

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

**REPORT and FINANCIAL STATEMENTS**

**for the year to 31 March 2014**



## **PATHS FOR ALL PARTNERSHIP**

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

### **Report of the Trustees for the year ended 31 March 2014**

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 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' revised in March 2005.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

SC168554

##### **Registered Charity number**

SC025535

##### **Registered office**

Office 8  
Forrester Lodge  
Tullibody Road  
Alloa  
FK10 2HU

##### **Trustees**

Mr R Balfour	Retired 30 October 2013
Mr J Boswell	
Mr D Brotherston	
Mr J Fowlie	
Ms A Gray	Appointed 30 October 2013
Mr N Kempe	Appointed 29 January 2014
Ms M Kidd	
Prof R Mitchell	
Mr S Rennie	
Ms E Reid	
Mr M Sangster	
Ms P Somerville	Retired 30 October 2013
Ms D Wilson	Appointed 30 October 2013

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. John Andrew of Campbell Smith retired on 31 March 2014. Campbell Smith's role as Company Secretary ceased on this date. At the trustees meeting on 30 April 2014, Ian Findlay, the Chief Officer, was approved as the Company Secretary.

##### **Auditors**

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

##### **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 2014 (continued)**

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Advisors**

###### Accountants

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

###### Health and Safety Adviser

John Morris Safety Ltd  
Craignavie Farmhouse  
Killin  
FK21 8SJ

###### Employment Law Adviser

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

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

##### **Governing documents**

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

The Paths for All Partnership currently comprises 27 Partner organisations representing the public sector and national representative bodies which share a commitment to the delivery of the Charity's charitable purposes, i.e. the objects as defined in the Memorandum and Articles of Association. The Charity was incorporated on 19 September 1996 at Companies House, Edinburgh. Its Scottish Charity number is SC025535. It is also recognised by Entrust as an Enrolled Environmental Body, accredited to receive Landfill Tax Credits.

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

##### **Recruitment and appointment of new trustees**

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

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

## **PATHS FOR ALL PARTNERSHIP**

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

### **Report of the Trustees for the year ended 31 March 2014 (continued)**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

##### **Honorary Officers and Staff**

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

At 31 March 2014, the Charity employed 23.9 full-time equivalents, based in Alloa or Inverness. The staff team comprises (expressed in full-term equivalents) 1 Chief Officer, 2 Managers, 3.71 Senior Development Officers, 1 Communications Manager, 10.56 Development Officers, 1 Technical Officer, 0.43 HR and Finance Officer, 1 Finance and IT Officer, 1 Corporate Services Co-ordinator, 0.6 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**

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

### **Report of the Trustees for the year ended 31 March 2014 (continued)**

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives, mission and aims**

Objects, mission and programmes

The Objects for which the Charity is established are:-

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

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

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

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

- **Walking for Health**, with a focus on led and supported walking projects in communities and workplaces, but also including engagement with national initiatives, campaigns, the development of new partnerships and the promotion of independent walking
- **Welcoming and safe environments**, a fit for purpose paths and routes infrastructure is an essential pre-requisite to encouraging people to be and stay more active
- **Active travel**, walking and cycling for everyday, short journeys is key to society-wide behaviour change
- **Communications and policy**, essential tools for delivering PFA's charitable purpose.

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.

##### **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.

Headline outputs for 2013-14 are as follows:

- There are currently 134 active community and 67 workplace walking projects supported by PFA
- It is estimated that the 134 community walking projects generated approximately 18,500 community walks, 213,000 walking attendances and nearly 5,000 new walkers between April 2013 and March 2014
- 30% of the Scottish population lives within 2km of a PFA walk start point; over 50% live within 5km of a PFA walk start point and the average distance between each walker and a PFA walk start point is 3.9km
- PFA has a network of 6,600 Volunteer Walk Leaders and ran 600 walk leader training courses
- The proportion of walkers who are regularly physically active when followed up 6 months after joining a walking group has steadily risen from 65% in 2010-11 to 69% in 2013-14
- PFA produced 3 accredited Social Return on Investment (SROI) studies of walking projects in Glasgow, Stirling and the Scottish Borders. The reports found that for every £1 invested in health walks, £8 of benefits were created for society

