run joint projects, similar to FCS, Macmillan Cancer Support and Life Changes Trust models.
- Priority 5 – Generate income by selling PFA's existing products and services
- Priority 6 - Sponsorship
- Priority 7 – Selective applications to trusts, foundations and other funders, e.g. Lottery sources

An important consideration relating to the income generation activities mentioned above is to ensure that the pursuit of such sustainability does not negatively impact on the Charity's delivery of its charitable purposes.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Report of the Trustees for the year ended 31 March 2015 (continued)

Trustees' responsibilities in relation to the financial statements

The trustees (who are also the directors of Paths for All Partnership for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' and officers' liability insurance

During the period the charity purchased liability insurance for its directors and staff as permitted by Section 233 of the Companies Act 2006.

Auditors

Messrs Dickson Middleton are auditors to the charity and the Directors recommend their reappointment at the Annual General Meeting. A resolution will be proposed at the Annual General Meeting authorising the Directors to fix the remuneration of the auditors.

By order of the Board



Ian Findlay
Company Secretary
2nd October 2015

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Independent Auditors' Report to the trustees and members of Paths for All Partnership

We have audited the financial statements of Paths for All Partnership for the year ended 31st March 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, 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 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 charitable company, the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Independent Auditors' Report to the trustees and members of Paths for All Partnership (continued)

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the charitable company has not kept proper and adequate accounting records 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.



**John Watkins (Senior Statutory Auditor),
for and on behalf of Dickson Middleton, Chartered Accountants/Statutory Auditors,
20 Barnton Street,
Stirling,
FK8 1NE.**

**Dickson Middleton is eligible to act as an auditor in terms of section 1212 of the
Companies Act 2006**

2nd October 2015

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

STATEMENT of FINANCIAL ACTIVITIES

for the year to 31 March 2015

	Note	Unrestricted Funds £	Restricted Funds £	2015 Total £	2014 Total £
INCOMING RESOURCES	2				
Incoming resources from generated funds					
Voluntary income		3,000	-	3,000	3,000
Activities for generating funds		99,798	-	99,798	37,717
Investment income		10,253	-	10,253	8,744
Incoming resources from charitable activities		8,004	1,673,883	1,681,887	1,592,431
Other income		2,240	-	2,240	-
<u>Total Incoming Resources</u>		123,295	1,673,883	1,797,178	1,641,892
RESOURCES EXPENDED	4				
Cost of generating funds		-	37,310	37,310	55,363
Charitable activities		68,903	1,608,745	1,677,648	1,559,164
Governance costs		-	57,538	57,538	56,425
<u>Total Resources Expended</u>		68,903	1,703,593	1,772,496	1,670,952
Net Incoming/(Outgoing) Resources before transfers		54,392	(29,710)	24,682	(29,060)
Gross transfers between funds		-	-	-	-
Net Movement in Funds		54,392	(29,710)	24,682	(29,060)
Funds brought forward		349,951	64,284	414,235	443,295
<u>Funds carried forward</u>		404,343	34,574	438,917	414,235

The notes on pages 14 to 21 form part of these financial statements.

PATHS FOR ALL PARTNERSHIP

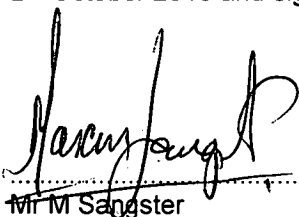
(a company limited by guarantee, not having a share capital)

BALANCE SHEET

As at 31 March 2015

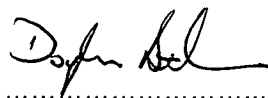
	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	11,117	2,330
CURRENT ASSETS			
Stock	8	11,956	-
Debtors	9	59,213	71,530
Cash at bank and in hand		761,949	1,038,190
		833,118	1,109,720
CURRENT LIABILITIES -			
Creditors: amounts falling due within one year	10	(362,201)	(631,485)
NET CURRENT ASSETS		470,917	478,235
TOTAL ASSETS less CURRENT LIABILITIES		482,034	480,565
Creditors: amounts falling after more than one year	11	(32,000)	(64,000)
PROVISIONS FOR LIABILITIES and CHARGES -			
Deferred credits	12	(11,117)	(2,330)
NET ASSETS		438,917	414,235
FUNDS			
Unrestricted Funds:			
General fund		291,181	263,453
Designated development fund		86,055	86,055
Designated active travel fund		1,296	443
Designated training fund		4,211	-
Designated pedometer fund		21,600	-
		404,343	349,951
Restricted Funds:			
Restricted revenue reserve fund		25,3212	2,484
Designated revenue reserve fund		9,252	61,800
		34,574	64,284
TOTAL FUNDS	14	438,917	414,235

The notes on pages 14 to 21 form part of these financial statements. Approved by the Board of Directors on 2nd October 2015 and signed on its behalf by



Director

Mr M Sangster



Director

Mr D Brotherston

Company Registration Number: SC168554

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial Statements for the year ended 31 March 2015

1. Accounting Policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005).

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income is received by way of grants and donations and is included in full when receivable.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income is included when receivable.

