

REGISTERED COMPANY NUMBER: SC200827 (Scotland)
REGISTERED CHARITY NUMBER: SC029475

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2011**

**FOR
THE SOUTHERN UPLANDS PARTNERSHIP**

DRAFT

THE SOUTHERN UPLANDS PARTNERSHIP
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FOR THE YEAR ENDED 31ST MARCH 2011

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THE SOUTHERN UPLANDS PARTNERSHIP

**CONVENOR'S STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2011**

In June I will end my long membership of the Board of SUP and my year as convenor.

Over the years I have been impressed by the excellent projects, commissioned pieces of research, thoughtful responses to government consultations from the unique stand-point of rural South of Scotland, and the efficient organisational management exhibited by Southern Uplands Partnership. This has helped to ensure that the issues of sustainable rural development in south of Scotland receive better recognition in the corridors of power. This success is in no small measure down to the quality of staff employed particularly Pip but ably supported in the past by Flora and now John Sellers.

The current climate is making our work much harder and we very much appreciate the support of those who continue to provide funding, especially Scottish Natural Heritage. We have devoted much effort to seeking alternative sources of core funding including recently from the burgeoning wind farm developments across our region, and it is essential that this search for financial stability continues. There is absolutely no doubt that there is a continuing need for the efforts of Southern Uplands Partnership with its unique role of providing a strategic perspective on the land use and rural development scene across the South of Scotland while engaging in grassroots projects embedded in communities.

Many people recognise the value of this work as evidenced I think by the quality of board members whom SUP continues to attract. Thank you very much for your support over the last year and to Pip, John and other staff for being such a pleasure to work with.

Dr Joan Mitchell
Partnership Convenor

29th June 2011

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THE SOUTHERN UPLANDS PARTNERSHIP

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2011**

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 2011. 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
V M Davidson - resigned 23.6.10
Dr J Mitchell
Sir Michael Strang Steel CBE - resigned 23.6.10
S P R Thorp
E M Telford-Jammeh
C H Ballance
M L Gordon
W I Renwick - resigned 23.6.10
M W Fraser - appointed 23.6.10
A B Fraser - appointed 23.6.10

Company Secretary
J & H Mitchell, W.S.

Independent Examiner

Alister Biggar
Chartered Accountant
The JRW Group
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 2011

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.

In accordance with the Articles of Association, Eileen Logan, having served two terms, will stand down.

Company formation/development

- The Directors have met in June and November 2010 and January and March 2011.
- During the year the Working Group met approximately six weekly.
- The website (www.sup.org.uk) was regularly 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 9th AGM on 23rd June 2010 which was attended by various members.
- Our Directors have reviewed the Business Plan and a proportion of our core-funding has been secured from Scottish Borders Council and Scottish Natural Heritage.

Related parties

Some of the Directors hold positions with local councils or other funding organisations. During the year Scottish Borders Council provided grants of £5,000 (2010, £5,000), South Lanarkshire Council £2,000 (2010, £Nil) and Scottish Natural Heritage £20,872 (2010, £25,000).

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 2011

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 aim to persuade others of the need for change.

Activities for achieving objectives

The Partnership has continued to play an important role in the debate on the future of rural development in the Southern Uplands. During the year the Partnership has been involved in consultations and enquiries from local authority Single Outcome Agreements to the Scottish Government's Land Use Strategy. We have continued to produce regular e-newsletters and 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 2011

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Projects underway and in development

Over the year the Partnership has been working on two fronts. In the light of the economic climate, significant efforts have been put into getting agreement on what the priorities for our work should be to secure ongoing partner support; two main themes have been proposed.

