

THE PATHS FOR ALL PARTNERSHIP

(A Company limited by guarantee, not having a share capital)

REPORT and FINANCIAL STATEMENTS

for the year to 31 March 2007

Reg No SC168554



Scottish Charity No SC025535

Bankers
Bank of Scotland
71 Mar Street
Alloa
Clackmannanshire
FK10 1HR

Auditors
Dickson Middleton
20 Barnton Street
Stirling
FK8 1NE

Registered/ Principal Operational Office
Inglewood House
Lullibody Road
ALLOA
Clackmannanshire
FK10 2HU

THE PATHS FOR ALL PARTNERSHIP

REPORT OF THE DIRECTORS

The Directors' Annual Report below has been written in accordance with the advice contained in the Statement of Recommended Practice (SORP) 2005 produced by the Charities Commission and recommended by the Office of the Scottish Charity Regulator (OSCR)

1 Reference and Administrative Details

Charity name	Paths for All Partnership
Charity registration number	SC025535
Company registration number	SC168554
Registered Office	Inglewood House Tullibody Road Alloa FK10 2HU

Directors:			First appointed on	Notes
Robert Maund	Chairman	(appointed)	30 October 2002	Resigned 26 October 2006
Bruce Logan	Director	(elected)	30 October 2002	
Nick Kempe	Director	(appointed)	25 June 2003	Resigned 12 April 2006
George Lawrie	Director	(elected)	29 October 2003	
Patricia Somerville	Director	(elected)	27 October 2004	
Ian McCall	Director	(elected)	27 October 2004	
Robert Balfour	Director	(elected)	27 October 2004	
Mary Allison	Director	(elected)	9 November 2005	
James Fowle	Director	(appointed)	11 April 2006	
Andrew Bachell	Director	(appointed)	26 October 2006	
Jeremy Rowan Robinson	Chairman	(elected)	26 October 2006	

President Vacant

Chief Officer Ian Findlay

Company Secretary Campbell Smith W S , 21 York Place, Edinburgh EH1 3EN

Accountants Macfarlane Gray, Macfarlane Gray House, Castle Craig Business Park,
Springbank Road, Stirling, FK7 7WF

Auditors Dickson Middleton 20 Bainton Street, Stirling, FK8 1NE

Bankers Bank of Scotland, 21 Mar Street, Alloa, FK10 1HR

Solicitors Campbell Smith W S , 21 York Place, Edinburgh, EH1 3EN

Health and Safety Advisor John Morris, John Morris Safety Ltd , Craignavie Farmhouse, Killin
Perthshire, FK21 8SJ

Employment Law Advisor Linden Stables, Glasgow Council for the Voluntary Sector, 11 Queen's
Crescent Glasgow, G4 9AS

THE PATHS FOR ALL PARTNERSHIP

REPORT OF THE DIRECTORS (continued)

2. 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. The Paths for All Partnership currently comprises 20 Partner organisations representing the public sector and national representative bodies which share a commitment to the delivery of the Company's charitable purposes, i.e. the objects as defined in the Memorandum and Articles of Association. The Company was incorporated on 19 September 1996 at Companies House, Edinburgh. It is recognised by the Inland Revenue as a Scottish Charity. 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 Company 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 Trustees

The Directors of the Company 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 nine Directors including the above mentioned office bearers.

Scottish Natural Heritage and the Convention of Scottish Local Authorities have the right to appoint at any time one person to be a Director of the Company and remove from that office any Director so appointed by that body. The remainder of the Directors are elected by the Members of the Company (i.e. the Partners).

The Board of Directors is the governing body of the Company and is responsible for monitoring overall governance needs. Currently, there are two Sub groups of the Board, the Staffing Sub group and the Procurements and Grants Approval Sub group. Both Sub groups work to Terms of Reference which have been approved by the Board of Directors. A Paths to Health Advisory Panel also exists, which again is purely advisory and consists of a large number of stakeholders and one Director.

Directors have agreed to adhere to a Code of Corporate Governance including the retention of a Register of Interests which is held at the Company's Registered Office and reviewed annually.

Honorary Officers and staff

The Directors have the right to appoint an individual to be President of the Company. This is an honorary appointment and the President is not a Director of the Company. The incumbent of this position, Magnus Magnusson, died during the reporting year and the post is currently vacant.

The Company employed 16 full time equivalents based in Alloa or Inverness, in the reporting year. The staff team comprises 1 Chief Officer, 2 Programme Managers, 9.5 Development Officers and 3.5 administration staff.

Induction and training of Directors

New Directors are generally familiar with the work of the Company in that Directors are drawn from the Partner organisations, which are already engaged in the Partnership's activities.

