

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

**REPORT and FINANCIAL STATEMENTS**

**for the year to 31 March 2013**



## **PATHS FOR ALL PARTNERSHIP**

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

### **Report of the Trustees for the year ended 31 March 2013**

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 2013. 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**

Inglewood House  
Tullibody Road  
Alloa  
FK10 2HU

##### **Trustees**

Mr G Lawrie	Retired 24 October 2012
Ms P Somerville	
Mr R Balfour	
Mr J Fowlie	
Mr J Boswell	
Prof R Mitchell	
Mr S Rennie	
Mr D Brotherston	
Mr J Lauder	Retired 24 October 2012
Mr K Irving	Resigned 30 January 2013
Ms E Reid	Appointed 25 April 2012; Lapsed 24 October 2012; Re-appointed 30 January 2013
Mr M Sangster	Appointed 24 October 2012
Ms M Kidd	Appointed 24 October 2012

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**

Campbell Smith WS LLP

##### **Auditors**

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

##### **Solicitors**

Campbell Smith WS LLP  
21 York Place  
Edinburgh  
EH1 3EN

##### **Bankers**

Bank of Scotland  
21 Mar Street  
Alloa  
FK10 1HR

## **PATHS FOR ALL PARTNERSHIP**

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

### **Report of the Trustees for the year ended 31 March 2013 (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, healthier, greener, more active Scotland through promoting walking for health and path network development.

The Paths for All Partnership currently comprises 26 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.

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **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.

##### **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. This position is currently vacant.

At 31 March 2013, the Charity employed 20.44 full-time equivalents, based in Alloa or Inverness. The staff team comprises (expressed in full-term equivalents) 1 Chief Officer, 2 Managers, 3.95 Senior Development Officers, 1 Communications Manager, 6.26 Development Officers, 1 Technical Officer, 0.43 HR and Finance Officer, 1 Finance and IT Officer, 1 Grants and Information Officer, 1.2 Communications Officer, 0.6 Training Administrator and 1 Administrator.

##### **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**

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### **Report of the Trustees for the year ended 31 March 2013 (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:

#### **Paths for All - a happier, healthier, greener, more active Scotland**

The Charity's Vision is delivered through two equally important, interlinked, long-term Outcomes, as follows:

1. To reduce the proportion of the population who are inactive, through a **walking for health** programme.
2. To increase the number, quality, accessibility and use of paths, through a **path network development** programme.

The Charity plans and reports on its activities in 3-year cycles. For each 3-year period a Strategy is produced. 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. A key component of the Framework is the setting and reporting against Key Performance Indicators (KPIs). The Business Plan also forms the basis of individual staff work programmes and the KPIs are reported quarterly to the Board of Directors.

In the reporting year, the above two Outcomes were delivered through the following Operational Outcomes:

##### *Scottish Government*

Outcome 1 - Communicate nationally the benefits and opportunities to become physically active

Outcome 2 - Increase significantly the opportunities to become and stay regularly physically active

Outcome 3a - Increase participant numbers becoming regularly physically active, contributing to meeting national physical activity targets

Outcome 3b - Increase participant numbers staying regularly physically active, contributing to meeting national physical activity targets

##### *Scottish Natural Heritage*

Outcome 1 – Local People : Local Paths – Increase the capacity of local communities to develop, manage and promote paths that people use.

Outcomes 2 – Technical programme – Increase technical competencies and promote best practice in path design, construction, management and maintenance

In addition to the above, targets were set relating to business development (including actions relating to a Fundraising Strategy and Action Plan) and the efficient and effective internal management of the Charity.

## **PATHS FOR ALL PARTNERSHIP**

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# **Report of the Trustees for the year ended 31 March 2013 (continued)**

## **OBJECTIVES AND ACTIVITIES (CONTINUED)**

### **Significant activities**

Details of all activities during the reporting year can be found in the Charity's quarterly KPI and Business Plan reports, which are presented to the Board of Directors at each Board meeting and available on its website and in the separate and detailed quarterly reports that are provided to the Charity's principal funders, the Scottish Government and Scottish Natural Heritage.

This section of the report comprises 2 elements: headline operational statistics and a selection of operational highlights taken from the quarterly Board reports.

## **HEADLINE OPERATIONAL STATISTICS FOR THE REPORTING YEAR**

### **Community and workplace health walking**

- £456,580 offered in health walking grants, which leveraged a further £167,000 for the walking projects
- Estimate of 5,510 new community health walkers across Scotland
- 130 active health walking projects supported by or connected to PFA
- 685 community volunteer walk leaders trained at 55 courses (6,139 trained since 2001)
- More than 496 different walking locations for health walks
- Estimate of 29,060 health walks took place across Scotland
- Estimate 297,435 community health walking attendances
- 42 active workplace walking projects supported by or connected to PFA

### **Path network development**

- PFA has supported 9 community groups through its Local People: Local Paths programme and 17 community groups through its Path Promotion programme
- 2 regional networking events held
- 294 enquiries to the Local People: Local Paths 'One-stop-shop'
- 39 enquiries for technical advice and information
- PFA's online course "Managing Path Construction CDM regs 2007" was completed by a wide cross-section of people from students to professional construction staff.

## **QUARTERLY HIGHLIGHTS**

Below is a selection of quarterly operational highlights taken from the Board quarterly reports:

### **QUARTER 1**

#### **Walk at Work Step Count Challenge 2012**

The 2012 Walk at Work Step Count Challenge ran from the 5th March to the 27th April. The challenge lasted 8 weeks and was open to workplaces from across Scotland.

4,600 people took part, more than twice the number of participants in last year's challenge. 920 teams took part from 317 workplaces. A collective total of 1,951,801,450 steps were taken by participants during the challenge. This is the equivalent of approximately 975,900 miles. Workplaces from the public, private and third sectors took part and came from 29 of Scotland's 32 local authority areas. A report on the 2012 Challenge is available on the PFA website.

