

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST MARCH 2013  
FOR  
THE SOUTHERN UPLANDS PARTNERSHIP**

**DRAFT**

**THE SOUTHERN UPLANDS PARTNERSHIP**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2013**

	Page
Convenor's statement	1
Report of the Trustees	2 to 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11 to 12
Notes to the Financial Statements	13 to 19

DRAFT

# THE SOUTHERN UPLANDS PARTNERSHIP

## CONVENOR'S STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

I never much liked the macho tenor of that well-worn phrase "when the times get tough, the tough get going". But it does contain at least one valid and important message: that in difficult circumstances it is up to you to prove your worth. That is certainly how we have seen things in SUP. As this report shows, we have once again been involved in a wide range of work over the past year, with many different partners. And I have constantly been struck by how often people of all kinds have responded to our initiatives by commenting "that represented something that had long needed doing."

So long as we can continue to elicit this response, I am optimistic for the future of SUP, despite the current scarcity of funding - and, it has to be said, the ever more exasperating bureaucratic requirements associated with some of it. Certainly, I believe that we have some excellent projects and proposals in train and under development: the Etrick and Yarrow valleys project, which is already prompting community interest in similar initiatives elsewhere; the proposed North Solway Coastal Trail, with the potential to capitalise upon the wonderful and under-appreciated coastline of Dumfries and Galloway and to further strengthen the region's tourism offering; and ambitious plans to build on the momentum already achieved to reap even greater benefit from the tremendous natural assets of the Galloway and South Ayrshire Biosphere Reserve.

We hope too to play an active part in current debates about the future of land use in the south of Scotland, whether through the pilot Regional Land Use Framework exercise led by Scottish Borders Council, the Dumfries and Galloway Forest and Woodland Strategy, the work of the newly established and most welcome Crichton Institute, the SRUC's biennial Rural Scotland in Focus survey, or the continuing enquiries of the Land Reform Review Group. We shall also be contributing experience and ideas to wider discussions about topics as crucial to the rural economy, society and environment as the next Scottish Rural Development Programme, new Scottish National Parks and the rolling out of high speed broadband.

Combining practical project work on the ground with strategic thinking of this kind, and all with a keen ear to the messages coming from rural communities across the region, has long been the hallmark of SUP. We are resolved to keep it that way and in so doing to prove not just that we have the resilience required to survive but that we deserve to do so: that by working in partnership in the way that we do, we really can deliver something of value to our supporters and indeed to the region as a whole.

John Thomson  
Partnership Convenor

**THE SOUTHERN UPLANDS PARTNERSHIP**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST 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 31st March 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC200827 (Scotland)

**Registered Charity number**

SC029475

**Registered office**

Studio 2  
Lindean Mill  
Galashiels  
TD1 3PE

**Trustees**

C A Anderson  
C H Ballance  
M L Gordon  
M W Fraser  
A B Fraser  
V R Wood-Gee  
J A Thomson  
J P Thomas  
R H Smith  
L A Fitzpatrick  
A S Crichton

- resigned 3.7.12

- appointed 3.7.12

- appointed 3.7.12

- appointed 3.7.12

- appointed 3.7.12

**Company Secretary**

J & H Mitchell, W.S.

**Independent examiner**

Alistair Biggar  
Chartered Accountant  
JRW  
Chartered Accountants  
19 Buccleuch Street  
Hawick  
Roxburghshire  
TD9 0HL

**Solicitors**

J & H Mitchell, W.S.  
51 Atholl Road  
Pitlochry  
PH16 5BU

**Honorary President**

Mrs B. M. Kelly, CBE

# THE SOUTHERN UPLANDS PARTNERSHIP

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Constitution

The company, which is a recognised charity in Scotland, is a charitable company limited by guarantee and was set up by a Memorandum of Association on 19th October 1999.

There have been no changes in the objectives since the last annual report.

#### Method of appointment or election of directors

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Memorandum and Articles of Association.

#### Organisational structure

The Directors of the company during the period are shown on page 2. New Directors are elected annually at the AGM by a process of nomination.

The Directors meet on a regular basis to review and administer the operations of the Partnership. A project manager is delegated to administer the daily operational matters and to supervise the Partnership's employees.