New Directors receive a half day induction session with the Chief Officer. This session covers corporate governance, strategic planning and reporting, Company policies and procedures, 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 structures and decision making

The Board of Directors is the sole executive committee of the Company and is responsible for decisions regarding strategic direction. The Board meets four times per annum. Authority for the day to day management of the Company 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

THE PATHS FOR ALL PARTNERSHIP

REPORT OF THE DIRECTORS (continued)

Procurements and Grants Approval Sub group of the Board as set out by the Sub group's Terms of Reference. The policies are contained in the Staff Handbook and are available to all staff and Directors. There are policies relating to human resources and staffing, health and safety, procurement, and information technology.

Risk Management

A Risk Management Register is produced and approved by Directors on an annual basis. The Register covers the relationship between the Company'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.

3 Objectives and activities

Objects, mission and programmes

The objects for which the Company 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 objects are in turn translated into the Company's Mission which is

To facilitate the creation of well designed, managed and promoted networks of paths and other routes on land and water for everyone and increase participation in walking for health by inactive people in Scotland.

The Company plans and reports on its activities in 3 year cycles. For each 3 year period a Strategy is produced (the reporting year covers the first year of the 2006-2009 Strategy period). A detailed Business Plan is produced annually, which states what the Company plans to achieve in that year within the context of the 3 year Strategy. The Business Plan also forms the basis of individual staff work programmes and the quarterly reports to the Board of Directors.

In the reporting year the Business Plan contained three Programmes of activities:

- *Partnership and Leadership* – to deliver an effective, flourishing, respected and independent Partnership which has a lead role in facilitating the creation of a Scotland of active communities.
- *Outdoor Access Development* – to provide a central facilitation and co-ordination role to ensure that all access authorities have well trained, experienced and knowledgeable access staff that network as a profession, all access authority areas have at least one independent, expert and effective Local Access Forum, a Core Paths Plan and Outdoor Access Strategy that together form an adequate framework to deliver 'paths for all'. All access authorities have the necessary resources to develop, manage and promote well used path networks which reflect the needs of communities, and all community path groups have access to support, advice and training and are fully engaged in outdoor access development.
- *Paths to Health* – to lead the development of walking for health and contribute to meeting the targets of Scotland's Physical Activity Strategy. This will be achieved through community participation, active workplaces and health professional promotion and referral. Grant provision, product development, training, advice and support will all contribute to meeting the aim. Paths to Health will play a key role in developing national and local partnership working to get Scotland walking.

THE PATHS FOR ALL PARTNERSHIP

REPORT OF THE DIRECTORS (continued)

3. Objectives and activities (continued)

Activities in the reporting year

Below are the key outputs under each of the three Programmes of activity

Partnership and leadership

Strategic activities

- Continued to develop links between outdoor access, paths and their promotion with key policy agendas of health and wellbeing, strengthening communities, economic development and sustainable transport. In particular, links with the Scottish Executive Health Department have developed with a further significant grant received (see Paths to Health below). We have also developed links with the transport agenda through the development of the National Transport Strategy, and in particular with the Sustainable Transport Team and the proposal to develop cycling and walking demonstration towns and 5 of the 7 Regional Transport Partnerships.
- Assisted SNH and the Scottish Executive regarding implementation of the Land Reform (Scotland) Act 2003. In particular, the Partnership has produced the second edition of the Local Access Forums Guide.
- Produced and distributed the Bridges Guide.
- The Partnership has continued its work as a member of SEERAD's Land Management Contracts Countryside Issues Group and co-ordinated the activities of the Access Working Group. The main outcomes of this activity have been the production of national objectives for access, input to improving the processes relating to Tier 2 'Improving Access', the development of Tier 3 access options and the production of standard costs.
- The Partnership continued its membership of the Executive's Scottish Biodiversity Forum's Rural Land Use Working group advising on access related matters.
- Continued development of the 'Access for All' Forum on behalf of the National Access Forum to look at access for people with disabilities, and the Cycling Interests Liaison Group.
- The Partnership responded to a number of major national consultations including SNH's review of its 'Enjoying the Outdoors' policy, the Executive's Older People Strategy, the National Transport Strategy and RTPs' strategies, the draft Scottish Rural Development Plan, the Scottish Forestry Strategy and SNH's review of Greenspaces for Communities initiative.
- The Partnership managed two contracts, funded by SNH and HIF, on the socio-economic impacts of path networks.
- A summary version of the Partnership's strategy for 2006-2009 was produced and circulated widely, including to all MSPs and political parties.
- The Partnership undertook a significant revamp of its website, including the development of a content management system and bulk e-mail facility.
- The Partnership successfully completed the Scottish Health At Work (SHAW) Bronze Award.