#### **Physical Activity obesity debate in Parliament on 17 May 2012 and announcement of National Walking Strategy**

A Parliamentary debate on physical activity and obesity was held in the Parliament on 17 May 2012. The debate was called at relatively short notice and both NHS Health Scotland and Government officials requested detailed data from PFA. PFA was able to provide the necessary information which is testimony to the quality of PFA's data systems and processes. The most significant outcome from the debate was the Government announcement that a National Walking Strategy will be developed. This will be a vitally important initiative for PFA.

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **QUARTERLY HIGHLIGHTS (CONTINUED)**

##### **QUARTER 1 (CONTINUED)**

###### **'Boost' Programme**

Throughout this quarter all staff have attended 3 Boost training sessions, the first on boosting the organisation, the second on boosting staff and the third on boosting work relationships. The training has been well received and has resulted in positive change.

###### **Regional Volunteer Walk Leader Networking Event in Kilmarnock on 29 March 2012**

More than 70 Volunteer Walk Leaders gathered in Kilmarnock for PFA's networking event in March. The varied programme included updates on PFA, Zumba, a lunchtime walk, presentations from other volunteers, Otago exercises and opportunities to network. Feedback was very positive and will provide learning points for future events.

###### **New Scottish Parliament Cross Party Group on Cycling**

A Parliamentary Cross Party Group on Cycling has been established. The inaugural meeting was on 22 May 2012. PFA has been asked to be a member of the Group and has accepted this offer. Since its inception, PFA has been a regular contributor to the work of this Group.

###### **Active travel conference and launch of advocacy document on 29 May 2012**

The Active Travel Alliance held the 5<sup>th</sup> Annual active travel conference 'Walking, Cycling, Connecting Communities' in Glasgow on 29<sup>th</sup> May 2012. There were 120 delegates and Scottish Transport Minister Keith Brown MSP joined a panel debate on sustainable cities, whilst the conference featured expert speakers on public health, urban planning and design, and social justice. The conference was also used as a platform to launch a new report 'Active Travel, Active Scotland'. The report is published jointly by Cycling Scotland, Living Streets Scotland, Paths for All, Sustrans Scotland and Transform Scotland. It sets out a framework for bodies to follow that will see walking and cycling become the natural choice for short journeys, creating a healthier, socially inclusive, economically vibrant and environmentally friendly Scotland.

###### **NHS health professional's conference on 21 and 22 June 2012**

Over 1000 NHS staff attended a conference in the SECC on 21-22<sup>nd</sup> June 2012. The focus was on driving quality through innovation and PFA designed a delegate bag insert promoting walking for health as "a simple innovation" and highlighted the links between PFA's community walking groups and health professionals. A good outcome for PFA was mention from the floor by the conference key note speakers including the Chief Medical Officer and the NHS Director General.

###### **Path Demonstration Sites section on website**

This new section went live on the PFA website this quarter. For the first time there is access to downloadable guidebooks that inform the reader about the path features along the way for both of the path demonstration sites at Oatridge College and Battleby Exhibition Centre. The demonstration paths can also be explored with interactive maps on this website, where more detailed technical information is available. This gives considerable flexibility and an opportunity for those unable to visit the sites to benefit from the significant information they contain.

###### **'Bike to Work' day on 20 June 2012 and new bike shelter**

An Inglewood House bike promotion day was organised to tie-in with national Bike Week and included the official opening of the new bike shelter. PFA staff and Inglewood residents were encouraged to bring their bikes in and to cycle to work if practicable. The new bike shelter was a joint venture between PFA and Ceteris, with monies allocated from PFA's Health at Work budget.

## **PATHS FOR ALL PARTNERSHIP**

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# **Report of the Trustees for the year ended 31 March 2013 (continued)**

## **QUARTERLY HIGHLIGHTS (CONTINUED)**

### **QUARTER 2**

#### **Briefing for MSPs on Parliamentary debate on 'Support for Community Sport'**

The debate was held in the Parliament on 20 September 2012. PFA produced a 2-page Briefing which was sent to all MSPs. It was also circulated to staff and Directors. The Briefing was well received by all and used by Parliamentary Committees and Scottish Government officials.

#### **PFA joins the Twittersphere!**

As a consequence of employing new communications staff, PFA has increased its profile in terms of social media. PFA and the Chief Officer now have Twitter accounts and PFA's Facebook is active.

#### **National Networking Event**

Our 9<sup>th</sup> National Networking Event was held on the 27 September 2012 in Glasgow and had a record number of 350 people attending. The feedback from the event was overwhelmingly positive. Below are some quotes: *"I write to thank you and your team for running such an entertaining, informative and enjoyable event. It surpasses anything I have attended before."*

*"Thought it was a great event yesterday with lots of useful information and presentations"*

*"I thought all the Paths for All staff were very helpful and enthusiastic about it all – well done."*

*"Yesterday was really inspiring"*

*"Excellent conference, amusing, informative, thought provoking."*

*"The networking event was a great day. I brought along 7 volunteers who thought the whole event was really worthwhile and interesting. It actually proved to them that what they are doing is so worthwhile."*

*"It was one of the best events I have attended, there was an amazing buzz throughout the day."*

#### **Parliamentary Cross Party Groups on Sport and Cycling**

PFA is an active member of these 2 Cross Party Groups. Such Groups are considered important in terms of PFA influencing policy development and increasing the profile of the organisation and its work.

#### **Active travel developments**

PFA continued to play an active role in active travel policy development and has an increasingly high profile in this regard. Examples include: being an active member of the Active Travel Alliance (an informal grouping of third sector organisations with an interest in active travel, which are also all Partners of PFA), PFA giving a presentation on active travel at Transform Scotland's recent AGM; PFA playing a strategic lead role in active travel development within the Central Scotland Green Network (CSGN) area through its CSGN Active Travel Project funded by SNH; PFA being an active member of the Walking, Cycling Connecting Communities annual conference steering group.