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2014 (continued)**

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

##### **Significant activities (continued)**

- In the 2013 PFA Step Count Challenge over 2,500 employees from 150 workplaces participated; throughout the reporting year a new on-line Step Count Challenge platform was developed and piloted and will go live in Spring 2014
- PFA has developed and launched community and individual Pedometer Packs, which are available for sale
- PFA provided strategic grant support to Living Streets Scotland, Health and Social Care Alliance and Ramblers Association Scotland for projects that assist PFA to deliver its outcomes
- PFA launched 2 major partnership projects: the Commonwealth Woodlands Walk Project in partnership with Forestry Commission Scotland and the Macmillan Walking Project in partnership with Macmillan Cancer Support
- PFA supports community groups to develop local path networks through its Local People: Local Paths project and Technical Advice Programme
  - 80 people and 37 organisations, e.g. local authorities and Partner organisations received advice and support through the Technical One Stop Shop
  - 35 site visits were made by PFA involving technical advice and support
  - 80 delegates attended bespoke technical path courses
  - £18,658 was offered in Local People Local Paths grants to 15 community path projects
- PFA manages 2 national path demonstration sites
- 11 responses were submitted to national consultations, e.g. NPF3, Scottish Planning Policy, UK Commission on Physical Activity, National Walking Strategy, Scottish Rural Development Programme.
- PFA secured its Development Manager being seconded to the Scottish Government from August 2013 to lead on the development the National Walking Strategy.
- The Scottish Association for Mental Health (SAMH) became a Partner Organisation and Mark Stephen was appointed PFA's President
- PFA developed a new messaging framework and associated brand guidelines, based around the concept of walking being for Everyone, Everyday, Everywhere.

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2014 (continued)**

#### **FINANCIAL REVIEW**

##### Overview

The Company's overall financial position at the end of the reporting year showed a deficit of £29,060 (2013 deficit of £191,070). The key external funding sources for the reporting year are reported in note 2. Regarding the SOFA, resources expended have been allocated between fundraising, charitable activities and governance. Refer to notes 1 and 4 for details on how the allocations have been calculated. In summary, 3.3% of total resources expended have been allocated to fundraising, 93.3% to charitable activities and 3.4% to governance.

##### Financial management

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

The following financial reporting procedure was adopted in the reporting year. Detailed quarterly financial reports are produced by Paths for All accountants approximately 2-3 weeks after the end of each quarter. The reports typically include the following: Balance Sheet, Board Summary Report (including a report of variances in excess of £2,000 and 20% of budget), Forecast 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 reports are presented to and reviewed by the Directors at their quarterly meetings.

At the Directors Board meeting on 24 April 2013 it was decided that the frequency of the Finance Sub-group (FSG) meeting should change from quarterly to twice yearly. Following discussion between the Audit Director and the Chief Officer it was agreed that the FSG meetings should be in January and September to coincide with the year-end forecast out-turn and completion of the annual accounts.

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

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

##### Development Fund

The Charity received an endowment of £130,228 from Scottish Natural Heritage in 1997. This sum was placed in the Development Fund and the Directors use the Fund to further Paths for All's Vision and Outcomes. The sum of £59,418 was provided as a match funding contribution to the original 5 year Paths to Health Project, which finished in October 2006. The Development Fund balance at 31 March 2014 stood at £86,055.

##### Policy on Reserves

The Charity's Financial Reserves Policy was reviewed and approved by the Paths for All Board of Directors in July 2014. 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 £118,642 (2013 - £100,000), while the latter approximates to three months' operating costs plus redundancy payments, which was calculated to be £365,854 in July 2014 (2013 - £340,000). Currently the financial reserve (General Fund) stands at £263,453 (2013 - £226,487).

## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2014 (continued)**

#### **FUTURE DEVELOPMENTS**

The staff, Directors and President of the Charity spent time in Quarter 3 and 4 of the reporting year to consider its long-term strategy. During these discussions it was noted that national policy environment in which the Charity is working is predominantly positive at present. For example, there is now a physical activity team within Government, the physical activity budget is relatively stable, a Physical Activity Implementation Plan and National Walking Strategy (NWS) have been produced, the first ever Physical Activity Awareness Week took place in April 2014, a national cycling and walking network is included as 1 of 14 National Developments in National Planning Framework 3 and physical activity is a key strand of the Commonwealth Games legacy. Furthermore, with respect to the NWS, Paths for All has been offered the task of facilitating the NWS Delivery Forum, which will be responsible for overseeing implementation of the NWS.

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

A key output of this process was to agree the four delivery themes mentioned above, i.e. walking for health, welcoming and safe environments, active travel and communications and policy.

Regarding funding from the Scottish Government and SNH beyond March 2015, Paths for All is already in dialogue with these funders. Key meetings are scheduled for the autumn of 2014. However, from the dialogue to date, Paths for All is optimistic of securing favourable funding agreements with both parties. The fact that Paths for All will be facilitating implementation of the NWS through a Delivery Forum is an important and positive factor regarding potential Scottish Government funding. In addition to continuation of the existing Scottish Government and SNH funding, Paths for All is in positive dialogue regarding funding from other sources.

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

- Priority 1 – Secure Scottish Government funding for the period 2015-18.
- Priority 2 – Secure SNH funding for the period 2015-18, including discussion on the match funding arrangement.
- Priority 3 – Secure funding from Partners to run joint projects, similar to the existing FCS and Macmillan Cancer Support models.
- Priority 4 – Generate income by selling PFA's existing products and services.
- Priority 5 - Sponsorship.
- Priority 6 – Selective applications to trusts, foundations and other funders, e.g. Lottery sources.

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



## **PATHS FOR ALL PARTNERSHIP**

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### **Report of the Trustees for the year ended 31 March 2014 (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.

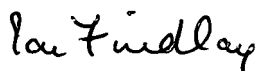
#### **Directors' and officers' liability insurance**

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**



**Ian Findlay**  
**Company Secretary**  
**8<sup>th</sup> September 2014**

## **PATHS FOR ALL PARTNERSHIP**

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### **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 2014 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **PATHS FOR ALL PARTNERSHIP**

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

#### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> March 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

#### **Matters on which we are required to report by exception**

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



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

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

**8<sup>th</sup> September 2014**

# PATHS FOR ALL PARTNERSHIP

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## STATEMENT of FINANCIAL ACTIVITIES

for the year to 31 March 2014

	Note	Unrestricted Funds £	Restricted Funds £	2014 Total £	2013 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		37,717	-	37,717	34,962
Investment income		8,744	-	8,744	17,486
<b>Incoming resources from charitable activities</b>		8,380	1,584,051	1,592,431	1,370,633
<b><u>Total Incoming Resources</u></b>		<b>57,841</b>	<b>1,584,051</b>	<b>1,641,892</b>	<b>1,426,081</b>
<b>RESOURCES EXPENDED</b>	<b>4</b>				
<b>Cost of generating funds</b>		14,255	41,108	55,363	63,617
<b>Charitable activities</b>		8,583	1,550,581	1,559,164	1,379,279
- Exceptional Item		-	-	-	160,000
<b>Governance costs</b>		-	56,425	56,425	57,255
<b><u>Total Resources Expended</u></b>		<b>22,838</b>	<b>1,648,114</b>	<b>1,670,952</b>	<b>1,660,151</b>
<b>Net Incoming/(Outgoing) Resources before transfers</b>		35,003	(64,063)	(29,060)	(234,070)
Gross transfers between funds		-	-	-	-
<b>Net Incoming/(Outgoing) Resources before other recognised gains &amp; losses</b>		35,003	(64,063)	(29,060)	(234,070)
<b>Actuarial gains/(losses) on defined benefit pension schemes</b>	<b>12</b>	-	-	-	43,000
<b>Net Movement in Funds</b>		35,003	(64,063)	(29,060)	(191,070)
<b>Funds brought forward</b>		314,948	128,347	443,295	634,365
<b><u>Funds carried forward</u></b>		<b>349,951</b>	<b>64,284</b>	<b>414,235</b>	<b>443,295</b>

The notes on pages 13 to 20 form part of these financial statements.