1. Nature-based or sustainable tourism is an issue we have been involved with for some time and the Nith Estuary project has rekindled support for a larger initiative across the region. It has the backing of key players, councils, Visit Scotland, etc and is regarded by the tourism industry as a potential opportunity for southern Scotland.
2. The other theme is small-scale renewable energy and the need for the Southern Uplands to make more from local renewable energy generation. The debate over wind farms continues, but it is clear that the Southern Uplands is a key area for developments and more wind farms will be approved. Within the Partnership there are strong views both in favour and against, but there is consensus on the fact that at present we are selling our wind resource too cheaply. The benefits that come back to South Scotland from developments to date are insignificant. There are few if any jobs. Community benefits remain at a level that was considered poor 5 years ago when we hosted an event to look at how communities might be able to benefit. A review we commissioned during the year has reinforced this concern and we urge you to read it on our website www.sup.org.uk.

To date there is no consensus on whether we should concentrate on one or other of these two issues, so, for the time being, we will pursue both.

At the same time, we have continued to develop, fund-raise for, and manage a range of projects across the region.

Galloway and Southern Ayrshire Biosphere

Perhaps the most exciting is the Galloway and Southern Ayrshire Biosphere. During the year we worked with partners to complete the UNESCO application form - a major exercise in data collation. The application was endorsed by local partners, the Scottish Government, the UK Man and Biosphere Committee and DEFRA and the application is now being considered by UNESCO.

In parallel with this we have helped to develop a project called "Building Opportunity in the Biosphere" which has now been awarded funding by LEADER in both D&G and Ayrshire along with the three local authorities, SNH, SEPA and Forestry Commission Scotland. Two staff have been recruited and work started in April 2011. Nic Coombey and Ed Forrest will work with the businesses and communities within the Biosphere to raise understanding and develop enthusiasm for the potential of the Biosphere designation to help them.

Nature Based Tourism

John Sellers has been working with a number of businesses in the Nith Estuary where a number of projects are starting to take shape. The idea of 'A Ghillie for a Day' has been discussed with a number of local 'experts' and there is agreement that it should be taken further. Pricing policy has been discussed and a leaflet is in the process of being prepared. The service will feature on a new themed web-site. It is hoped that the visitor monitoring and appraisal programme in development by the SAC will report on its findings in May.

Scottish Borders Walking Festival

Our work managing the Scottish Borders Walking Festival was completed during the year. The second festival was a great success with numbers up and our LEADER targets met. The project was runner-up in the innovative marketing category of the Scottish Borders Business Excellence Awards.

Upland Habitats

Work on enhancing landscape scale upland habitats continues, with strong support from LEADER, Scottish Borders Council, SNH and RSPB. The approach is also being supported by Scottish and Southern Energy who have made funds available for targeted habitat work. Chris Land and his volunteers are currently surveying black grouse leks and the results are encouraging with numbers of birds either stable or increasing.

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2011

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Red Squirrels

Work on the squirrel front is less rosy with the pox disease cropping up in new areas and massive efforts going into grey squirrel control and into collecting data to measure the impact of this control. Stephanie Johnstone continues to play a vital role in Red Squirrels in South Scotland.

Other Work

A number of other projects have been progressed:

We commissioned a review of community waste recycling initiatives in the Borders undertaken by Roger Hemming.

We have almost completed an investigation into the economic and social benefits of large-scale restoration of the Lochar Mosses in Dumfries, work done for us by Centrifuge Consulting.

A review of opportunities to enhance energy efficiency in village halls was undertaken by Stefan Miteski, an IAESTE student from Macedonia.

SNH asked us to help pull together a meeting of interested parties and this has resulted in the commissioning of a piece of research work and exploration of the potential to establish a cluster of farm tourism businesses in D&G. This is likely to be continued as part of the wider tourism initiative.

We have been working with the 5 local authorities to look at how the various core-border networks link together and how this amazing network of routes can be enhanced and marketed. There is a need to look at links north to the central belt and south to England, which we hope to progress this year.

Following from concerns at the "loss" to forestry of upland farms in the Ettrick Valley we applied to LEADER for funds to employ a part-time community animator to try to revitalise the Ettrick and Yarrow Valleys and develop a 'collaborative local development strategy'. We now have funds for a 2 year project and Julie Nock has been appointed to deliver this work.