Incoming resources from charitable trading activity are accounted for when earned.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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 includes VAT where it is not recoverable. Grants offered subject to conditions which have not been met at the year end date are noted as grants in advance but not accrued as expenditure.

Cost of generating funds

Costs of generating funds includes costs associated with achieving grant funding and other voluntary income.

Charitable activities

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

Governance costs

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

Allocation and apportionment of costs

Staff costs have been allocated on the basis of time spent. All members of staff have been considered and a percentage of time spent between fundraising, charitable activities and governance has been established for each. Support costs are allocated across the charitable activities on the basis of income received for each activity. All other costs are allocated on a direct basis.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial statements

for the year ended 31 March 2015 (continued)

1 Accounting Policies (continued)

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Office furniture & other equipment	- 4 years
Computer equipment	- 4 years

Stock

Stock is valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from corporation tax on its charitable activities. Interest receivable is shown gross and no provision for tax is considered necessary.

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.

Pensions

The charity was a participating employer in a local government superannuation scheme, which was a defined benefit pension scheme in nature for some employees until 1st July 2012.

Employees who were not members of the local government superannuation scheme make their own pension arrangements with either multi-employer or personal pension schemes. Generally, the company undertakes to make a 10% contribution of salary on the condition the member of staff makes a 6% personal contribution. The charge in the financial statements represents the company's contribution to such schemes. The company contributions are accounted for by recognising contributions payable in the year in the statement of financial activities.

Gifts in kind

Gifts in kind represent the value of benefits provided to the charity. These values are based on reasonable estimates and on information provided to us by the suppliers. The total value is presented in the financial statements as both an incoming and outgoing resource.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial statements

for the year ended 31 March 2015 (continued)

2. Income

Income includes grants and other payments from publicly funded bodies that were received and applied during the year, subject to the accounting policy enumerated in Note 1 above. Income therefore includes grants and other income from:

	2015 £	2014 £
Scottish Government – Active Scotland	1,322,543	1,389,082
Scottish Government – Smarter Choices Smarter People	124,448	-
Scottish Government – S16B	16,912	16,912
Scottish Natural Heritage	102,631	104,869
Forestry Commission Scotland	42,500	-
MacMillan	46,678	25,000
NHS Fife	3,000	-
University of Edinburgh	-	1,500
Living Streets Scotland	-	2,500
Big Lottery – Investing In Ideas	-	5,875
Big Lottery – Celebrate Grant	-	10,000
Total Applied Income	1,658,712	1,555,738
Less: Income applied for Capital expenditure; transferred to Deferred Credits	(13,034)	(1,418)
Income applied for Revenue costs	1,645,678	1,554,320
Gifts in kind	3,000	3,000
Courses & training income	19,295	20,477
Merchandise income	80,503	17,240
Active Travel Conference	5,004	6,620
National Walking Strategy Secondment	23,958	28,742
SATIN income	3,000	1,760
Other income	2,240	-
Bank interest receivable	10,253	8,744
Deferred Credits released	4,247	989
	1,797,178	1,641,892

3. Deficit for the year

The deficit for the year is stated after charging -

	2015 £	2014 £
Board of Directors and Members costs (see Note 6)	133	486
Auditor's remuneration		
- Audit services	3,726	3,802
- Other services	1,614	3,948
Operating lease rentals	66,143	53,651
Depreciation of fixed assets (see Note 7)	4,247	989

and after crediting:

Interest receivable	10,253	8,744
Deferred Credits released (see Note 12)	4,247	989

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial statements

for the year ended 31 March 2015 (continued)

4. Total resources expended

	Basis of allocation	Costs of generating funds	Charitable activities	Governance costs	2015 Total
<u>Direct costs</u>		£	£	£	£
Staff costs	Staff time	22,233	622,721	33,011	677,965
Other staff costs	Staff time	2,933	34,698	3,420	41,051
Project costs and grants awarded	Direct	-	753,605	-	753,605
<u>Support costs</u>					
Staff costs	Staff time	4,305	112,417	6,233	122,955
Other staff costs	Staff time	274	7,149	396	7,819
Office running costs	Direct	6,754	121,563	6,754	135,071
Professional costs	Direct	811	21,248	1,174	23,233
Audit fee	Direct	-	-	5,340	5,340
Board costs	Direct	-	-	1,210	1,210
Depreciation	Direct	-	4,247	-	4,247
		37,310	1,677,648	57,538	1,772,496