# PATHS FOR ALL PARTNERSHIP

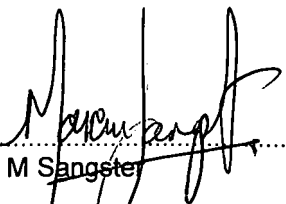
(a company limited by guarantee, not having a share capital)


## BALANCE SHEET

As at 31 March 2014

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Tangible assets	7	2,330	1,901
<b>CURRENT ASSETS</b>			
Debtors	8	71,530	50,611
Cash at bank and in hand		1,038,190	1,237,374
		<b>1,109,720</b>	<b>1,287,985</b>
<b>CURRENT LIABILITIES -</b>			
Creditors: amounts falling due within one year	9	(631,485)	(748,690)
<b>NET CURRENT ASSETS</b>		<b>478,235</b>	<b>539,295</b>
<b>TOTAL ASSETS less CURRENT LIABILITIES</b>		<b>480,565</b>	<b>541,196</b>
 Creditors: amounts falling after more than one year	10	(64,000)	(96,000)
<b>PROVISIONS FOR LIABILITIES and CHARGES -</b>			
Deferred credits	11	(2,330)	(1,901)
<b>NET ASSETS</b>		<b>414,235</b>	<b>443,295</b>
 <b>FUNDS</b>			
<b>Unrestricted Funds:</b>			
General fund		263,453	226,487
Designated development fund		86,055	86,055
Designated active travel fund		443	2,406
		<b>349,951</b>	<b>314,948</b>
<b>Restricted Funds:</b>			
Restricted revenue reserve fund		2,484	1,295
Designated revenue reserve fund		61,800	127,052
		<b>64,284</b>	<b>128,347</b>
 <b>TOTAL FUNDS</b>	13	<b>414,235</b>	<b>443,295</b>

The notes on pages 13 to 20 form part of these financial statements. Approved by the Board of Directors on 8<sup>th</sup> September 2014 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 2014

### **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)

## **Notes to the Financial statements**

for the year ended 31 March 2014 (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.

# 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 2014 (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:

	2014 Applied Income £	2013 Applied Income £
Scottish Government	1,389,082	1,201,572
Scottish Government – S16B	16,912	-
Scottish Natural Heritage	104,869	89,067
Central Scotland Green Network	-	26,000
Forestry Commission Scotland	-	37,500
Sustrans	-	4,000
Carnegie UK Trust	-	3,000
MacMillan	25,000	-
University of Edinburgh	1,500	-
Living Streets Scotland	2,500	-
Big Lottery – Investing In Ideas	5,875	-
Big Lottery – Celebrate Grant	10,000	-
<b>Total Received/ Applied Income</b>	<b>1,555,738</b>	<b>1,361,139</b>
Less: Income applied for Capital expenditure; transferred to Deferred Credits	(1,418)	(2,535)
<b>Income applied for Revenue costs</b>	<b>1,554,320</b>	<b>1,358,604</b>
Gifts in kind	3,000	3,000
Courses & training income	20,477	21,840
Merchandise income	17,240	13,122
Active Travel Conference	6,620	7,540
National Walking Strategy Secondment	28,742	-
SATIN income	1,760	-
Other income	-	250
Bank interest receivable	8,744	17,486
Deferred Credits released	989	4,239
	<b>1,641,892</b>	<b>1,426,081</b>

### 3. Deficit for the year

The deficit for the year is stated after charging -

	2014 £	2013 £
Board of Directors and Members costs (see Note 6)	486	620
Auditor's remuneration		
- Audit services	3,802	3,850
- Other services	3,948	3,996
Operating lease rentals	53,651	53,001
Depreciation of fixed assets (see Note 7)	989	4,239
Exceptional item		
- Pension cessation payment	-	160,000

and after crediting:

Interest receivable	8,744	17,486
Deferred Credits released (see Note 11)	989	4,239