Corporate governance and policies

- The Partnership has reviewed its Memorandum and Articles of Association following commencement of the Charities and Trustee Investment (Scotland) Act 2005. This included updating the company's Objects to ensure that they reflect the full range of the Partnership's current and planned activities and meet at least one of the charitable purposes as set out in the Act and OSCR's guidance.
- A Risk Management Register was produced and approved by the Board. This included the development of a Financial Reserves Policy.
- The Scottish Canoe Association was approved as a Partner in April.
- The Partnership's annual accounts were produced in accordance with the SORP 2005. This included a detailed annual report on behalf of the Directors, which replaced the need for a separate Annual Review.
- The following staffing related policies were produced and approved by the Board: No Smoking, Salary Structure, Job Evaluation, Equal Opportunities, Flexi time, Staff Expenses and Special Leave.
- The Pensions Trust are now managers of the Partnership's designated pension scheme.
- Business Plan 2007-2008 produced.

Outdoor Access Development

Delivering access legislation

- Development Officers sat on 38 out of 39 Local Access Forums as advisors.
- Development Officers have provided advice, support and guidance to access authorities on the core paths planning process. The Partnership, in conjunction with SNH, has set up a Core Paths Planning Hub to act as a central focus for CPP activity and dissemination of good practice. This included a networking event for Access Officers which attracted 67 delegates from all but 7 of the 34 Access Authorities.

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REPORT OF THE DIRECTORS (continued)

- The second edition of the Local Access Forum guide to good practice was produced and circulated widely
- The Partnership assisted with the development of NFU Scotland's leaflet 'Public Access to Farmland'
- Access Authority 6 monthly Position Statement has been expanded and liaison meetings held with SEERAD and SNH to discuss strategic themes arising
- Input to Regional Transport Partnership Strategies has been ongoing

Technical

- A Technical Officer was appointed in May and has assisted in achieving the following
- Provision of technical guidance and support to access practitioners A wide range of requests have been received for this service
- Led on the development and delivery of a 2 day path survey and specification training course in March
- Assisted in finalising and distribution of the Bridges Guide
- The Partnership managed a major contract, funded by SNH on the use of symbols and signs for shared use This has proved to be a challenging exercise which has resulted in the development of new key principles that reflect the change in context arising from the Land Reform Act The outputs of this work will inform the development of new guidance on signage and symbols, which the TO will assist with drafting
- Managed a contract investigating the availability and use of quarried and re-cycled aggregates for path construction
- Led on the development of two practical demonstration sites One site is definite at SNH Battleby, the other is still under negotiation at Oatridge College
- Set up an access practitioners network

Community Support

- The Highlands and Islands Community Support project was successfully completed in December
- One of the main outputs of the above project was the production of a web based community support directory
- Training and support was given to a wide range of community groups and individuals across the HIF area

Training and Development

- 2 seminars were cancelled due to lack of delegates due mostly to access officers being fully engaged on the core paths planning process
- The following events were delivered 'Access to Inland Water' on 27 Sept with 26 delegates 'Access signage' on 21 Nov with 17 delegates, 'Access and the Law' on 13 February with 15 delegates, 'Path Survey and Design' on 20 and 21 March with 18 delegates Core Paths Planning networking event on 29 March with 67 delegates
- The Partnership has assisted in the preparation and delivery of SCAN's Land Reform Act procedures workshop on 6 Sept at which there were 40 delegates, SCAN's conference on 17 Nov on land management attracting 70 delegates, and Ramblers/CIC/SCA recreational IAF members training day in November with 60 delegates
- The Partnership organised a Study Tour for a group from Donegal County Council (staff & councillors)

Communications

- The second edition of the Local Access Forum good practice guide was produced and distributed widely
- The Bridges Guide was produced and distributed widely
- The Partnership website was significantly revamped including the development of a content management system bulk e-mail facility and community support directory
- Three editions of TRI were produced
- A 'glossy' summary of the Partnership's 2006-2009 Strategy was produced and circulated widely

Paths to Health

National strategy

- Paths to Health has been identified as a key delivery partner for both Forestry Commission Scotland's Health Plan and the Scottish Executive's older people's strategy All Our Futures Planning for a Scotland with an Ageing Population
- Continued grant support to Living Streets to consolidate its role in Scotland
- Grant support to Sustrans to re-develop Walk in to Work Out
- Grant to support Ramblers Association Scotland to deliver walking for health promotion
- £530,000 and further £50,000 secured from the Scottish Executive Health Department for further development of Paths to Health to assist with delivery of the Physical Activity Strategy and Healthy Living Campaign £50,000 and £21,000 were also received from the Centre for Healthy Working Lives and NHS Health Scotland respectively
- Detailed stage 2 application and business plan submitted to Big Lottery

THE PATHS FOR ALL PARTNERSHIP

REPORT OF THE DIRECTORS (continued)

- Advisory Panel meetings were held on 7 November and 27 February. At its February meeting it was agreed to disband the Panel with a view to the Scottish Executive Health Department forming a national expert group looking more widely at the theme of promoting walking for health.