#### Company formation/development

- The Directors have met in July 2012, December 2012 and March 2013.
- During the year the Working Group met approximately six weekly.
- The website ([www.sup.org.uk](http://www.sup.org.uk)) has been updated and enhanced.
- Project grant applications were made to a number of bodies.
- Claims were submitted to SNH and other funders efficiently and on time.
- We held our 11th AGM which was attended by various members.
- Our Directors have reviewed the Business Plan and a certain amount of core-funding has been secured from Scottish Borders Council, Scottish Natural Heritage and D & G Council.

#### Related parties

R H Smith (Director) holds a position with Scottish Borders Council. During the year Scottish Borders Council provided grants of £3,000 (2012, £5,000).

During the financial year 2011/12, £4,500 was paid to V R Wood-Gee (Trustee) for consultancy work undertaken on a project managed by the Southern Uplands Partnership. This payment was not for services provided by V R Wood-Gee as a Trustee. There are no such payments made in the current year.

#### Risk management

The Directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

# THE SOUTHERN UPLANDS PARTNERSHIP

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

To promote and advance education of the public about working and living sustainably in the Southern Uplands of Scotland either independently or in association with local authorities, voluntary organisations and local residents.

To guide and encourage the integration of environmental, social and economic land use policies, the sustainable use and management of land and water and other relevant activities in the Southern Uplands so that they are compatible with considerations of the environmental and local communities.

To promote, protect and conserve the biodiversity of the Southern Uplands for the benefit of society.

The role of SUP:-

- We develop and stimulate links - between projects, partners, individuals and information sources so as not to duplicate existing groupings.
- We find funding for, advise on, and manage projects that fulfil our aims, from practical work to conserve black grouse to promoting rural diversification and research into rural socio-economics.
- We use websites to help groups and projects exchange ideas.
- We fill the gaps - between local administrations, and between policy areas. We do the work other agencies aren't doing, or can't do.
- We map out existing initiatives and share best practice.

Where we cannot ourselves affect change, we persuade others of the need for change.

#### Activities for achieving objectives

The Partnership has continued to play an important role in debates on the future of land use in South Scotland, specifically discussions on woodland expansion, The Scottish Land Use Strategy and SRDP reform. We have also played a role in a number of local initiatives relating to tourism, renewable energy, access and conservation. We have continued to produce regular e-newsletters maintain the website.

#### Volunteers

The company is grateful for the unstinting efforts of its volunteers who are involved in service provision and fundraising.

# THE SOUTHERN UPLANDS PARTNERSHIP

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

### ACHIEVEMENT AND PERFORMANCE

#### Charitable activities

Another productive year in a difficult economic climate.

The Board has continued to discuss various options for the future of the Partnership over the year. It seems to us that there continues to be a need for a structure such as ours, to bring people together to address issues that cross traditional boundaries. The SRDP, Forestry Strategy, Biodiversity, Ecosystem Services and broadband are all examples of issues that impact on rural communities and which need informed debate and consideration if we are to make wise choices. As our local authority partners have to make hard decisions about what services they can maintain, there is a growing need to look at how some services can be delivered in novel ways - and it is pleasing that we have now successfully entered the world of procurement and tendering. It seems this is a direction we will need to maintain.

Projects have continued to take up the bulk of our time during the year. Successes have included UNESCO approval of the Galloway and Southern Ayrshire Biosphere Reserve and the completion of the LEADER funded Building Opportunity in the Biosphere (BOB) project. SUP put a significant amount of energy into seeking additional funding for the project, with some success, but not enough to avoid a break in the project. As a result, Nick Ward and Ruth Bowbeer ended their contracts when the funding for BOB ran-out at the end of March. Ed Forrest has moved across to the SUP as Project Officer. He took over from John Sellers who decided to return to the building trade. Lenka's post was extended by three months thanks to additional support from SNH and D&GC and Lenka has been able to support a significant study into the ecosystem services provided by the Biosphere Reserve which we commissioned from Environment Systems Ltd thanks to funding from SNH. This work will be completed in June this year. We are now looking forward to the next phase of the Biosphere project starting up in due course.

The Uplands Habitat Enhancement Project was also completed with Chris Land moving back to Derbyshire. The project has produced a series of management plans for key sites, an excellent dataset on three years of lek counts and a strategy document that it is hoped will guide future targeting of funds for Black Grouse conservation. This process has been helped by the input of local volunteer Isla Macgregor to whom we record our thanks. We continue to make use of the off-site mitigation funds generated through Scottish Borders Council, and we are now working closely with Tweed Forum and Borders Forest Trust to get as big an area of enhanced upland habitat as possible. Neil Macdonald has agreed to co-ordinate the lek surveys this year.