# 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 2014 (continued)

### 4. Total resources expended

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

	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
		<b>63,617</b>	<b>1,539,279</b>	<b>57,255</b>	<b>1,660,151</b>

### Grants

The £257,273 offered in 2013/2014 equates to 25 walking for health grants (includes workplace grants). £180,000 was offered to Living Streets (Pedestrians Association) and £25,000 to Ramblers. The remaining grants were £15,000 or less each. 15 Local People Local Paths grants totalled £18,658 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 2014 (continued)

	2014 £	2013 £
<b>5. Staff Costs</b>		
<i>Staff employment costs -</i>		
Salaries	658,299	555,647
Employer's NIC	62,105	51,177
Employer's superannuation	58,964	53,249
	<u>779,368</u>	<u>660,073</u>
Pension cessation payment	-	160,000
	<u><b>779,368</b></u>	<u><b>820,073</b></u>

There are no high paid staff.

### Average staff numbers

Those employed for more than 20 hours per week	26	22
--	----	----

Creditors include £10,585 (2013 - £18,118) 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 2014 nor for the year ended 31<sup>st</sup> March 2013.

### Trustees' Expenses

Expenses reimbursed in the year to Trustees' amounted to £486 (2013: £620).

## 7. Fixed Assets

Tangible assets

	Office furniture and other equipment £	Computer equipment £	Total £
<b>Cost:</b>			
At 1 April 2013	18,997	66,715	85,712
Additions during the year	-	1,418	1,418
Disposals during year	-	-	-
<b>At 31 March 2014</b>	<u><b>18,997</b></u>	<u><b>68,133</b></u>	<u><b>87,130</b></u>
<b>Accumulated depreciation:</b>			
At 1 April 2013	18,997	64,814	83,811
Provided during the year	-	989	989
Disposals during year	-	-	-
<b>At 31 March 2014</b>	<u><b>18,997</b></u>	<u><b>65,803</b></u>	<u><b>84,800</b></u>
<b>Net book value</b>			
<b>31 March 2014</b>	<u><b>-</b></u>	<u><b>2,330</b></u>	<u><b>2,330</b></u>
<b>31 March 2013</b>	<u><b>-</b></u>	<u><b>1,901</b></u>	<u><b>1,901</b></u>

	2014 £	2013 £
<b>8. Debtors: Amounts falling due within one year</b>		
Other debtors	30,441	14,405
Prepayments and accrued income	41,089	36,206
	<u><b>71,530</b></u>	<u><b>50,611</b></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 2014 (continued)

	2014 £	2013 £
<b>9. Creditors: Amounts falling due within one year</b>		
Other creditors	125,821	72,328
Defined benefit pension cessation liability	64,000	64,000
Taxation and social security	16,226	13,857
Accruals and deferred income	5,490	7,884
Grants in advance	419,948	590,621
	<b>631,485</b>	<b>748,690</b>
	2014 £	2013 £
<b>10. Creditors: Amounts falling after more than one year</b>		
Defined benefit pension cessation liability	64,000	96,000
<b>11. Deferred Credits:</b>		
	2014 £	2013 £
Balance brought forward	1,901	3,605
Grant credits received during the year for capital expenditure	1,418	2,535
Released to Statement of financial activities to cover depreciation	(989)	(4,239)
<b>Balance carried forward</b>	<b>2,330</b>	<b>1,901</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.

# 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 2014 (continued)

### 13. FUNDS ANALYSIS at 31 March 2014

	Restricted £	Unrestricted £	2014 Total Funds £	2013 Total Funds £
<b>Fixed assets</b>	<b>2,330</b>	<b>-</b>	<b>2,330</b>	<b>1,901</b>
Current assets				
Debtors	66,270	5,260	71,530	50,611
Cash at bank and in hand	693,150	345,040	1,038,190	1,237,374
	<b>759,420</b>	<b>350,300</b>	<b>1,109,720</b>	<b>1,287,985</b>
Current liabilities	<b>(631,136)</b>	<b>(349)</b>	<b>(631,485)</b>	<b>(748,690)</b>
<b>Net current assets</b>	<b>128,284</b>	<b>349,951</b>	<b>478,235</b>	<b>539,295</b>
<b>Total Assets less Current Liabilities</b>	<b>130,614</b>	<b>349,951</b>	<b>480,565</b>	<b>541,196</b>
Creditors due after more than one year	(64,000)	-	(64,000)	(96,000)
Deferred Credits	(2,330)	-	(2,330)	(1,901)
<b>Net Assets/Funds</b>	<b>64,284</b>	<b>349,951</b>	<b>414,235</b>	<b>443,295</b>