Community

- 21 walking schemes funded in community, workplace and health settings
- 53 small grants offered to encourage innovation
- 40 Walk Leader courses delivered to 530 volunteers
- Walk Leader training manual revised and reprinted
- Scheme Initiator manual revised and reprinted
- 2 Scheme Initiator training courses held attracting 40 delegates
- A Microsoft Access database has been developed in house for all local projects

Workplace

- 200 Workplace Pedometer Packs produced following an evaluation of initial pilot. 76 have been distributed
- 4 workplace grants offered
- Walk organiser and walk leader course developed
- 4 awareness raising sessions were held in Edinburgh, Glasgow, Dundee and Aberdeen attracting 132 delegates

Health care

- Primary Care Pedometer Pack initial pilot evaluation report produced. The Pack was amended following the evaluation and Phase 2 was piloted in a further 20 Primary Health Care settings
- Phase 2 evaluation contract awarded

Communications

- 3 Paths to Health newsletters produced and distributed widely
- Annual report from 1 Sept 2005 to 31 Aug 2006 produced and available on website
- Successful national networking event for approximately 300 delegates held on 21 Sept which was chaired by Matt Lowther, Scottish Executive Physical Activity Coordinator
- 3 regional networking events established
- E bulletin developed and distributed on fortnightly basis

Evaluation

- As a consequence of a review of the 'Monitoring and Evaluation Framework', a led walk monitoring and evaluation tool has been developed and is available in CD format to local schemes
- Paths to Health is a member of the Scottish Physical Activity Research Collaboration (SPARColl) steering group. SPARColl will be focussing on walking for the first 3 years with the work of Paths to Health being a major component

THE PATHS FOR ALL PARTNERSHIP

REPORT OF THE DIRECTORS (continued)

4 Financial review

Overview

The Company's overall financial position at the end of the reporting year showed a surplus of £80,281, (2006 £68,987)

The key external funding sources for the reporting year are reported in note 2, page 15 of these accounts

Regarding the SOFA, resources expended have been allocated between fundraising, charitable activities and governance. Refer to note 5, page 16 for details on how the allocations have been calculated. In summary, 2% of total resources expended have been allocated to fundraising, 95% to charitable activities and 3% to governance.

Financial management

The Company's financial management system is Sage Line 50. The finances relating to the Paths to Health Programme are planned, managed and reported on independently through a separate company in Sage Line 50.

The Board of Directors approve the annual budget for the Partnership at the April Board meeting each year.

The Board of Directors receive reports on financial activity at each Board meeting. The reports highlight variances between budgeted and actual expenditure, allowing the Board to approve any corrective actions required to achieve the planned annual expenditure.

The Chief Officer and Paths to Health Programme Manager receive detailed monthly management reports.

Development Fund

The Company received an endowment of £130,228 from Scottish Natural Heritage in 1997. This sum was placed in the Development Fund, interest accruing is being added to the Fund, and the Directors use the Fund to further Scottish Natural Heritage's Paths for All Initiative. 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 2007 stood at £77,266.

Policy on Reserves

The Board of Directors have approved a Financial Reserves Policy, which will be reviewed on an annual basis. The financial reserves target is based on covering three months' operating costs plus redundancy payments. Based on recent financial performance this equates to a target of £165,000. Directors have agreed that the Company should aim to achieve this target within the next 4 financial years, assuming annual income remains the same in real terms. This will allow for the target to be met through a combination of managed savings designed to minimise costs and maximise unrestricted income, without significantly impinging on Company's delivery of its charitable purposes. Currently the financial reserve stands at £76,137.

5 Plans for the future

The Company has produced its Strategy for 2006-2009 following extensive consultation with its Partners and other stakeholders.

The Strategy's overall Vision is *a Scotland of active communities where each community has a network of paths which people want to and are able to use for recreation and everyday journeys. This will deliver environment, health, community, sustainable transport and economic benefits for Scotland.*

The Company will continue to work towards its Vision through the three inter-related Programmes: Partnership & Leadership, Outdoor Access Development and Paths to Health. High level outcomes and detailed tasks have been identified for each of these Programmes.

In addition, the Partnership plans to undertake a long term, forward planning exercise of 'enjoying the outdoors' with funding support from SNH and NHS Health Scotland in 2007. This task will establish a 10 year vision with defined outcomes and an action plan. One outcome of the exercise will be to determine the Partnership's roles, responsibilities and support requirements.