#### **Loch Leven Away Day**

The staff enjoyed an away day at Loch Leven in August. After a briefing by George Lawrie on the Loch Leven Heritage Trail and by the RSPB reserve manager the team walked part of the Trail while using various disability aids, including electric scooters, a wheelchair, limited vision goggles and a walking frame. The day highlighted many of the issues that community path and walking for health groups face in their day to day work and gave staff a good insight into how we can better support them.

#### **Balance and Strength Cue Cards**

In response to the new national physical activity guidelines for older adults, a new resource has been produced by PFA to be used in conjunction with health walks to improve strength and balance amongst our target population. The cards will be piloted in 3 areas in Q3 and launched after the pilot has been reviewed.

#### **Training Programme produced**

A leaflet outlining the suite of PFA training courses, including Walking for Health, Local People Local Paths and Technical courses, has been produced to increase awareness and uptake of PFA's courses.



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### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **QUARTERLY HIGHLIGHTS (CONTINUED)**

##### **QUARTER 3**

##### **AGM 2012**

PFA held its AGM on 24 October 2012. George Lawrie and John Lauder retired and Marcus Sangster and Maureen Kidd joined the Board. George had been a Director for 9 years and Chairman for 3 years. The Directors, Staff and Partners recorded their thanks to George for his contribution to PFA. Marcus was appointed as the new Chairman by the Directors and was duly welcomed by all.

##### **Health and Social Care Parliamentary Reception**

The Health and Social Care Alliance Walking Toward Better Health project, which is funded by PFA, held a Parliamentary reception to showcase the achievements of the project to date. The reception was hosted and chaired by Drew Smith MSP and Jonathan Paterson, GB Paralympian, spoke about his recent Olympic experiences. Walking group leaders and participants shared their experiences of how walking has helped them in dealing with their long term conditions in an inspiring and uplifting event.

##### **Partnership Development**

Relationships with a number of new potential partners have been developed in quarter 3. These include Scottish Association for Mental Health, Age Scotland, Scottish Wildlife Trust, 5x50 campaign, University of Edinburgh Institute for Sport, Physical Education and Health Sciences and Community Health Exchange. These are all stakeholders which have the potential to help deliver PFA's outcomes and raise the profile of its work.

##### **Active Scotland Household Targeting Tool**

Paths for All worked with Experian Mapping Services to plot health walk locations and walkers' postcodes against the Active Scotland Household Targeting Tool. This tool is a database in which Scottish households are categorised into 11 groups based on attitudes and behaviours towards sport, physical activity, outdoor recreation and health. 6,500 contacts from PFA's Walkers Database and 460 health walk start points (postcodes) were loaded into Experian's Micromarketer software and used their data analysis to identify which segment our walkers fall into. One encouraging finding is that we are attracting the majority of our walkers from segment K (Inactive and Underprivileged).

##### **Local People Local Paths Grants**

The launch of the Local People Local Paths grant received very positive feedback. This grant includes the 50% match funding requirement through volunteer contributions. PFA hopes that this will prompt groups into action and out onto their local paths to make improvements.

##### **Launch of On-line Training Course**

PFA has successfully developed and launched its first online training course – Managing Path Construction (CDM Regulations 2007). Despite a generic title relating to the wider subject of CDM Regulations 2007, the course focuses on a specific industry area – path construction work – which is not considered part of mainstream construction industry. The online course will help to deliver skills development and quality standards in path project management and construction safety for professionals and community organisations who have no or limited knowledge of these subjects

##### **National Planning Framework 3 (NPF3) and review of the Scottish Planning Policy (SPP)**

PFA met with Scottish Government officials on 5 December 2012 to discuss how to incorporate a strategic project around the development of paths and promoting active travel into NPF3 and the review of SPP. It was a positive meeting that resulted in PFA submitting a consultation response and supporting other responses from SNH and third sector Partners.

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **QUARTERLY HIGHLIGHTS (CONTINUED)**

##### **QUARTER 3 (CONTINUED)**

###### **Raising PFA's Profile**

A high priority for PFA is to increase its profile and the profile of its work. Examples of events that PFA has attended in this quarter include: Ministerial Commonwealth Games Legacy Programme launch at the refurbished Commonwealth Pool on 23 October 2012; PFA gave a presentation on walking and the environment for a symposium on physical activity and the environment at a Centre for Research on the Environment, Society and Health (CRESH) at Edinburgh University on 19 November 2012; PFA gave the keynote presentation at Living Streets Scotland Forum AGM on walking and the proposed National Walking Strategy on 29 November 2012; PFA attended the Scottish Parliament Cross Party Group on Cycling on 8 November 2012 and 15 January 2013; PFA attended Scottish Environment LINK's Annual Congress on 22 November 2012 and co-facilitated a 2-hour workshop and sustainable travel with the Operations Manager (East) for Stagecoach; PFA gave a presentation to CHEX Advisory Group on 13 December 2012.

###### **Glasgow City Developments**

Health walks are now integrated into the Community Health Partnership's Operational Performance Review. This has led to PFA being approached to jointly fund, along with NHS Health Improvement money, new Walking Scheme Coordinator posts in the areas around Glasgow.

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **QUARTERLY HIGHLIGHTS (CONTINUED)**

##### **QUARTER 4**

##### **Funding secured for Partnership Projects**

PFA has secured £75,000 over 2 years from Forestry Commission Scotland for a Commonwealth Woodland Walks Project and £50,000 over 2 years from Macmillan Cancer Support for a Macmillan Walking Project. These are major partnership opportunities. In both cases, a Development Officer has been employed to deliver the projects. The former is linked to the Commonwealth Games 2014 Legacy Programme.

##### **Business Planning for 2013-14**

There was significant dialogue with Health Scotland in Q4, which concluded with signing off the Memorandum of Understanding and Performance Management Framework on 19 March 2013. There was also considerable dialogue with Living Streets Scotland. At the end of March, dialogue commenced with Scottish Government as a consequence of the decision that PFA's funding arrangements would transfer from Health Scotland to the Government. A productive meeting with SNH was held on 26 February 2013 to review 2012-13 and plan for 2013-14.