The proceedings of the Carbon and the Uplands conference that took place in April last year have been published and we are in discussions with the Heather Trust over a follow-up event this year.

Our Shared Office proposal which took up much effort last year and which won support from the Scottish Rural Development Programme was found to be not feasible at the Canonbie site.

We continue to contribute to the Scottish Borders Sustainable Energy Association (SBSEA), which has grown from the Working Countryside Theme Team of the Borders Community Plan.

We are re-establishing contact with other Local Rural Partnership meetings now that John Sellers is in post.

The Project Manager sits on the Board of the Scottish Sustainable Development Forum which to date has been supported by the Scottish Government through the Sustainable Development Commission. The SDC has now been scrapped and management of the SSDF has been handed over to Keep Scotland Beautiful.

All in all it has been a very busy and productive year.

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 2011

ACHIEVEMENT AND PERFORMANCE

Factors relevant to achieve objectives

Core or project development funding remains a major issue for us. Meetings with representatives of our main partners have continued throughout the year to discuss how they can help support 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 projects have not proceeded as a result.

FINANCIAL REVIEW

Reserves policy

The partnership has a policy of maintaining a small reserve of unrestricted funds to cover shortfalls caused by the uncertain nature of grant payments, and sufficient to cover redundancy payments at any time, which would be used at the discretion of the Directors to cover unforeseen core expenses and project costs.

Principal funding sources

The partnership has a very limited ability to give fundraising assistance and considers each application on its relative merits and in conjunction with the objectives of the Partnership. Funds are only made available in the context of prior funding availability to ensure that the Partnership is not placed in a restricted financial position.

FUTURE DEVELOPMENTS

Realistically, like most other small charities, we will continue to rely on external funding to cover project development costs; however we are working hard to ensure that we become less dependant on grants to fund our core costs in future years.

Radar for up and coming issues/opportunities

Interest in nature based tourism and renewable energy continues to grow and we are looking for partnership opportunities in both these areas.

MEMBERS' LIABILITY

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.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Southern Uplands Partnership for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

THE SOUTHERN UPLANDS PARTNERSHIP

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2011**

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

Date: 29th June 2011

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THE SOUTHERN UPLANDS PARTNERSHIP

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	40,538	265,872	306,410	221,773
Activities for generating funds	3	1,585	7,590	9,175	9,195
Investment income	4	<u>3,651</u>	<u>-</u>	<u>3,651</u>	<u>4,423</u>
Total incoming resources		45,774	273,462	319,236	235,391
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	4,780	-	4,780	4,736
Charitable activities					
Direct Costs	6	75,153	141,083	216,236	240,637
Governance costs	8	<u>4,303</u>	<u>-</u>	<u>4,303</u>	<u>8,625</u>
Total resources expended		84,236	141,083	225,319	253,998
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		(38,462)	132,379	93,917	(18,607)
Gross transfers between funds	18	<u>43,956</u>	<u>(43,956)</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		5,494	88,423	93,917	(18,607)
RECONCILIATION OF FUNDS					
Total funds brought forward		135,630	48,113	183,743	202,350
TOTAL FUNDS CARRIED FORWARD		<u>141,124</u>	<u>136,536</u>	<u>277,660</u>	<u>183,743</u>

The notes form part of these financial statements

THE SOUTHERN UPLANDS PARTNERSHIP (REGISTERED CO NUMBER: SC200827 (Scotland))

**BALANCE SHEET
AT 31ST MARCH 2011**

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	12	727	969
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	23,812	8,236
Cash at bank		<u>261,611</u>	<u>176,038</u>
		285,423	184,274
CREDITORS			
Amounts falling due within one year	14	<u>(8,490)</u>	<u>(1,500)</u>
NET CURRENT ASSETS		<u>276,933</u>	<u>182,774</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>277,660</u>	<u>183,743</u>
NET ASSETS		<u>277,660</u>	<u>183,743</u>
FUNDS	18		
Unrestricted funds		141,124	135,630
Restricted funds		<u>136,536</u>	<u>48,113</u>
TOTAL FUNDS		<u>277,660</u>	<u>183,743</u>

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**BALANCE SHEET - CONTINUED
AT 31ST MARCH 2011**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2011.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2011 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 29th June 2011 and were signed on its behalf by:

C A Anderson - Trustee

M W Fraser - Trustee

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THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2011**

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.