THE PATHS FOR ALL PARTNERSHIP

REPORT OF THE DIRECTORS (continued)

The Directors of The Paths for All Partnership have pleasure in presenting their report and the audited financial statements for the year to 31 March 2007

Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that year. In preparing these financial statements the Directors are required to

**select suitable accounting policies and then apply them consistently,
make judgements and estimates that are reasonable and prudent,
prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the
company will continue to operate**

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's Directors, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the Directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Directors' and Officers' liability insurance

During the year the company purchased liability insurance for its Directors and staff as permitted by Section 310(3) of the Companies Act 1985.

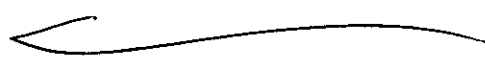
Changes in fixed assets

The movements in fixed assets during the year are set out in note 7 to the financial statements.

Auditors

Dickson Middleton are auditors to the company 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



*Messrs Campbell Smuth WS
Company Secretaries
Edinburgh
EH1 3EN*

27th September 2007

THE PATHS FOR ALL PARTNERSHIP

INDEPENDENT AUDITORS REPORT to the Members of THE PATHS FOR ALL PARTNERSHIP for the year ended 31 March 2007

We have audited the financial statements of The Paths For All Partnership for the year ended 31 March 2007 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 10 in the Statement of Directors' Responsibilities the Directors are responsible for the preparation of the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether, in our opinion, the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the company is not disclosed.

BASIS OF AUDIT OPINION

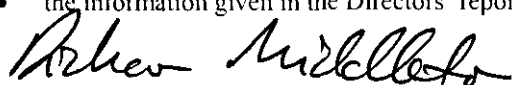
We conducted our audit in accordance with International Standards on Auditing, issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

OPINION

In our opinion:

- the Financial Statements give a true and fair view of the state, in accordance with United Kingdom Generally Accepted Accounting Practice, of the company's affairs as at 31 March 2007 and of its incoming resources and application of resources for the year then ended,
- the Financial Statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' report is consistent with the financial statements.



Dickson Middleton
Chartered Accountants &
Registered Auditors
20 Barnton Street
Stirling
FK8 1NE

27th September 2007

THE PATHS FOR ALL PARTNERSHIP

STATEMENT of FINANCIAL ACTIVITIES for the year to 31 March 2007

	Restricted £	Funds Unrestricted £	Designated £	2007 Total £	2006 Total £
Incoming resources from generated funds (Note 2).					
<i>Voluntary income</i>					
Core grant	337,192			337,192	321,929
Sponsorship		3 000		3 000	3 667
Donations	7,000			7,000	
<i>Activities for generating funds</i>					
Courses and training income		17,405		17,405	15,541
Management fees		2 086		2,086	16,554
Merchandise income		11,955		11 955	1,551
Incoming resources from charitable activities					
Grants	1,065 532			1 063,532	1,064,441
Deferred credit	(437)			(437)	14 842
Sub – total (note 2)	1,409,287	34,446		1 443,733	1,438,525
Interest receivable	<u>24,753</u>	<u>4,686</u>	<u>2,352</u>	<u>31,791</u>	<u>27,204</u>
<u>TOTAL INCOMING RESOURCES</u>	<u>1,434,040</u>	<u>39,132</u>	<u>2,352</u>	<u>1,475,524</u>	<u>1,465,729</u>
RESOURCES EXPENDED (Note 5)					
Costs of generating funds	22,598			22,598	22,232
Charitable activities	1,311,733	12,774		1,324,507	1,328 078
Governance costs	48,138			48,138	46 432
<u>TOTAL RESOURCES EXPENDED</u>	<u>1,382,469</u>	<u>12,774</u>		<u>1,395,243</u>	<u>1,396,742</u>
<u>NET INCOMING RESOURCES</u>	<u>51,571</u>	<u>26,358</u>	<u>2,352</u>	<u>80,281</u>	<u>68,987</u>
<i>Transfers between funds</i>	(34 024)		34 024		
<u>NET MOVEMENT IN FUNDS</u>	<u>17,547</u>	<u>26,358</u>	<u>36,376</u>	<u>80,281</u>	<u>68,987</u>
Funds brought forward		49,779	142,018	191,797	122,810
<u>FUNDS CARRIED FORWARD</u>	<u>17,547</u>	<u>76,137</u>	<u>178,394</u>	<u>272,078</u>	<u>191,797</u>