##### **Strength and Balance Training Courses**

Two training courses developed around the new strength and balance courses were successfully piloted in Perth and Glasgow. The courses were fully booked quickly with demand proving high. Professor Dawn Skelton, Glasgow Caledonian University, delivered the training and there are plans to develop future courses which could generate a good income stream.

##### **Active Travel**

As part of the **CSGN Active Travel Project** funded by SNH, PFA facilitated a stakeholder workshop at Sustrans offices in Edinburgh on 1 March 2013. Transform Scotland, who were contracted to deliver a Strategic Statement for the CSGN on active travel, presented the findings of their stakeholder engagement exercise (series of interviews) and facilitated a discussion with members of the Active Travel Alliance, SNH, CSGN and Alison Johnson MSP (joint chair of the Cross Party Group on Cycling).

PFA facilitated a **National Cycling Interests Group (NCIG)** meeting on 31 January 2013. This focused on the response to the Cycling Action Plan for Scotland (CAPS) refresh consultation exercise. Transport Scotland and Cycling Scotland presented to the group and there followed a discussion to help inform all parties of their response to the document. PFA also submitted a response.

PFA sits on the **Cross Party Group on Cycling** which met on 15 January 2013. This group covers a wide range of interest and examines strategic cycling delivery in Scotland.

PFA is a member of the steering group that organises the **Walking, Cycling, Connecting Communities Conference**. The conference is being held at Our Dynamic Earth, Edinburgh on 13 May 2013. The theme for the conference is Making Behaviour Change Happen. The keynote speakers will include Dr Andrew Fraser, Director of Public Health Science, NHS Health Scotland who will look at evidence from public health behaviour change initiatives, and Derek Halden, a member of the evaluation team for the Smarter Choices, Smarter Places initiative. There will be an opportunity to help inform the development of the National Walking Strategy.

##### **Recruiting Walkers Seminar**

A Recruiting Walkers Seminar was held in February in Edinburgh for our Scheme Coordinators and a number of volunteers. The 62 delegates heard from a range of speakers including researchers from Heriot Watt and Strathclyde Universities. There was the opportunity to share marketing ideas and materials, as well as plan recruitment campaigns.

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### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **QUARTERLY HIGHLIGHTS (CONTINUED)**

##### **QUARTER 4 (CONTINUED)**

###### **Fundraising Strategy and Action Plan**

There has been a significant amount of time and staff resource dedicated to delivering the Fundraising Strategy throughout 2012-13. PFA has also engaged the services of a fundraising consultancy, Funding Ideas. Unfortunately, this commitment did not yield the anticipated returns. Feedback has been consistently sought on unsuccessful applications. In general the feedback indicates that PFA's applications have been acceptable, but that due to very high levels of competition, its applications have not been sufficiently high priority for the funder. In addition the fact that PFA is fully funded and holds reasonable reserves has not been in its favour from a fundraising perspective. PFA's income generation priorities for 2013-14 are mentioned in the 'Future Developments' section below.

###### **Communications Plan**

PFA has devoted significantly more resources to communications in the reporting year. PFA's new funding with the *Scottish Government* presents fresh challenges and opportunities for its communications work. Most significantly the revised targets require PFA to communicate with a wider range of audiences in order to deliver a population-wide approach and ultimately achieve a significant growth in the numbers of people walking. The focus has moved from predominantly promoting walking for health within the most inactive of the population to the promotion of physical activity within a much wider demographic. PFA's management was clear that enhanced, proactive and strong communications were critical to its performance and success. Subsequently, with the new targets and outcomes now in place, the requirement for enhanced communications has been further heightened and reaffirmed. Of particular note, PFA's work on brand refinement and development is likely to be the manifestation of these changes within the organisation and provide a real and exciting opportunity for PFA to show that it has grasped the baton passed to it by the government.

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **FINANCIAL REVIEW**

##### Overview

The Company's overall financial position at the end of the reporting year showed a deficit of £191,070 (2012 deficit of £73,652). 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. Notes 1 and 4 set out the details on how these allocations have been calculated. In summary, 3.8% of total resources expended have been allocated to fundraising, 92.7% to charitable activities and 3.5% to governance.

In the previous reporting year, the Trustees' Report made reference to the Directors identifying the potential defined benefit pension liability as a significant risk to the business. During the current reporting year, the one active member of the defined benefit scheme (the Strathclyde Pension Fund) left the Charity's employment. As a consequence, the Directors agreed to cease membership of the Fund and conclude a Cessation Debt Payment Agreement with Strathclyde Pension Fund. In order to ensure that the Charity undertook this financial process as competently and efficiently as possible, the services of a legal advisor and actuary were engaged. The negotiated settlement with SPF was £160,000 spread over 4 years, which compares favourably with the initial cessation valuation which was in excess of £220,000. In the view of the Directors and the Charity's advisors the final outcome was a fair and reasonable settlement. Note 12 shows how the Debt Repayment has been dealt with. This settlement eliminated one of the Charity's most significant business risks.

##### 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. Approximately 2 weeks before each Board meeting, the Finance Sub-group discusses detailed quarterly financial reports. These reports include the following: Balance Sheet, Board Summary Report (including a report of variances in excess of £2,000 and 20% of budget), Forecast review (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 Board then receives a report from the Finance Sub-group (which includes the above reports) drawing out the salient points for the Directors' consideration.

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 2013 stood at £86,055.

##### Policy on Reserves

The Charity's Financial Reserves Policy was reviewed in June 2013. 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 £100,000, while the latter approximates to three months' operating costs plus redundancy payments, which was calculated to be £340,000 in June 2013. Due to the Charity concluding a Cessation Debt Payment Agreement with Strathclyde Pension Fund (see the Overview section above), there is no longer the need to make provision for a liability relating to participation in this defined pension scheme. Currently the financial reserve (General Fund) stands at £226,487 (2012 - £202,531).