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

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.

Transfers between projects and funds represent the management cost built into the original funding.

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 2011**

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

	2011	2010
	£	£
Grants	297,678	202,310
Sales & sundry income	<u>8,732</u>	<u>19,463</u>
	<u><u>306,410</u></u>	<u><u>221,773</u></u>

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

	2011	2010
	£	£
Core Grants	38,248	29,000
Project Grants	<u>259,430</u>	<u>173,310</u>
	<u><u>297,678</u></u>	<u><u>202,310</u></u>

3. ACTIVITIES FOR GENERATING FUNDS

	2011	2010
	£	£
Memberships	1,585	950
Ticket sales	<u>7,590</u>	<u>8,245</u>
	<u><u>9,175</u></u>	<u><u>9,195</u></u>

4. INVESTMENT INCOME

	2011	2010
	£	£
Rents received	3,372	4,211
Deposit account interest	<u>279</u>	<u>212</u>
	<u><u>3,651</u></u>	<u><u>4,423</u></u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	2011	2010
	£	£
Staff costs	4,250	4,241
Telephone	80	75
Postage and stationery	300	275
Travel	<u>150</u>	<u>145</u>
	<u><u>4,780</u></u>	<u><u>4,736</u></u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011**

6. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7)	Totals
	£	£
Direct Costs	<u>216,236</u>	<u>216,236</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES BY EXPENDITURE TYPE AND ACTIVITY

	2011 £	2010 £
Staff costs	95,825	92,184
Project costs	91,428	127,614
Insurance	560	635
Travel	4,515	5,970
Telephone	2,151	3,206
Postage and stationery	1,262	2,018
Rent	9,081	8,473
Sundries	79	214
Admin support	5,925	-
Consultancy fees	2,515	-
Other admin costs	2,253	-
Payroll fees	400	-
Depreciation	242	323
	<u>216,236</u>	<u>240,637</u>

	2011 £	2010 £
Southern Uplands Partnership Core Funding	75,154	74,109
Red Squirrels in South Scotland	21,705	36,821
Communities on the Edge	-	312
Windfarm Habitat Fund	6,026	13,296
Community Energy Event	7,960	2,306
Renewable Energy Work Experience	2,508	2,194
Watson Bird Centre	-	10,099
Ayrshire Red Squirrel Group	-	188
Eco Office Research	-	38,583
Nith Estuary	14,677	6,437
Footsteps of the Reivers	27,708	49,492
Walking Festival	4,606	6,800
Lochar Mosses	9,981	-
Uplands Conference	8,592	-
RRRB	3,077	-
Ettrick and Yarrow Valleys	357	-
Black Grouse Project	32,637	-
Biosphere	1,248	-
	<u>216,236</u>	<u>240,637</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011**

8. GOVERNANCE COSTS

	2011	2010
	£	£
Staff costs	2,303	-
Payroll fees	-	600
Accountancy	1,528	1,725
Subscription & conference fees	-	1,210
Legal & professional fees	472	4,316
Printing	<u>-</u>	<u>774</u>
	<u>4,303</u>	<u>8,625</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2011	2010
	£	£
Depreciation - owned assets	242	323
Pension costs	<u>4,587</u>	<u>4,021</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2011 nor for the year ended 31st March 2010.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31st March 2011 nor for the year ended 31st March 2010.