The Ettrick and Yarrow Valleys Revitalisation Project also reached the end of its two year run, but it was promptly extended by 9 months thanks to an additional grant from LEADER and from an Investing in Ideas lottery grant. Julie Nock was appointed to manage this extension and she will see a number of projects, identified as priorities by the community, taken through feasibility study stage. The approach taken by this project is attracting interest from a number of quarters, and there is clearly a demand for more community facilitation.

During the year we have also worked to promote the idea of a North Solway Coastal Trail and links have been made with similar initiatives across Europe as part of the Eurotour Heritage project. The next stage is to develop a bid for a European Fisheries Fund grant to put in place some of the missing links.

Our long standing promotion of nature-based tourism took another step forward in December when we were awarded support from SNH and LEADER for a one year project to develop the Wild Seasons approach in Dumfries & Galloway. Iain Wilson was appointed as part-time project officer and the company Bowles Green will work with Iain to promote engagement with local businesses. The Wild Spring Festival, which is now linked to Wild Seasons, attracted lots of interest in the National press and plans are now afoot to hold a Wild Autumn Festival in October this year.

# THE SOUTHERN UPLANDS PARTNERSHIP

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

### ACHIEVEMENT AND PERFORMANCE

#### Charitable activities

During the year, we worked hard to secure funding for a project to mark the Year of Natural Scotland. Our idea was to hold a photography competition for the public to record their idea of local nature on mobile phone cameras. The images would then form a resource which local businesses could use to promote themselves as we know that access to good quality images is often prohibitively expensive. We got SNH support for this project but Creative Scotland declined to support it. SUP is working with Tweed Forum and a group of local artists on another project called Working the Tweed which did get Creative Scotland money and which will hopefully be carrying out a number of events this summer.

Much time and energy was put into the development of the Borders Energy Agency with the aim of promoting energy efficiency and renewables in the Borders. The body is now constituted but has not so far attracted any funding so it is restricted in what it can do.

Finally the D&G Environmental Resources Centre has continued to develop over the year thanks to the work of Mark Pollitt, with a number of funding applications made and some ambitious plans for the future.

The SUP Board has spent much time looking at ways of securing better core support. We are delighted that SNH have continued to support us and that Scottish Borders and Dumfries & Galloway Councils were able to offer some support this year. Together these cover about 30% of our core costs. We are therefore having to continually explore new ways of securing core funding. One approach is tendering for work from others and in December, we bid for and won a small contract from LEADER in D&G, delivering the end of their Capacity for Change project. This involves working with six communities each of whom has developed a local project which needs to be completed by June this year. Ed is supporting the communities to ensure that works are completed as planned. Another area we are developing is the involvement of a top-layer of members we are calling Patrons. These agree to pay £500 a year in return for us acknowledging their support. To date we have attracted four and the plan is to grow this to at least ten this year. We have also been looking at the possibility of providing a community-facilitation service along the lines of the work Julie Nock has delivered in Ettrick and Yarrow. We hope to commission a feasibility study on this later this year to find out if the demand is as strong as we think, and whether it would pay us to develop such a service.

On top of all this, we have continued to promote debate and raise awareness of a number of major issues. These included the proposals on woodland expansion, SRDP reform and the review of the land reform act. In November we held the first of three events concentrating on superfast broadband and how it will or will not reach rural communities. It is clear that 15% of premises will not be linked through the private sector and these will need to take action for themselves if they want to be connected. There are several ways of doing this and there will be some support available to help those who want to help themselves.

At the same time as funds have become harder to secure, the auditing process for existing grants has become ever tighter. Sheila Adams deals with our grants and her diligence, professionalism and patience need to be acknowledged. We are very grateful for the support we have been given over the year from LEADER, however we all hope that the next LEADER programme can find a way of simplifying the grant claim process. The facility to allow a single claim to two or more LEADER programmes would be a good start!

At the 2012 AGM, the Board welcomed some new members and said farewell to some old friends. Carolyn Riddell-Carr and Maggie Gordon stood down having played important roles over recent years. We welcomed Tony Fitzpatrick (ex D&GC and now Crichton Institute) and Cllr Ron Smith (SBC) as new Directors. Both bring with them significant local knowledge and specialist skills for which we are most grateful.