## **PATHS FOR ALL PARTNERSHIP**

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

### **Report of the Trustees for the year ended 31 March 2013 (continued)**

#### **FUTURE DEVELOPMENTS**

At the time of signing this Report, the Charity has a grant offer from the Scottish Government up to March 2014 and a letter of comfort in which the Government indicates its firm intention to fund the Charity at the same level for a further one year up to March 2015. The Charity also has a grant offer from SNH up until March 2015.

At the very end of the 2012-13 financial year, the arrangement relating to the Charity's funding from the Scottish Government changed in that the Government decided to no longer channel its funding through NHS Health Scotland. In addition, the Government advised that it would like the Charity to re-deploy its capacity so that more time is spent on universal walking interventions and less time on targeted walking interventions. The Trustees and staff of the Charity see this as a positive opportunity to expand its activities and reach and re-engage with some activities which the Charity had ceased. This new arrangement has been formalised in a grant offer.

It is the Trustees intention to remain focussed on the outcomes agreed with the Government and SNH up until at least March 2015. It is also the intention to start dialogue soon with these main funders on potential funding arrangements post March 2015. The outcomes of these discussions will have a crucial impact on the Charity's longer-term plans.

Notwithstanding PFA's lack of success in terms of income generation outlined in the Fundraising Strategy and Fundraising Plan in the quarterly highlights above, it remains a priority of the Charity to diversify its funding base. With respect to the Charity's funding, the trustees are aware that its 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 and Action Plan with the aim of diversifying its funding base. In the reporting year, the Charity also engaged the services of a fundraising consultancy to assist in the implementation of the plan and to build fundraising capacity within the organisation. The priorities for income generation are as follows:

- Selective applications to trusts and foundations
- Partnership development (e.g. similar to Forestry Commission Scotland and Macmillan Care Support project funding)
- Social enterprise development
- Sponsorship
- Legacy and donations (it is recognised that legacies are a long term objective and may be developed jointly with third sector Partners).

The Charity will also give consideration to setting up a trading subsidiary.

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 2013 (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 Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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**

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**Campbell Smith WS LLP**  
**Company Secretary**  
**25<sup>th</sup> September 2013**

## **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 2013 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 Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2013, 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 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 Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.



## **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)**

#### **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**

**25<sup>th</sup> September 2013**

# PATHS FOR ALL PARTNERSHIP

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

## STATEMENT of FINANCIAL ACTIVITIES for the year to 31 March 2013

	Note	Unrestricted Funds £	Restricted Funds £	2013 Total £	2012 Total £
<b>INCOMING RESOURCES</b>	<b>2</b>				
<b>Incoming resources from generated funds</b>					
Voluntary income		-	3,000	3,000	3,000
Activities for generating funds		34,962	-	34,962	21,990
Investment income		17,486	-	17,486	15,667
<b>Incoming resources from charitable activities</b>		7,790	1,362,843	1,370,633	1,380,180
<b><u>Total Incoming Resources</u></b>		<b>60,238</b>	<b>1,365,843</b>	<b>1,426,081</b>	<b>1,420,837</b>
<b>RESOURCES EXPENDED</b>	<b>4</b>				
<b>Cost of generating funds</b>		28,742	34,875	63,617	69,837
<b>Charitable activities</b>		5,134	1,374,145	1,379,279	1,232,557
- Exceptional Item		-	160,000	160,000	-
<b>Governance costs</b>		-	57,255	57,255	74,095
<b><u>Total Resources Expended</u></b>		<b>33,876</b>	<b>1,626,275</b>	<b>1,660,151</b>	<b>1,376,489</b>
<b>Net Incoming/(Outgoing) Resources before transfers</b>		26,362	(260,432)	(234,070)	44,348
Gross transfers between funds		-	-	-	-
<b>Net Incoming/(Outgoing) Resources before other recognised gains &amp; losses</b>		26,362	(260,432)	(234,070)	44,348
<b>Actuarial gains/(losses) on defined benefit pension schemes</b>	<b>12</b>	-	43,000	43,000	(118,000)
<b>Net Movement in Funds</b>		26,362	(217,432)	(191,070)	(73,652)
<b>Funds brought forward</b>		288,586	345,779	634,365	708,017
<b><u>Funds carried forward</u></b>		<b>314,948</b>	<b>128,347</b>	<b>443,295</b>	<b>634,365</b>

The notes on pages 19 to 28 form part of these financial statements.

# **PATHS FOR ALL PARTNERSHIP**

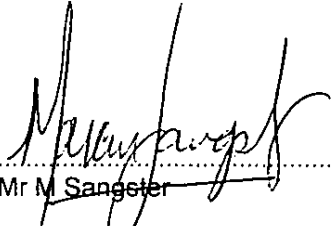
(a company limited by guarantee, not having a share capital)

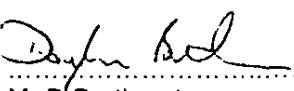
## **BALANCE SHEET**

As at 31 March 2013

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	7	<u>1,901</u>	<u>3,605</u>
<b>CURRENT ASSETS</b>			
Debtors	8	50,611	40,462
Cash at bank and in hand		<u>1,237,374</u>	<u>1,288,394</u>
		<b><u>1,287,985</u></b>	<b><u>1,328,856</u></b>
<b>CURRENT LIABILITIES -</b>			
Creditors: amounts falling due within one year	9	<u>(748,690)</u>	<u>(651,491)</u>
<b>NET CURRENT ASSETS</b>		<b><u>539,295</u></b>	<b><u>677,365</u></b>
<b>TOTAL ASSETS less CURRENT LIABILITIES</b>		<b><u>541,196</u></b>	<b><u>680,970</u></b>
Creditors: amounts falling after more than one year	10	(96,000)	-
<b>PROVISIONS FOR LIABILITIES and CHARGES -</b>			
Deferred credits	11	(1,901)	(3,605)
Net pension liability	12	-	(43,000)
<b>NET ASSETS</b>		<b><u>443,295</u></b>	<b><u>634,365</u></b>
<b>FUNDS</b>			
<b>Unrestricted Funds:</b>			
General fund		226,487	202,531
Designated development fund		86,055	86,055
Designated active travel fund		<u>2,406</u>	<u>-</u>
		<b><u>314,948</u></b>	<b><u>288,586</u></b>
<b>Restricted Funds:</b>			
Restricted revenue reserve fund		1,295	180,812
Designated revenue reserve fund		<u>127,052</u>	<u>164,967</u>
		<b><u>128,347</u></b>	<b><u>345,779</u></b>
<b>TOTAL FUNDS</b>	13	<b><u>443,295</u></b>	<b><u>634,365</u></b>

