

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

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30 SEPTEMBER 2017  
FOR  
THE ARRAN ACCESS TRUST**



**Henderson Loggie  
90 Mitchell Street  
Glasgow  
Lanarkshire  
G1 3NQ**

**THE ARRAN ACCESS TRUST**

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FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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# **THE ARRAN ACCESS TRUST**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2017**

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 2017. 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  
Councillor J J W Bruce

J Murchie

Chairperson  
Treasurer  
Director  
Director  
Director  
Councillor –  
Resigned 12/05/17  
Director

Independent examiner  
Henderson Loggie  
90 Mitchell Street  
Glasgow  
Lanarkshire  
G1 3NQ

Bankers  
Bank of Scotland  
Shore Road  
Brodict  
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 2017**

#### **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.

During the year, the Forestry Commission have provided donated facilities for the period October 2016 to February 2017 with a value of £833.

#### **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 2017**

#### **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 £7,421 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 £84,000 has been classed as restricted income. The majority of this was received from the Coastal Communities Fund towards the Arran Coastal Way and Arran Geopark Projects. Donated facilities consisting of rent of office space of £833 has been provided by the Forestry Commission.

##### **Principal funding sources**

During the year, the charity received donations and subscriptions.

Several years ago, the Arran Access Trust took on responsibility for the Arran Coastal Way and in 2014 successfully secured substantial grant funding to improve the footpaths and route signage. This project came to an end in February 2017 although it continues to lead in supporting this walk. Following on from this project is the Arran Geopark Project. The main award for both projects has come from the Coastal Communities Fund (CCF), a government fund managed by the Big Lottery Fund.

During the year, CCF has contributed £73,335 in total. We received a grant of £5,000 from the Brown Forbes Trust for works to the Cordon Board Walk. We also raised £4,800 through the sale of boards to the National Trust.

#### **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.

The trustees will keep working with North Ayrshire Council on the development of the multi-user off road route between Brodick and Corrie and will continue to help in all ways possible to keep the momentum of this project up so it reaches a timely conclusion.

The Arran Geopark project will run until December 2019. Additional funding will come from the Arran Trust and North Ayrshire Council and support from Lochranza Field Study CiC and the National Trust for Scotland. The Trust will continue to oversee the various activities which will keep the Coastal Way operating as an attractive route for walkers.

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 31 January 2018 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 2017 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**  
**Henderson Loggie**  
**90 Mitchell Street**  
**Glasgow**  
**Lanarkshire**  
**G1 3NQ**

**2 February 2018**

**THE ARRAN ACCESS TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and legacies	3	4,212	865	5,077	6,447
Raising funds	4	-	4,800	4,800	3,751
Charitable activities	5	-	78,335	78,335	147,777
<b>TOTAL INCOME</b>		<b>4,212</b>	<b>84,000</b>	<b>88,212</b>	<b>157,975</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	5,404	50,399	55,803	149,549
<b>TOTAL EXPENDITURE</b>		<b>5,404</b>	<b>50,399</b>	<b>55,803</b>	<b>149,549</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(1,192)</b>	<b>33,601</b>	<b>32,409</b>	<b>8,426</b>
Reconciliation of funds:					
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>8,613</b>	<b>34,530</b>	<b>43,143</b>	<b>34,717</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>7,421</b>	<b>68,131</b>	<b>75,552</b>	<b>43,143</b>

All the activities of the charity relate to continuing activities.

**THE ARRAN ACCESS TRUST**

**BALANCE SHEET  
AT 30 SEPTEMBER 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	9	389	9,662
<b>CURRENT ASSETS</b>			
Debtors	10	-	677
Cash at bank and in hand		<u>75,919</u>	<u>35,131</u>
		75,919	35,808
<b>CREDITORS</b>			
Amounts falling due within one year	11	(756)	(2,327)
<b>NET CURRENT ASSETS</b>		<u>75,163</u>	<u>33,481</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>75,552</u>	<u>43,143</u>
<b>NET ASSETS</b>		<u>75,552</u>	<u>43,143</u>
<b>FUNDS</b>	12,13		
Unrestricted funds		7,421	8,613
Restricted funds		<u>68,131</u>	<u>34,530</u>
<b>TOTAL FUNDS</b>		<u>75,552</u>	<u>43,143</u>

The notes form part of these financial statements



**THE ARRAN ACCESS TRUST**

**BALANCE SHEET - CONTINUED  
AT 30 SEPTEMBER 2017**

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 2017.

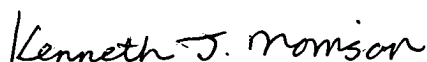
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 September 2017 in accordance with Section 476 of the Companies Act 2006.