#### Investment policy and performance

Cash deposits are reviewed regularly to ensure that a suitable rate of return is earned.



# THE SOUTHERN UPLANDS PARTNERSHIP

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2013

### ACHIEVEMENT AND PERFORMANCE

#### Factors relevant to achieve objectives

As outlined above, core (or project development funding) remains a major issue for us. Meetings with representatives of our main partners have continued throughout the year to look at ways of maintaining support for the work we do in the region and cross-border.

The recession has hit many of the grant funders who support projects as the income from trusts has dropped.

Project funding has therefore been much harder to secure and a number of potential projects have not proceeded as a result.

### FINANCIAL REVIEW

#### Reserves policy

##### Unrestricted Funds

The Board's strategy on the financing of the Partnership is that Core Funding be sought from partners and used to fund core management and administration costs. These include costs not directly incurred in the management of current projects, and cover the significant proportion of the Project Manager's costs involved in discussions on potential projects which may not crystallise, and in research for funding sources for both potential and delivered projects.

While these costs tend to increase, it is inevitable in the current climate that our partners have had to review, and in most cases, reduce their Core Funding grants. Alternative Core Funding sources have been researched, but in the meantime the Directors have agreed to draw on the Partnership's unrestricted reserves. During the past year, these drawings totalled £22,553, and these reserves amounted to £82,567 at 31st March 2013.

The Directors continue to monitor this funding shortfall situation closely. The Board have approved this interim policy in the hope that ongoing negotiations with key partners and other funding sources will generate more core support and we remain hopeful that additional funding will be forthcoming in due course.

##### Restricted Funds.

The funding for all projects is fully guaranteed before they start. However, much of this funding can only be claimed retrospectively, and there is currently a significant lag between grants being due and grants being received on certain projects. This results in some projects appearing in these accounts to be in deficit.

#### Principal funding sources

The partnership considers each application on its relative merits and in conjunction with the objectives of the Partnership. Projects are only adopted in the context of prior funding availability to ensure that the Partnership is not placed in a restricted financial position.

### FUTURE DEVELOPMENTS

The year ahead will see the Partnership continue to explore new ways of sustaining itself. We plan to "refresh" the collection of membership subscriptions and extend the number of Patrons. We are also approaching a number of charitable trusts to see if they will help with some of our more strategic roles. We are still interested in the idea of developing assets that in themselves deliver long-term income streams (such as our eco-office concept) and we will continue to seek such opportunities.

On the project front, we are looking forward to developments with the Biosphere Initiative and the development of nature based tourism across S Scotland. Other projects will be considered against our objectives and our ability to deliver. The review of the Land Reform Act, the Land Use Strategy pilots and the revision of the SRDP will also be areas of significant interest.

### MEMBERS' LIABILITY

The Directors of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

**THE SOUTHERN UPLANDS PARTNERSHIP**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2013**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

C A Anderson - Trustee

4th July 2013

DRAFT

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE SOUTHERN UPLANDS PARTNERSHIP**

I report on the accounts for the year ended 31st March 2013 set out on pages ten to nineteen.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Alister Biggar  
Chartered Accountant  
JRW  
Chartered Accountants  
19 Buccleuch Street  
Hawick  
Roxburghshire  
TD9 0HL

Date: .....

**THE SOUTHERN UPLANDS PARTNERSHIP**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST MARCH 2013**

	Notes	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	37,961	284,958	322,919	238,992
Activities for generating funds	3	1,015	-	1,015	1,167
Investment income	4	<u>5,132</u>	<u>-</u>	<u>5,132</u>	<u>4,079</u>
<b>Total incoming resources</b>		44,108	284,958	329,066	244,238
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	5	4,780	-	4,780	4,780
<b>Charitable activities</b>					
Direct Costs	6	81,440	307,420	388,860	345,419
Management charges		(24,054)	24,054	-	-
<b>Governance costs</b>	8	<u>4,495</u>	<u>-</u>	<u>4,495</u>	<u>3,947</u>
<b>Total resources expended</b>		66,661	331,474	398,135	354,146
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<u>(22,553)</u>	<u>(46,516)</u>	<u>(69,069)</u>	<u>(109,908)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>105,120</u>	<u>62,631</u>	<u>167,751</u>	<u>277,659</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>82,567</u></u>	<u><u>16,115</u></u>	<u><u>98,682</u></u>	<u><u>167,751</u></u>