The notes on pages 14 to 18 form part of these financial statements

THE PATHS FOR ALL PARTNERSHIP

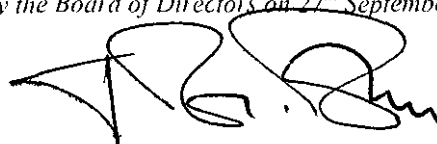
BALANCE SHEET

As at 31 March 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	7	<u>31,146</u>	<u>30,709</u>
CURRENT ASSETS			
Debtors	8	106,548	5,605
Cash at bank and in hand		<u>639,294</u>	<u>761,838</u>
		<u>745,842</u>	<u>767,443</u>
CURRENT LIABILITIES			
Creditors amounts falling due within one year	9	<u>473,764</u>	<u>575,646</u>
NET CURRENT ASSETS		<u>272,078</u>	<u>191,797</u>
TOTAL ASSETS less CURRENT LIABILITIES		303,224	222,506
PROVISIONS FOR LIABILITIES and CHARGES			
Deferred credits	10	<u>(31,146)</u>	<u>(30,709)</u>
NET ASSETS	11	<u>272,078</u>	<u>191,797</u>
Represented by:			
PATHS FOR ALL PARTNERSHIP FUNDS.			
Restricted revenue reserve fund		17,547	
Unrestricted revenue reserve fund		76,137	49,779
Designated revenue reserve fund		101,128	54,432
Designated development fund		<u>77,266</u>	<u>87,586</u>
TOTAL FUNDS	11	<u>272,078</u>	<u>191,797</u>

The notes on pages 14 to 18 form part of these financial statements

Approved by the Board of Directors on 27th September 2007 and signed on its behalf by

 Director

George T Harris Director

THE PATHS FOR ALL PARTNERSHIP

Notes to the Financial Statements for the year ended 31 March 2007

1 Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the Statement of Recommended Practice Accounting and Reporting by Charities 2005 (SORP)

Depreciation

Depreciation is provided on fixed assets to write off the cost less the estimated residual value, evenly over the years stated below

Computer equipment	4 years
Office furniture and other equipment	4 years

Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income

- 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 recognised on an accruals basis as a liability is incurred. Expenditure includes VAT, where applicable. The Company is not registered for VAT
- Costs of generating funds includes costs associated with achieving grant funding and other voluntary income
- 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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to strategic management

Development Fund (Designated)

The company received an endowment of £130,228 from Scottish Natural Heritage in 1997. This sum was placed in the Development Fund, interest accruing is being added to the Fund, and the Directors use the Fund to further the Scottish Natural Heritage Paths for All Initiative. At 31 March 2007 it was estimated that £75,000 will be required to provide funding for the 'Paths to Health' Programme co-funded by the New Opportunities Fund, of which £59,418 has been provided to date.

Taxation

The company is recognised as a charity for taxation purposes. Interest receivable is shown gross and no provision for tax is considered necessary.

Pensions

The company does not operate a company pension scheme. Staff 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 that the member of staff makes a 6% personal contribution. The charge in the financial statements represents the company's contributions to such schemes. The company contributions are accounted for by recognising contributions payable in the year in the statement of financial activities and the company is unable, without undue cost, to identify its share of the underlying assets and liabilities of the pension schemes.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

THE PATHS FOR ALL PARTNERSHIP

Notes to the financial statements

for the year ended 31 March 2007 (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

	2007		2006	
	Income Received £	Income Applied £	Income Received £	Income Applied £
Scottish Natural Heritage	492,392	492,392	346,713	388,015
NHS Health Scotland	86,000	86,000	31,000	31,000
New Opportunities Fund	23,286	23,286	212,162	212,162
British Heart Foundation	60,000	30,000	30,000	30,000
Landfill Credit sources				19,185
Highlands & Islands Enterprise	39,500	49,216	14,500	20,256
Scottish Executive	580,000	721,829	553,250	685,751
Sponsorship and donation sources	10,000	10,000	250	3,667
Other sources	14,042	14,042	18,105	18,105
Seminar income	<u>17,405</u>	<u>17,405</u>	<u>15,542</u>	<u>15,542</u>
Total Received/ Applied Income	<u>1,322,625</u>	1,444,170	<u>1,221,522</u>	1,423,683
Less Income applied for capital expenditure		<u>(22,508)</u>		<u>(2,913)</u>
Income applied for revenue costs		1,421,662		1,420,770
Deferred credits release for capital expenditure		<u>22,071</u>		<u>17,755</u>
Total Income Applied		<u>1,443,733</u>		<u>1,438,525</u>

3 Surplus for the year

The surplus for the year is stated after charging

	2007 £	2006 £
Staffing costs (see Note 4)	454,147	427,765
Board of Directors and Members costs (see Note 6)	2,610	3,922
Auditor's remuneration	2,468	2,350
Depreciation of fixed assets	22,071	17,755
Profit on disposal of fixed assets	23	
Operating lease payments	<u>30,071</u>	<u>40,548</u>
and after crediting		
Interest receivable	31,791	27,204
Deferred credit release	<u>17,262</u>	<u>17,755</u>