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 31 January 2018 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 2017**

	2017 £	2017 £	2016 £	2016 £
<b>Cash flows from operating activities</b>				
Net income/(expenditure) for the period	32,409		8,426	
Depreciation charges	130		3,357	
Gain on disposal	(4,558)			
(Increase)/decrease in debtors	677		(81)	
Increase in creditors	(1,570)		133	
<b>Cash provided by operating activities</b>		27,088		11,835
<b>Cash flows from investing activities</b>				
Sale of fixed assets	13,700		-	
<b>Cash (used in) investing activities</b>		13,700		-
<b>Increase in cash and cash equivalents in the year</b>		40,788		11,835
<b>Cash and cash equivalents at the beginning of the year</b>		35,131		23,296
<b>Total cash and cash equivalents at the end of the year</b>		75,919		35,131
<b>Cash and cash equivalents comprise:</b>				
Cash at bank and in hand		75,919		35,131

The notes form part of these financial statements

# **THE ARRAN ACCESS TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017**

### **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.

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

#### **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 2017

#### 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):

	2017	2016
	£	£
Depreciation - owned assets	130	3,357
Independent examiner's fee	1,104	792
	=====	=====

The notes form part of these financial statements

# THE ARRAN ACCESS TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 3. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	2017 Total	2016 Total
	£	£	£	£
Donations	2,817	865	3,682	4,021
Grants	-	-	-	700
Subs	1,395	-	1,395	1,726
	-----	-----	-----	-----
	4,212	865	5,077	6,447
	=====	=====	=====	=====

2016 comprised £3,550 of unrestricted donations, grants and subs and £2,897 of restricted donations and subs.

### 4. RAISING FUNDS

	Restricted 2017 Total	Restricted 2016 Total
	£	£
Events – Trail Run	-	3,556
Sale of t-shirts	-	195
Sale of boards	4,800	-
	-----	-----
	4,800	3,751
	=====	=====

### 5. CHARITABLE ACTIVITIES

	Restricted 2017 Total	Restricted 2016 Total
	£	£
Grants from		
Coastal Communities Fund	73,335	121,277
North Ayrshire Council	-	14,000
Arran Trust	-	3,500
Gordon Fraser Charitable Trust	-	500
Foyle Foundation	-	3,500
Hugh Fraser Foundation	-	5,000
Brown Forbes Trust	5,000	-
	-----	-----
	78,335	147,777
	=====	=====

### 6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2017 Total	2016 Total
	£	£	£	£
Direct project costs	-	24,236	24,236	74,132
Wages & salaries (note 7)	-	25,200	25,200	66,009
Support costs (note 8)	5,404	963	6,367	9,408
	-----	-----	-----	-----
	5,404	50,399	55,803	149,549
	=====	=====	=====	=====

2016 costs comprise £3,804 of unrestricted costs and £145,745 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 2017

### 7. STAFF COSTS AND TRUSTEES' REMUNERATION

	2017 £	2016 £
Wages and salaries	25,200	64,316
Social security costs	-	1,693
	<u>25,200</u>	<u>66,009</u>
	=====	=====

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

	2017	2016
Full-time	5	5
Part-time	-	1
	<u>5</u>	<u>6</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 2017 nor for the year ended 30 September 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 September 2017 nor for the year ended 30 September 2016.

### 8. SUPPORT COSTS

	Unrestricted Funds £	Restricted Funds £	2017 Total £	2016 Total £
Office accommodation	-	833	833	2,000
Postage and stationery	1,183	-	1,183	1,948
Sundries	558	-	558	209
Small works	7,117	-	7,117	855
Gain on disposal	(4,558)	-	(4,558)	-
Depreciation	-	130	130	3,357
Governance costs	1,104	-	1,104	1,039
	<u>5,404</u>	<u>963</u>	<u>6,367</u>	<u>9,408</u>
	=====	=====	=====	=====
<u>Governance costs comprise</u>				
Accountancy	1,104	-	1,104	792
Legal fees	-	-	-	247
	<u>1,104</u>	<u>-</u>	<u>1,104</u>	<u>1,039</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 2017**

**9. TANGIBLE FIXED ASSETS**

	Motor Vehicles £	Plant & Equipment £	Computer Equipment £	Total £
<b>COST</b>				
At 1 October 2016	21,671	1,054	404	23,129
Additions	-	-	-	-
Disposals	(21,671)	-	-	(21,671)
At 30 September 2017	-	1,054	404	1,458
<b>DEPRECIATION</b>				
At 1 October 2016	12,528	535	404	13,467
Charge for year	-	130	-	130
Eliminated on disposal	(12,528)	-	-	(12,528)
At 30 September 2017	-	665	404	1,069
<b>NET BOOK VALUE</b>				
At 30 September 2017	-	389	-	389
At 30 September 2016	9,143	519	-	9,662

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Prepayments and accrued income	-	677
	-	677

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
<b>PAYE</b>	-	1,601
Accruals and deferred income	756	726
	756	2,327

The notes form part of these financial statements

# THE ARRAN ACCESS TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2017

### 12. MOVEMENT IN FUNDS

	At 1 Oct 16 £	Income £	Expenditure £	At 30 Sep 17 £
Unrestricted funds	8,613	4,212	(5,404)	7,421
Restricted funds				
Arran Coastal Way Project	34,530	35,518	(39,280)	30,768
Arran Geopark Project	-	48,482	(11,119)	37,363
	<u>43,143</u>	<u>88,212</u>	<u>(55,803)</u>	<u>75,552</u>

Arran Coastal Way Project: this consists of grants from a number of different sources as set out in note 5, received to improve the footpaths and route signage along the Coast of Arran.

### 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
Fixed assets	-	389	389	9,662
Current assets	8,177	67,742	75,919	35,808
Current liabilities	<u>(756)</u>	<u>-</u>	<u>(756)</u>	<u>(2,327)</u>
	<u>7,421</u>	<u>68,131</u>	<u>75,552</u>	<u>43,143</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