The notes form part of these financial statements

THE SOUTHERN UPLANDS PARTNERSHIP (REGISTERED CO. NUMBER: SC200827 (SCOTLAND))

BALANCE SHEET  
AT 31ST MARCH 2013

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	12	848	545
<b>CURRENT ASSETS</b>			
Debtors	13	85,329	50,105
Cash at bank		<u>41,823</u>	<u>143,447</u>
		127,152	193,552
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(29,318)</u>	<u>(26,346)</u>
<b>NET CURRENT ASSETS</b>		<u>97,834</u>	<u>167,206</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>98,682</u>	<u>167,751</u>
<b>NET ASSETS</b>		<u>98,682</u>	<u>167,751</u>
<b>FUNDS</b>	18		
Unrestricted funds		82,567	105,120
Restricted funds		<u>16,115</u>	<u>62,631</u>
<b>TOTAL FUNDS</b>		<u>98,682</u>	<u>167,751</u>

The notes form part of these financial statements

BALANCE SHEET - CONTINUED  
AT 31ST MARCH 2013

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2013.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2013 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 4th July 2013 and were signed on its behalf by:

C A Anderson -Trustee

M W Fraser -Trustee

**DRAFT**

# THE SOUTHERN UPLANDS PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

### 1. ACCOUNTING POLICIES

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

#### **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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Management charges are confirmed at an amount set by the funder of each individual project.

#### **Governance costs**

Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

#### **Tangible fixed assets**

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

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

All assets costing more than £500 are capitalised.

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Investment income, gains and losses are allocated to the appropriate fund.

#### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2013**

**1. ACCOUNTING POLICIES - continued**

**Company status**

The company is a company limited by guarantee. The members of the company are the Directors named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**2. VOLUNTARY INCOME**

	2013	2012
	£	£
Grants	311,159	225,725
Sales & sundry income	<u>11,760</u>	<u>13,267</u>
	<u>322,919</u>	<u>238,992</u>

Grants received, included in the above, are as follows:

	2013	2012
	£	£
Core Grants	36,155	29,864
Project Grants	<u>275,004</u>	<u>195,861</u>
	<u>311,159</u>	<u>225,725</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	2013	2012
	£	£
Memberships	<u>1,015</u>	<u>1,167</u>

**4. INVESTMENT INCOME**

	2013	2012
	£	£
Rents received	3,544	3,441
Deposit account interest	<u>1,588</u>	<u>638</u>
	<u>5,132</u>	<u>4,079</u>



**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2013**

**5. COSTS OF GENERATING VOLUNTARY INCOME**

	2013	2012
	£	£
Staff costs	4,250	4,250
Telephone	80	80
Postage and stationery	300	300
Travel	150	150
	<u>4,780</u>	<u>4,780</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 7)	Totals
	£	£
Direct Costs	<u>388,860</u>	<u>388,860</u>

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2013	2012
	£	£
Staff costs	204,821	202,412
Project costs	156,571	108,833
Insurance	280	194
Travel	6,971	10,016
Telephone	767	1,089
Postage and stationery	1,187	1,634
Rent	10,431	12,152
Sundries	14	36
Admin support	4,438	5,699
Other admin costs	2,365	2,512
Payroll fees	660	660
Depreciation	355	182
	<u>388,860</u>	<u>345,419</u>

**8. GOVERNANCE COSTS**

	2013	2012
	£	£
Staff costs	2,303	2,303
Accountancy	1,560	1,440
Legal & professional fees	632	204
	<u>4,495</u>	<u>3,947</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2013**

**9. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	2013	2012
	£	£
Depreciation - owned assets	355	182
Pension costs	<u>10,005</u>	<u>11,705</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2013 nor for the year ended 31st March 2012.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st March 2013 nor for the year ended 31st March 2012.