4 Staff Costs

Staff employment costs

Salaries	382,773	360,220
Employer's NIC	36,343	34,699
Employer's superannuation	<u>35,081</u>	<u>32,846</u>
	<u>454,147</u>	<u>427,765</u>

No employees are "high paid" staff

Average staff numbers

Those employed for more than 20 hours per week	16	15
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THE PATHS FOR ALL PARTNERSHIP

Notes to the financial statements

for the year ended 31 March 2007 (continued)

5 Resources expended

	Fundraising	Paths for All	Paths to Health	Governance	2007	2006
	£	£	£	£	£	£
Costs directly allocated to activities						
Staff costs	19,572	150,779	191,236	22,470	384,057	366,457
Staff expenses		22,465	30,010		52,475	52,916
Costs of local schemes			518,991		518,991	549,478
Publicity, education & information			32,570		32,570	58,769
Advice & training costs		23,552	46,030		69,582	103,680
Partnership & leadership		40,944		10,270	51,214	5,460
Enabling & coordinating		70,125			70,125	22,274
Monitoring & evaluation				825	825	4,367
Pathworks costs		28,902			28,902	56,508
Support costs allocated to activities						
Staff costs		24,910	38,688	6,492	70,090	61,307
Office running costs	3,026	24,172	35,322	3,026	65,546	73,969
Professional costs		9,986	13,754		23,740	17,530
Audit fee				2,468	2,468	2,350
Board costs				2,610	2,610	3,922
Depreciation		9,787	12,284		22,071	17,755
Profit on sale of assets				(23)	(23)	
Total resources expended	22,598	405,622	918,885	48,138	1,395,243	1,396,742

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. All other costs are allocated on a direct basis.

6 Directors' Costs

The Directors of the company receive no remuneration from the company for their services. They are however entitled to reimbursement of expenses which, for the year, amounted to £843 (2006: £684).

7 Fixed Assets

Tangible assets

	Computer equipment £	Office furniture and other equipment £	Total £
Cost			
At 1 April 2006	78,872	30,369	109,241
Additions during the year	15,959	6,608	22,567
Disposals during the year	(2,188)	(2,680)	(4,868)
At 31 March 2007	92,643	34,297	126,940
Accumulated depreciation			
At 1 April 2006	52,620	25,912	78,532
Provided during the year	17,748	4,323	22,071
Disposals during the year	(2,129)	(2,680)	(4,809)
At 31 March 2007	68,239	27,555	95,794
Net book value at 31 March 2007	24,404	6,742	31,146
Net book value at 31 March 2006	26,252	4,457	30,709

for the year ended 31 March 2007 (continued)

11 FUNDS ANALYSIS of THE PATHS FOR ALL PARTNERSHIP at 31 March 200717

THE PATHS FOR ALL PARTNERSHIP

Notes to the financial statements

for the year ended 31 March 2007 (continued)

12 Leasing Commitments

	2007 Property	2006 Property
Expiring within one year	<u>28,760</u>	<u>38,395</u>
Expiring within 1 – 2 years		
	Other	Other
Expiring within 1 – 2 years	<u>1,311</u>	<u>1,311</u>

13 Capital Commitments

There were no capital commitments at 31 March 2007 (2006 £nil)

14 Contingent Liabilities

Most of the company's activities have been funded by grants receivable from Scottish Natural Heritage, the New Opportunities Fund 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.

15. Connected Bodies

The Paths for All Partnership was promoted by Scottish Natural Heritage, who remains the principal funder of the company's activities, also enjoying the right as a founding member to nominate a Director to the Board.

16 Unrestricted Funds

Unrestricted funds include designated funds of £101,128. Such funds relate to costs to be incurred relating to activities which the company has already committed to and which are currently in progress as follows:

Activity	£
Signage guide summary	5,000
Signage good practice guide	10,000
Forward planning study	15,000
Quarry and recycled material	6,000
Path surface solutions publication	10,000
Battleby demonstration	5,000
Highlands and Islands Case Studies	2,310
Portobello disabled access trial	5,000
North Lanarkshire trail bike project	3,202
Economic Impact study	6,746
Photo software	870
Oatridge demonstration	25,000
Access conference programme	5,000
ACT installation costs	2,000
Total	101,128