### 14. Movement in Funds

	At 1 <sup>st</sup> April 2013 £	Net Movement in Funds £	Transfers Between Funds £	At 31 <sup>st</sup> March 2014 £
<b>Unrestricted funds</b>				
General fund	226,487	36,966	-	263,453
Designated development fund	86,055	-	-	86,055
Designated active travel fund	2,406	(1,963)	-	443
	<b>314,948</b>	<b>35,003</b>	<b>-</b>	<b>349,951</b>
<b>Restricted funds</b>				
Restricted revenue reserve fund	1,295	(64,063)	65,252	2,484
Designated revenue reserve fund	127,052	-	(65,252)	61,800
	<b>128,347</b>	<b>(64,063)</b>	<b>-</b>	<b>64,284</b>
	<b>443,295</b>	<b>(29,060)</b>	<b>-</b>	<b>414,235</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 2014 (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>Organisation Wide</b>	
Customer Relation Management Database	<u>8,000</u>
<b>Walking for Health</b>	
Website	3,400
Step Count Challenge	4,000
Volunteer Merchandise	1,500
Training Materials and Resources	2,300
National Communications	4,000
Website/On-line Tools	25,000
Walks Events Website	3,600
	<u>43,800</u>
<b>Strategic Projects</b>	
Big Lottery	<u>10,000</u>
<b>Total</b>	<u><u>61,800</u></u>

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

		2014 £	2013 £
Expiring within one year	Property	59,228	57,581
Between one and five years	Other	<u>1,584</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 2014 (2013: £nil). There were no contingent liabilities at 31 March 2014 (2013: £nil).

# PATHS FOR ALL PARTNERSHIP

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

## DETAILED INCOME and EXPENDITURE ACCOUNT for the year to 31 March 2014

	2014		2013	
	£	£	£	£
<b>INCOME</b>				
<b>CORE INCOME</b>				
Income from activities -				
Grants	1,555,738		1,354,389	
Courses & training income	20,477		13,860	
Merchandise income	17,240		21,102	
Active Travel Conference	6,620		14,540	
SATIN	1,760		-	
NWS Secondment	28,742		-	
		1,630,577		1,403,891
Deferred Credits Income -				
Net deferred credits released		(429)		1,704
<b>TOTAL CORE INCOME</b>		<b>1,630,148</b>		<b>1,405,595</b>
Donations in Kind		3,000		3,000
Interest Receivable		8,744		17,486
<b><u>TOTAL INCOME for the year</u></b>		<b><u>1,641,892</u></b>		<b><u>1,426,081</u></b>
<b>EXPENDITURE</b>				
Core staffing costs -				
Salaries, National Insurance and Pension costs	779,368		660,073	
Pension cessation payment	-		160,000	
Other staff costs	45,433		57,886	
		824,801		877,959
Core running costs -				
Board of Directors and other member costs	2,555		3,817	
Office running costs	133,383		120,341	
Professional support costs, including audit fees	22,113		47,293	
Depreciation of fixed assets (including loss on disposal)	989		4,239	
		159,040		175,690
Project costs		687,111		606,502
<b><u>TOTAL EXPENDITURE for the year</u></b>		<b><u>1,670,952</u></b>		<b><u>1,660,151</u></b>
<b><u>(DEFICIT)/SURPLUS for the year</u></b>		<b><u>(29,060)</u></b>		<b><u>(234,070)</u></b>

This statement does not form part of the Statutory Report and Financial Statements for the year to 31 March 2014 and is provided for information.