**11. STAFF COSTS**

	2013	2012
	£	£
Wages and salaries	183,733	179,563
Social security costs	17,636	17,697
Other pension costs	<u>10,005</u>	<u>11,705</u>
	<u>211,374</u>	<u>208,965</u>

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

	2013	2012
Management	1	1
Project staff	<u>7</u>	<u>7</u>
	<u>8</u>	<u>8</u>

The staffing numbers as full year FTEs:-

	2013	2012
Management	1	1
Project Staff	6.6	6.6

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2013**

**12. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1st April 2012	10,262	-	10,262
Additions	<u>-</u>	<u>658</u>	<u>658</u>
At 31st March 2013	<u>10,262</u>	<u>658</u>	<u>10,920</u>
<b>DEPRECIATION</b>			
At 1st April 2012	9,717	-	9,717
Charge for year	<u>136</u>	<u>219</u>	<u>355</u>
At 31st March 2013	<u>9,853</u>	<u>219</u>	<u>10,072</u>
<b>NET BOOK VALUE</b>			
At 31st March 2013	<u>409</u>	<u>439</u>	<u>848</u>
At 31st March 2012	<u>545</u>	<u>-</u>	<u>545</u>

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

	2013 £	2012 £
Trade debtors	41,050	50,105
Other debtors	<u>44,279</u>	<u>-</u>
	<u>85,329</u>	<u>50,105</u>

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

	2013 £	2012 £
Social security and other taxes	-	5,810
Other creditors and accruals	<u>29,318</u>	<u>20,536</u>
	<u>29,318</u>	<u>26,346</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2013**

**15. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	2013 £	2012 £
Expiring: Between one and five years	<u>5,340</u>	<u>5,196</u>

**16. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions paid by the company to the fund and amounted to £10,005 (2012, £11,705).

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted funds £	2013 Total funds £	2012 Total funds £
Fixed assets	848	-	848	545
Current assets	85,983	41,169	127,152	193,552
Current liabilities	<u>(4,264)</u>	<u>(25,054)</u>	<u>(29,318)</u>	<u>(26,346)</u>
	<u>82,567</u>	<u>16,115</u>	<u>98,682</u>	<u>167,751</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2013**

**18. MOVEMENT IN FUNDS**

	At 1.4.12	Incoming Resources	Resources Expended	Transfers	At 31.3.13
	£	£	£	£	£
Unrestricted Funds					
SUP Core Funding	105,120	44,108	(66,661)	-	82,567
Restricted Funds					
Red Squirrels in South					
Scotland	15,035	4,349	(5,737)	-	13,647
Windfarm Habitat Fund	69,380	-	(11,682)	-	57,698
Ettrick and Yarrow Valleys	(11,833)	25,857	(31,739)	-	(17,715)
Black Grouse Project	8,033	14,472	(18,114)	-	4,391
Building Opportunities in the Biosphere	(25,750)	81,224	(146,902)	(4,250)	(95,678)
DGERC	(7,119)	54,721	(42,858)	1,500	6,244
Bugs in Gardens	(832)	12,294	(4,910)	-	6,552
Natural Heritage Officer	7,717	25,798	(30,043)	2,750	6,222
Cross Border Trails	8,000	-	(8,000)	-	-
BOB Ecosystems	-	23,000	(9,270)	-	13,730
Ettrick and Yarrow Valleys Development	-	10,000	(2,977)	-	7,023
Wild Seasons Project Officer	-	2,543	(7,102)	-	(4,559)
Biosphere Special Projects	-	12,200	(7,480)	-	4,720
Broadband Awareness Events	-	8,500	(4,660)	-	3,840
North Solway Coastal Trail	-	2,000	-	-	2,000
Future Restricted Projects	-	8,000	-	-	8,000
	<u>62,631</u>	<u>284,958</u>	<u>(331,474)</u>	<u>-</u>	<u>16,115</u>
Total Funds	<u>167,751</u>	<u>329,066</u>	<u>(398,135)</u>	<u>-</u>	<u>98,682</u>

The deficits on restricted funds which are a result of timing variances and are fully covered by grant claims made after the year end.

Transfers between funds represent the allocation of restricted funding to specific projects.

**19. RELATED PARTY DISCLOSURES**

R H Smith (Director) holds a position with Scottish Borders Council. During the year Scottish Borders Council provided grants of £3,000 (2012, £5,000).

During the financial year 2011/12, £4,500 was paid to V R Wood-Gee (Trustee) for consultancy work undertaken on a project managed by the Southern Uplands Partnership. This payment was not for services provided by V R Wood-Gee as a Trustee. There are no such payments made in the current year.

**20. ULTIMATE CONTROLLING PARTY**

The company is under the control of its members.