The notes on pages 19 to 28 form part of these financial statements. Approved by the Board of Directors on 25<sup>th</sup> September 2013 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 2013

#### **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 applicable, as the charity is not VAT registered. 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)

## DETAILED INCOME and EXPENDITURE ACCOUNT for the year to 31 March 2013

	2013		2012	
INCOME	£	£	£	£
<b>CORE INCOME</b>				
<b>Income from activities -</b>				
Grants	1,354,389		1,367,766	
Courses & training income	13,860		11,300	
Merchandise income	21,102		10,690	
Active Travel Conference	14,540		-	
		1,403,891		1,389,756
<b>Deferred Credits Income -</b>				
Net deferred credits released		1,704		12,414
<b>TOTAL CORE INCOME</b>		<b>1,405,595</b>		<b>1,402,170</b>
<b>Donations in Kind</b>		<b>3,000</b>		<b>3,000</b>
<b>Interest Receivable</b>		<b>17,486</b>		<b>15,667</b>
<b><u>TOTAL INCOME for the year</u></b>		<b><u>1,426,081</u></b>		<b><u>1,420,837</u></b>
<b>EXPENDITURE</b>				
<b>Core staffing costs -</b>				
Salaries, National Insurance and Pension costs	660,073		612,728	
Pension cessation payment	160,000		-	
Other staff costs	57,886		47,029	
FRS 17 pension adjustment	-		(19,000)	
		877,959		640,757
<b>Core running costs -</b>				
Board of Directors and other member costs	3,817		2,968	
Office running costs	120,341		134,494	
Professional support costs, including audit fees	47,293		50,922	
Depreciation of fixed assets (including loss on disposal)	4,239		12,414	
		175,690		200,798
<b>Project costs</b>		606,502		534,934
<b><u>TOTAL EXPENDITURE for the year</u></b>		<b><u>1,660,151</u></b>		<b><u>1,376,489</u></b>
<b><u>(DEFICIT)/SURPLUS for the year</u></b>		<b><u>(234,070)</u></b>		<b><u>44,348</u></b>

This statement does not form part of the Statutory Report and Financial Statements for the year to 31 March 2013 and is provided for information.

## **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 2013 (continued)

#### **15. Leasing Commitments**

		2013 £	2012 £
Expiring within one year	Property	57,581	44,891
Between one and five years	Other	<u>2,791</u>	<u>2,791</u>

#### **16. 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.

#### **17. Capital Commitments**

There were no capital commitments at 31 March 2013 (2012: £nil). There were no contingent liabilities at 31 March 2013 (2012: £nil).

#### **18. Related parties**

Keith Irving was a director of Paths for All Partnership until 30<sup>th</sup> January 2013 and he is also the Director for Scotland of Living Streets (The Pedestrians Association). During the year Paths for All Partnership provided Living Streets (The Pedestrians Association) £200,000 (2012: £nil) of grant funding. At 31<sup>st</sup> March 2013, £50,000 (2012: £nil) was due to Living Streets (The Pedestrians Association).

## **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 2013 (continued)

#### **14. Movement in Funds (Continued)**

##### **Designated Active Travel Fund**

The designated active travel fund represents the surplus on the 2012 Active Travel Conference which has been set aside to go towards the costs of future Active Travel Conferences.

##### **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:

	£
<b>Walking for Health</b>	
Workplace Info Graphics	6,000
Workplace Resources	1,200
Guidance Notes	1,200
The Big Picture! Work	11,925
Step Count Challenge Admin & Postage	2,125
Internship	2,500
Website Work	10,000
	<u>34,950</u>
<b>Path Network Development</b>	
Demonstration Site Maintenance	2,978
Technical Course	1,300
Local People Local Paths One Stop Shop Events	2,597
Local People Local Paths Networking Events	1,667
SATIN Devonway	280
SATIN	1,500
Local People Local Paths Grants	7,000
Paths Basics Course Guide	960
Technical Support Guide	3,000
Path Promotion Course	250
	<u>21,532</u>
<b>Strategic Projects</b>	
Forestry Commission Scotland	<u>37,500</u>
<b>Organisation wide</b>	
Staffing – Communications Manager	12,270
Office Expansion	3,500
Website	1,300
Customer Relations Management Software	10,000
Strategy Document	6,000
	<u>33,070</u>
<b>Total</b>	<u>127,052</u>

# 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 2013 (continued)

### 12. Pension commitments and other post-retirement benefits (continued)

A history of experience gains and losses is shown below:

	2012	2011	2010	2009
Difference between the expected and actual return on scheme assets:				
- amount (£000)	(27)	4	94	(20)
- percentage of scheme assets	(6%)	1%	(22%)	(7%)
Experience gains and losses on scheme liabilities:				
- amount (£000)	(91)	47	(200)	34
- percentage of present value of the scheme liabilities	(17%)	(12%)	(42%)	14%
Total amount recognised in the Statement of Financial Activities:				
- amount (£000)	(118)	51	(106)	47
- percentage of present value of the scheme liabilities	(23%)	13%	(22%)	19%