	Basis of allocation	Costs of generating funds	Charitable activities	Governance costs	2014 Total
<u>Direct costs</u>		£	£	£	£
Staff costs	Staff time	37,550	588,949	29,452	655,951
Other staff costs	Staff time	2,727	32,256	3,180	38,163
Project costs and grants awarded	Direct	-	687,111	-	687,111
<u>Support costs</u>					
Staff costs	Staff time	7,162	110,453	5,802	123,417
Other staff costs	Staff time	422	6,506	342	7,270
Office running costs	Direct	6,669	120,045	6,669	133,383
Professional costs	Direct	833	12,855	675	14,363
Audit fee	Direct	-	-	7,750	7,750
Board costs	Direct	-	-	2,555	2,555
Depreciation	Direct	-	989	-	989
		55,363	1,559,164	56,425	1,670,952

Grants

The £340,728 offered in 2014/2015 equates to 17 walking for health grants including £180,000 offered to Living Streets (Pedestrians Association), £20,100 to Walk Aberdeen, £20,000 to Ramblers £20,000 to Stride for Life and £20,000 to Steps Tay Health. The remaining grants were £15,000 or less each. 15 Local People Local Paths grants totalled £19,022 were offered and 1 MacMillan Grant of £7,232 was also offered.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial Statements

for the year ended 31 March 2015 (continued)

	2015 £	2014 £
5. Staff Costs		
<i>Staff employment costs -</i>		
Salaries	679,081	658,299
Employer's NIC	60,697	62,105
Employer's superannuation	61,142	58,964
	800,920	779,368
There are no high paid staff.		
<i>Average staff numbers</i>		
Those employed for more than 20 hours per week	25	26

Creditors include £7,596 (2014 - £10,585) in respect of pension contributions to be paid over to relevant schemes at the end of the year.

6. Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31st March 2015 nor for the year ended 31st March 2014.

Trustees' Expenses

Expenses reimbursed in the year to Trustees' amounted to £133 (2014: £486).

7. Fixed Assets

Tangible assets

	Office furniture and other equipment £	Computer equipment £	Total £
Cost:			
At 1 April 2014	18,997	68,133	87,130
Additions during the year	418	12,616	13,034
Disposals during year	(4,592)	(46,259)	(50,851)
At 31 March 2015	14,823	34,490	49,313
Accumulated depreciation:			
At 1 April 2014	18,997	65,803	84,800
Provided during the year	105	4,142	4,247
Disposals during year	(4,592)	(46,259)	(50,851)
At 31 March 2015	14,510	23,686	38,196
Net book value			
31 March 2015	313	10,804	11,117
31 March 2014	-	2,330	2,330

	2015 £	2014 £
8. Stock		
Pedometers	11,956	-

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial Statements

for the year ended 31 March 2015 (continued)

	2015	2014
	£	£
9. Debtors: Amounts falling due within one year		
Other debtors	26,651	30,441
Prepayments and accrued income	32,562	41,089
	59,213	71,530
	2015	2014
	£	£
10. Creditors: Amounts falling due within one year		
Other creditors	30,487	125,821
Defined benefit pension cessation liability	32,000	64,000
Taxation and social security	14,864	16,226
Accruals and deferred income	6,245	5,490
Grants in advance	278,605	419,948
	362,201	631,485
	2015	2014
	£	£
11. Creditors: Amounts falling after more than one year		
Defined benefit pension cessation liability	32,000	64,000
12. Deferred Credits:		
	2015	2014
	£	£
Balance brought forward	2,330	1,901
Grant credits received during the year for capital expenditure	13,034	1,418
Released to Statement of financial activities to cover depreciation	(4,247)	(989)
Balance carried forward	11,117	2,330

13. Pension commitments and other post-retirement benefits

The charity was a participating employer in a local government superannuation scheme, which is a defined benefit pension scheme in the UK. This scheme is the Strathclyde Pension Fund, which is administered in accordance with the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 as amended.

The charity entered into an agreement with Glasgow City Council, acting in its capacity as the administering authority of the Strathclyde Pension Fund, to terminate its involvement in the scheme with a calculation date of 1st July 2012. Following an assessment of the company's involvement in the scheme a cessation payment of £160,000 is required to cover the pension liabilities. An arrangement has been made with Glasgow City Council to repay this liability in equal interest free instalments over a period of four years. This liability is shown in Notes 10 and 11.