THE PATHS FOR ALL PARTNERSHIP

DETAILED INCOME and EXPENDITURE ACCOUNT

for the PATHS to HEALTH PROGRAMME

(principally funded by the New Opportunities Fund, all funds treated as Restricted Funds)

for the year ended 31 March 2007

	2007		2006	
	£	£	£	£
PROGRAMME INCOME				
Programme income brought forward				
Programme income brought forward, from all sources		556,988		689,489
GRANT and OTHER INCOME received from				
New Opportunities Fund	23,286		212,162	
Paths for All Partnership (ex PFAP Development Fund)	12,672			
Scottish Natural Heritage	25,000		25,000	
NHS Health Scotland	71,000		25,000	
British Heart Foundation	60,000		30,000	
Scottish Executive	580,000		553,250	
Other supporters	<u>27,720</u>		<u>6,658</u>	
		799,678		852,070
INTEREST RECEIVABLE				
Interest receivable on programme fund balances		24,753		21,951
Less. Programme income carried forward				
Programme income carried forward, from all sources		(445,159)		(556,988)
DEFERRED CREDITS Movement				
Grants for Capital expenditure, transferred to Deferred Credits	(8,022)		(1,681)	
Deferred Credits released to cover depreciation costs	<u>12,284</u>		<u>12,374</u>	
		4,262		10,693
TOTAL PROGRAMME INCOME		940,522		1,017,215
PROGRAMME EXPENDITURE				
Programme staffing costs				
Salaries National Insurance and pension costs	246,957		235,597	
Other staff costs	<u>30,010</u>		<u>27,970</u>	
		276,967		263,567
Programme running costs				
Office running costs	38,692		42,865	
Professional support costs, including audit fees	14,988		10,862	
Depreciation of fixed assets	<u>12,284</u>		<u>12,374</u>	
		65,964		66,101
Local Scheme costs				
Costs of local schemes		518,991		549,478
Programme other costs				
Training costs	46,030		79,300	
Publicity Education and Information costs	<u>32,570</u>		<u>58,769</u>	
		78,600		138,069
TOTAL PROGRAMME EXPENDITURE		940,522		1,017,215
PROGRAMME SURPLUS/ (DEFICIT) FOR THE YEAR				

This statement does not form part of the statutory Report and Financial Statements for the year to 31 March 2007 and is provided for information

THE PATHS FOR ALL PARTNERSHIP

DETAILED INCOME and EXPENDITURE ACCOUNT (Excluding the PATHS to HEALTH PROGRAMME) for the year ended 31 March 2007

	2007		2006	
	£	£	£	£
INCOME				
CORE INCOME				
Grants				
Scottish Natural Heritage	337,192		316,929	
NHS Health Scotland			<u>6,000</u>	
		337,192		322,929
Income from activities				
Training course income	10,640		10,435	
Sponsorship and other income	<u>1,000</u>		<u>3,667</u>	
		11,640		14,102
Deferred Credits Income				
Grant transferred	(14,486)		(1,232)	
Deferred credits released	<u>9,787</u>		<u>5,381</u>	
		<u>(4,699)</u>		<u>4,149</u>
TOTAL CORE INCOME		344,133		341,180
PATHWORKS INCOME				
Grants				
Scottish Natural Heritage	128,200		39,000	
Highlands and Islands Enterprise	25,000			
NHS Health Scotland	15,000			
Other income	<u>28,303</u>		<u>63,081</u>	
TOTAL PATHWORKS INCOME		<u>196,503</u>		<u>102,081</u>
TOTAL INCOME, before interest receivable		540,636		443,261
Interest receivable		<u>7,038</u>		<u>5,253</u>
TOTAL INCOME (excluding Paths to Health)		<u>547,674</u>		<u>448,514</u>
EXPENDITURE				
CORE EXPENDITURE				
Core staffing costs				
Salaries, National Insurance and pensions costs	207,190		192,167	
Other staff costs	<u>22,465</u>		<u>24,946</u>	
		229,655		217,113
Core running costs				
Board of Directors and Members costs	2,610		3,922	
Office running costs	26,854		31,104	
Professional support costs including audit fees	11,220		9,018	
Depreciation and loss on disposal of fixed assets	<u>9,764</u>		<u>5,381</u>	
		50,448		49,425
Core theme costs				
Partnership and Leadership	51,214		5,460	
Enabling and Coordination	70,125		22,274	
Paths to Health Programme (ex PFAP Development Fund)	12,672			
Advice and Training	23,552		24,380	
Monitoring and Evaluation	<u>825</u>		<u>4,367</u>	
		<u>158,388</u>		<u>56,481</u>
TOTAL CORE EXPENDITURE		438,491		323,019
PATHWORKS EXPENDITURE				
Spend on Path Networks (including staff and office running costs)		<u>28,902</u>		<u>56,508</u>
TOTAL EXPENDITURE (excluding Paths to Health)		<u>467,393</u>		<u>379,527</u>
SURPLUS for the year (excluding Paths to Health)		<u>80,281</u>		<u>68,987</u>

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