### 13. FUNDS ANALYSIS at 31 March 2013

	Restricted	Unrestricted	2013 Total Funds	2012 Total Funds
	£	£	£	£
<b>Fixed assets</b>	<b>1,901</b>	<b>-</b>	<b>1,901</b>	<b>3,605</b>
Current assets				
Debtors	35,346	15,265	50,611	40,462
Cash at bank and in hand	937,591	299,783	1,237,374	1,288,394
	<b>972,937</b>	<b>315,048</b>	<b>1,287,985</b>	<b>1,328,856</b>
Current liabilities	(748,590)	(100)	(748,690)	(651,491)
<b>Net current assets</b>	<b>224,347</b>	<b>314,948</b>	<b>539,295</b>	<b>677,365</b>
<b>Total Assets less Current Liabilities</b>	<b>226,248</b>	<b>314,948</b>	<b>541,196</b>	<b>680,970</b>
Creditors due after more than one year	(96,000)	-	(96,000)	-
Deferred Credits	(1,901)	-	(1,901)	(3,605)
Net pension (liability)/asset	-	-	-	(43,000)
<b>Net Assets/Funds</b>	<b>128,347</b>	<b>314,948</b>	<b>443,295</b>	<b>634,365</b>

### 14. Movement in Funds

	At 1 <sup>st</sup> April 2012	Net Movement in Funds	Transfers Between Funds	At 31 <sup>st</sup> March 2013
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	202,531	23,956	-	226,487
Designated development fund	86,055	-	-	86,055
Designated active travel fund	-	2,406	-	2,406
	<b>288,586</b>	<b>26,362</b>	<b>-</b>	<b>314,948</b>
<b>Restricted funds</b>				
Restricted revenue reserve fund	180,812	(217,432)	37,915	1,295
Designated revenue reserve fund	164,967	-	(37,915)	127,052
	<b>345,779</b>	<b>(217,432)</b>	<b>-</b>	<b>128,347</b>
	<b>634,365</b>	<b>(191,070)</b>	<b>-</b>	<b>443,295</b>



# 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 2013 (continued)

### 12. Pension commitments and other post-retirement benefits (continued)

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting deficit were:

	Long Term Return at 31.03.2012 %	Value at 31.03.2012 £(000)	Long Term Return at 31.03.2011 %	Value at 31.03.2011 £(000)	Long Term Return at 31.03.2010 %	Value at 31.03.2010 £(000)
Equities	6.3	368	7.5	354	7.8	324
Bonds	3.9	53	4.9	60	5.0	55
Property	4.4	33	5.5	28	5.8	29
Cash	3.5	24	4.6	18	4.8	13
Total market value of assets		478		460		421
Present value of scheme liabilities		(521)		(404)		(472)
<b>Net Pension (Liability)/Asset</b>		<b>(43)</b>		<b>56</b>		<b>(51)</b>

An analysis of the movements in the surplus during the year are shown below:

	2012 £(000)	2011 £(000)
Surplus/(Deficit) brought forward	56	(51)
Total operating (charge)/income	(3)	46
Total finance income	10	6
Actuarial (loss)/gain	(118)	51
Contributions	12	4
<b>(Deficit)/Surplus carried forward</b>	<b>(43)</b>	<b>56</b>

The employer contribution in the previous year totalled £2,246 (2011: £3,030).

#### Analysis of amounts charged to the Statement of Financial Activities

Current service cost  
Past service cost

**Total operating (charge)/income**

2012 £(000)	2011 £(000)
(3)	(4)
-	50
<b>(3)</b>	<b>46</b>

#### Analysis of the amount (charged)/credited to other finance income

Expected return on pension scheme assets  
Interest on pension scheme liabilities  
**Total finance income**

2012 £(000)	2011 £(000)
32	30
(22)	(24)
<b>10</b>	<b>6</b>

#### Analysis of amount recognised in Statement of Financial Activities

Actual return less expected return on pension scheme assets  
Experience (losses)/gains arising on scheme liabilities  
**Actuarial (loss)/gain**

2012 £(000)	2011 £(000)
(27)	4
(91)	47
<b>(118)</b>	<b>51</b>

# 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 2013 (continued)

	2013 £	2012 £
<b>9. Creditors: Amounts falling due within one year</b>		
Other creditors	72,328	99,308
Defined benefit pension cessation liability	64,000	-
Taxation and social security	13,857	12,382
Accruals and deferred income	7,884	48,658
Grants in advance	590,621	491,143
	<b>748,690</b>	<b>651,491</b>
	2013 £	2012 £
<b>10. Creditors: Amounts falling after more than one year</b>		
Defined benefit pension cessation liability	96,000	-
<b>11. Deferred Credits:</b>		
	2013 £	2012 £
Balance brought forward	3,605	16,019
Grant credits received during the year for capital expenditure	2,535	-
Released to Statement of financial activities to cover depreciation	(4,239)	(12,414)
<b>Balance carried forward</b>	<b>1,901</b>	<b>3,605</b>

## 12. 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 1<sup>st</sup> 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 9 and 10.

The charity has not updated the following FRS 17 Retirement Benefits Disclosure as its involvement in the scheme is at an end, but comparative disclosure has been provided for information purposes only. A full actuarial valuation was carried out at 31<sup>st</sup> March 2011 and updated to 31<sup>st</sup> March 2012 by a qualified independent actuary using the projected unit method.

### Assumptions as at 31<sup>st</sup> March

	2012 %	2011 %	2010 %
Salary increases	4.8	5.1	5.3
Pension increases	2.5	2.8	3.8
Discount rate	4.8	5.5	5.5
Price increases	2.5	2.8	3.8

# 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 2013 (continued)

	2013 £	2012 £
<b>5. Staff Costs</b>		
Staff employment costs -		
Salaries	555,647	513,475
Employer's NIC	51,177	50,455
Employer's superannuation	53,249	48,798
	<u>660,073</u>	<u>612,728</u>
Pension cessation payment	160,000	-
FRS 17 pension adjustments	-	(19,000)
	<u>820,073</u>	<u>593,728</u>

There are no high paid staff.