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial Statements

for the year ended 31 March 2015 (continued)

14. FUNDS ANALYSIS at 31 March 2015

	Restricted £	Unrestricted £	2015 Total Funds £	2014 Total Funds £
Fixed assets	11,117	-	11,117	2,330
Current assets				
Stock	11,956	-	11,956	-
Debtors	43,459	15,754	59,213	71,530
Cash at bank and in hand	373,360	388,589	761,949	1,038,190
	428,775	404,343	833,118	1,109,720
Current liabilities	(362,201)	-	(362,201)	(631,485)
Net current assets	66,574	404,343	470,917	478,235
Total Assets less Current Liabilities	77,691	404,343	482,034	480,565
Creditors due after more than one year	(32,000)	-	(32,000)	(64,000)
Deferred Credits	(11,117)	-	(11,117)	(2,330)
Net Assets/Funds	34,574	404,343	438,917	414,235

15. Movement in Funds

	At 1 st April 2014 £	Net Movement in Funds £	Transfers Between Funds £	At 31 st March 2015 £
Unrestricted funds				
General fund	263,453	49,328	(21,600)	291,181
Designated development fund	86,055	-	-	86,055
Designated active travel fund	443	853	-	1,296
Designated training fund	-	4,211	-	4,211
Designated pedometer fund	-	-	21,600	21,600
	349,951	54,392	-	404,343
Restricted funds				
Restricted revenue reserve fund	2,484	(29,710)	52,548	25,322
Designated revenue reserve fund	61,800	-	(52,548)	9,252
	64,284	(29,710)	-	34,574
	414,235	24,682	-	438,917

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

Notes to the Financial Statements

for the year ended 31 March 2015 (continued)

15. Movement in Funds (Continued)

Designated Active Travel Fund

The designated active travel fund represents the surpluses on Active Travel Conferences held in the past and have been set aside to go towards the costs of future Active Travel Conferences.

Designated Training Fund

This fund represents the surplus on any training income received in the year. This fund will go towards the costs of providing training courses in the future.

Designated Pedometer Fund

The designated pedometer fund represents costs to be incurred in 2015/16 relating to the purchase of pedometers.

Designated Revenue Reserve Fund

The designated revenue reserve fund balance represents costs to be incurred relating to activities which the charity has already committed to and which are currently in progress, as follows:

	£
Walking for Health	
East Renfrewshire & East Dunbartonshire Health Walk Projects	<u>9,252</u>

16. Leasing Commitments

		2015 £	2014 £
Expiring within one year	Property	59,392	59,228
Between one and five years	Other	<u>6,998</u>	<u>1,584</u>

17. Contingent Liabilities

Most of the charity's activities have been funded by grants receivable from Scottish Natural Heritage, Scottish Government and other funders. The funding contracts contain conditions about the repayment of grants received. These conditions are not expected to lead to any obligation to repay the grants received.

18. Capital Commitments

There were no capital commitments at 31 March 2015 (2014: £nil). There were no contingent liabilities at 31 March 2015 (2014: £nil).

PATHS FOR ALL PARTNERSHIP

(a company limited by guarantee, not having a share capital)

DETAILED INCOME and EXPENDITURE ACCOUNT

for the year to 31 March 2015

	2015		2014	
INCOME	£	£	£	£
CORE INCOME				
Income from activities -				
Grants	1,658,712		1,555,738	
Courses & training income	19,295		20,477	
Merchandise income	80,503		17,240	
Active Travel Conference	5,004		6,620	
SATIN	3,000		1,760	
NWS Secondment	23,958		28,742	
Other Income	2,240		-	
		1,792,712		1,630,577
Deferred Credits Income -				
Net deferred credits released		(8,787)		(429)
TOTAL CORE INCOME		1,783,925		1,630,148
Donations in Kind		3,000		3,000
Interest Receivable		10,253		8,744
<u>TOTAL INCOME for the year</u>		<u>1,797,178</u>		<u>1,641,892</u>
EXPENDITURE				
Core staffing costs -				
Salaries, National Insurance and Pension costs	800,920		779,368	
Other staff costs	48,870		45,433	
		849,790		824,801
Core running costs -				
Board of Directors and other member costs	1,210		2,555	
Office running costs	135,071		133,383	
Professional support costs, including audit fees	28,573		22,113	
Depreciation of fixed assets (including loss on disposal)	4,247		989	
		169,101		159,040
Project costs		753,605		687,111
<u>TOTAL EXPENDITURE for the year</u>		<u>1,772,496</u>		<u>1,670,952</u>
<u>SURPLUS/(DEFICIT) for the year</u>		<u>24,682</u>		<u>(29,060)</u>

This statement does not form part of the Statutory Report and Financial Statements for the year to 31 March 2015 and is provided for information.