11. STAFF COSTS

	2011	2010
	£	£
Wages and salaries	89,272	83,974
Social security costs	8,519	8,430
Other pension costs	<u>4,587</u>	<u>4,021</u>
	<u>102,378</u>	<u>96,425</u>

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

	2011	2010
Management	1	1
Project staff	<u>5</u>	<u>5</u>
	<u>6</u>	<u>6</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011**

12. TANGIBLE FIXED ASSETS

Fixtures and
fittings
£

COST

At 1st April 2010 and 31st March 2011

10,262

DEPRECIATION

At 1st April 2010

9,293

Charge for year

242

At 31st March 2011

9,535

NET BOOK VALUE

At 31st March 2011

727

At 31st March 2010

969

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	<u>23,812</u>	<u>8,236</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Social security and other taxes	2,763	-
Other creditors and accruals	<u>5,727</u>	<u>1,500</u>
	<u>8,490</u>	<u>1,500</u>

15. OPERATING LEASE COMMITMENTS

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

	2011	2010
	£	£
Expiring: Between one and five years	<u>9,081</u>	<u>8,473</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011**

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 payable by the company to the fund and amounted to £4,587 (2010, £4,021).

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
Fixed assets	727	-	727	969
Current assets	145,371	140,052	285,423	184,274
Current liabilities	(4,974)	(3,516)	(8,490)	(1,500)
	<u>141,124</u>	<u>136,536</u>	<u>277,660</u>	<u>183,743</u>

18. MOVEMENT IN FUNDS

	At 1.4.10 £	Incoming Resources £	Resources Expended £	Transfers £	At 31.3.11 £
Unrestricted Funds					
SUP Core Funding	<u>135,630</u>	<u>45,774</u>	<u>(84,236)</u>	<u>43,956</u>	<u>141,124</u>
Restricted Funds					
Red Squirrels in South Scotland	25,528	31,670	(21,704)	(4,200)	31,294
Windfarm Habitat Fund	32,759	57,500	(6,026)	(6,080)	78,153
Community Energy Event Renewable Energy Work Experience	-	10,790	(7,960)	(2,830)	-
Nith Estuary	-	2,300	(2,508)	208	-
Eco Office Research	1,822	21,204	(14,677)	(2,000)	6,349
Footsteps of Reivers	(16,917)	17,550	-	(633)	-
Walking Festival	(5,977)	28,207	(27,710)	544	(4,936)
Watson Bird Centre	2,560	7,590	(4,606)	(4,543)	1,001
Lochar Mosses	(5,662)	5,963	-	(301)	-
Uplands Conference	9,500	10,000	(9,981)	(2,000)	7,519
RRRB	4,500	10,000	(8,592)	(5,908)	-
Ettrick and Yarrow Valleys	-	3,765	(3,077)	(688)	-
Black Grouse Project	-	-	(357)	-	(357)
Biosphere	-	16,241	(32,637)	3,080	(13,316)
Building Opportunities in the Biosphere	-	19,853	(1,248)	(18,605)	-
	<u>-</u>	<u>30,829</u>	<u>-</u>	<u>-</u>	<u>30,829</u>
	<u>48,113</u>	<u>273,462</u>	<u>(141,083)</u>	<u>(43,956)</u>	<u>136,536</u>
Total Funds	<u>183,743</u>	<u>319,236</u>	<u>(225,319)</u>	<u>-</u>	<u>277,660</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011**

18. MOVEMENT IN FUNDS – continued

The deficits on restricted funds are matched by grant claims made after the year end.

Transfers between projects and funds represent the management cost built into the original funding.

19. RELATED PARTY DISCLOSURES

Some of the directors hold positions with local councils or other funding organisations. During the year Scottish Borders Council provided grants of £5,000 (2010, £5,000), South Lanarkshire Council £2,000 (2010, £Nil) and Scottish Natural Heritage £20,872 (2010, £25,000).

20. ULTIMATE CONTROLLING PARTY

The company is under the control of its members.

DRAFT