### Average staff numbers

Those employed for more than 20 hours per week	22	20
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Creditors include £18,118 (2012 - £161) 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 31<sup>st</sup> March 2013 nor for the year ended 31<sup>st</sup> March 2012.

### Trustees' Expenses

Expenses reimbursed in the year to Trustees' amounted to £620 (2012: £893).

## 7. Fixed Assets

Tangible assets

	Office furniture and other equipment £	Computer equipment £	Total £
<b>Cost:</b>			
At 1 April 2012	19,849	67,857	87,706
Additions during the year	-	2,535	2,535
Disposals during year	(852)	(3,677)	(4,529)
<b>At 31 March 2013</b>	<b>18,997</b>	<b>66,715</b>	<b>85,712</b>
<b>Accumulated depreciation:</b>			
At 1 April 2012	19,849	64,252	84,101
Provided during the year	-	4,239	4,239
Disposals during year	(852)	(3,677)	(4,529)
<b>At 31 March 2013</b>	<b>18,997</b>	<b>64,814</b>	<b>83,811</b>
<b>Net book value</b>			
<b>31 March 2013</b>	<b>-</b>	<b>1,901</b>	<b>1,901</b>
<b>31 March 2012</b>	<b>-</b>	<b>3,605</b>	<b>3,605</b>

	2013 £	2012 £
<b>8. Debtors: Amounts falling due within one year</b>		
Other debtors	14,405	10,250
Prepayments and accrued income	36,206	30,212
	<u>50,611</u>	<u>40,462</u>

# 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 2013 (continued)

### 4. Total resources expended

	Basis of allocation	Costs of generating funds	Charitable activities	Governance costs	2013 Total
<b>Direct costs</b>		£	£	£	£
Staff costs	Staff time	36,001	484,270	29,695	549,966
Exceptional item – pension cessation payment	Direct	-	160,000	-	160,000
Other staff costs	Staff time	3,473	41,099	4,052	48,624
Project costs and grants awarded	Direct	-	606,502	-	606,502
<b>Support costs</b>					
Staff costs	Staff time	5,726	99,481	4,900	110,107
Other staff costs	Staff time	482	8,368	412	9,262
Office running costs	Direct	6,018	108,305	6,018	120,341
Professional costs	Direct	11,917	27,015	1,329	40,261
Audit fee	Direct	-	-	7,032	7,032
Board costs	Direct	-	-	3,817	3,817
Depreciation	Direct	-	4,239	-	4,239
Loss on disposal of assets	Direct	-	-	-	-
		<b>63,617</b>	<b>1,539,279</b>	<b>57,255</b>	<b>1,660,151</b>

	Basis of allocation	Costs of generating funds	Charitable activities	Governance costs	2012 Total
<b>Direct costs</b>		£	£	£	£
Staff costs	Staff time	36,468	419,120	42,867	498,455
Exceptional item – pension cessation payment	Direct	-	-	-	-
Other staff costs	Staff time	2,822	33,388	3,293	39,503
Project costs and grants awarded	Direct	-	534,934	-	534,934
<b>Support costs</b>					
Staff costs	Staff time	6,958	80,140	8,175	95,273
Other staff costs	Staff time	550	6,330	646	7,526
Office running costs	Direct	6,725	121,044	6,725	134,494
Professional costs	Direct	16,314	25,187	2,569	44,070
Audit fee	Direct	-	-	6,852	6,852
Board costs	Direct	-	-	2,968	2,968
Depreciation	Direct	-	11,737	-	11,737
Loss on disposal of assets	Direct	-	677	-	677
		<b>69,837</b>	<b>1,232,557</b>	<b>74,095</b>	<b>1,376,489</b>

### Grants

The £456,749 offered in 2012/2013 equates to 32 walking for health grants (includes workplace grants). £200,000 was offered to Living Streets (Pedestrians Association); £80,000 to Lanarkshire Greenspace (£40,000 from Paths for All Partnership and £40,000 from NHS Lanarkshire); and £29,588 to the University of Edinburgh to fund PhD research. The remaining grants were £22,000 or less each. 17 Path Promotion grants totalled £14,849 and 9 Local People Local Paths grants totalled £11,375 were 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 2013 (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:

	<b>2013 Applied Income £</b>	<b>2012 Applied Income £</b>
Scottish Government	1,201,572	1,221,310
Scottish Natural Heritage	89,067	146,456
Central Scotland Green Network	26,000	-
Forestry Commission Scotland	37,500	-
Sustrans	4,000	-
Carnegie UK Trust	3,000	-
<b>Total Received/ Applied Income</b>	<b>1,361,139</b>	<b>1,367,766</b>
Less: Income applied for Capital expenditure; transferred to Deferred Credits	(2,535)	-
<b>Income applied for Revenue costs</b>	<b>1,358,604</b>	<b>1,367,766</b>
Gifts in kind	3,000	3,000
Courses & training income	21,840	11,300
Merchandise income	13,122	10,690
Active Travel Conference	7,540	-
Other income	250	-
Bank interest receivable	17,486	15,667
Deferred Credits released	4,239	12,414
	<b>1,426,081</b>	<b>1,420,837</b>

#### **3. Surplus for the year**

The surplus for the year is stated after charging -

	<b>2013 £</b>	<b>2012 £</b>
Board of Directors and Members costs (see Note 6)	620	893
Auditor's remuneration		
- Audit services	3,850	2,750
- Other services	3,996	4,090
Operating lease rentals	53,001	48,130
Depreciation of fixed assets (see Note 7)	4,239	11,737
Loss on disposal of fixed assets	-	677
Exceptional item		
- Pension cessation payment	160,000	-
<b>and after crediting:</b>		
Interest receivable	17,486	15,667
Deferred Credits released (see Note 11)	4,239	12,414

## **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 2013 (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

##### **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 1<sup>st</sup> 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.