

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

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31ST MARCH 2017  
FOR**

**THE SOUTHERN UPLANDS PARTNERSHIP**

**THE SOUTHERN UPLANDS PARTNERSHIP**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2017**

	Page
Convenor's statement	1 to 2
Report of the Trustees	3 to 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13 to 14
Notes to the Financial Statements	15 to 23

# THE SOUTHERN UPLANDS PARTNERSHIP

## CONVENOR'S STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Looking back over my six years as Convener of the Southern Uplands Partnership (SUP), the first thing that strikes me is just how much has been done and achieved in that time. We have nursed the Galloway and Southern Ayrshire Biosphere through two phases of its development, helped communities in the Ettrick and Yarrow valleys to explore and at least to some degree find solutions to their problems, established the principle and addressed the practicalities of a creating a Solway Coastal Trail, delved into the options for delivering high speed broadband to remote rural communities, conceived and run Britain's first Wild Film Festival and much, much more. Not every project that we have undertaken has proved a long-term success but very few can be seen as short-term failures.

What is more, all this has been achieved in many ways against the odds. Public funding has been ever harder to come by. The competition for money from other sources has grown ever more intense. Whilst the reserves that we were fortunate enough to have accumulated in the earlier and more financially benign years of our existence have cushioned us to some extent, it has demanded all the creativity and ingenuity of our staff to prevent us slipping gradually towards the oblivion that has been the fate of many other similar bodies.

There has of course been a price to pay for living as opportunistically as we have had to do. Our periodic efforts to prioritise our activities and focus on the most strategically important issues have not been worthless: they have helped us to chart our broad course and sometimes to decide between competing calls on our limited time. But at the end of the day we have had to follow the money and our programme has been driven at least as much by the priorities of potential funders as by our own. Fortunately in most cases there has been no real tension between the two.

I personally regret the fact that one consequence of these financial constraints has been that SUP has not been able to completely fulfil its original ambition of facilitating discussion about, and exploring possible solutions to, the key strategic challenges of the day. Drawing on the knowledge and expertise of our staff and Board members, we have responded to numerous public consultations and even managed to host events devoted to exploring some of the most momentous issues. But we have not been able as fully as I would have liked to contribute to wider national debates as "the voice of rural south Scotland".

Despite this, SUP remains to the best of my knowledge an initiative without any real parallel across Scotland. This was recognised by the Scottish Government when, for example, it appointed our manager, Pip Tabor, to the Land Reform Review Group. It is reflected in the requests that we receive from them and from bodies like the Scottish Rural Parliament to help them with local engagement and the seeking out of rural views.

These achievements have only been made possible by the continuing support that we have received from Scottish Natural Heritage, as a stalwart key funder. For this I have to thank particularly the personal interest and commitment shown by its recently retired Area Manager, Chris Miles. Dumfries and Galloway Council too have been immensely helpful in recognising and rewarding the contribution that SUP can make to its ambitions even in times of extreme financial pressure. These crucial sources of funds have been by a handful of loyal business supporters and several, hugely appreciated, anonymous donations.

For project funding successive LEADER programmes have been a major, if at times administratively infuriating, source. I myself am immensely sad that these programmes are unlikely to be with us much longer as a result of what I regard as a disastrously misguided decision in the EU referendum. To my mind the benefits of access to this and other EU funding streams has by no means been purely financial; those arising from the exchange of ideas and experience, and opportunities for personal development, have been at least as great. Unless we fight determinedly to retain similar links, the loss will be a grave one.

The challenges of Brexit are of course not confined to the project sphere. There is now a greater need than ever to re-think our whole approach to public policy in what for many established rural businesses, especially in the farming and land managing sector, is likely to be a very hostile environment. As I hand over the reins at SUP, I have every confidence that it will maintain and indeed re-double its efforts to ensure that the south of Scotland contributes fully to the required debates.

My conviction on this score reflects my knowledge of both the staff and the trustees of the organisation. It has in Pip Tabor a intensely dedicated, knowledgeable and highly creative leader of a very talented team, invaluable augmented in my time in post by the administrative skills and experience of Sheila Adams. We are equally fortunate to have Ed Forrest as the co-ordinator of our work on behalf of the Biosphere Partnership. They, along with Mark Pollitt and others in what is now becoming the South West Scotland Environmental Information Centre and in the Biosphere team will certainly not let SUP down.

**THE SOUTHERN UPLANDS PARTNERSHIP**

**CONVENOR'S STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2017**

Throughout my time the SUP Board has likewise been rich in imaginative, forward-thinking individuals, deeply committed to the cause that it is pursuing. It has been not just a privilege but a genuine pleasure to work with them in taking forward SUP's mission of sustainable, better integrated rural development, rooted firmly in the region's wealth of natural assets.

I have no doubt that with all these people involved, I step down as Convener with SUP as well equipped as it can be to face the challenging times that undoubtedly await us. I wish it every success.

John Thomson  
Southern Uplands Partnership Convener 2011-17

## THE SOUTHERN UPLANDS PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2017

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 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Southern Uplands Partnership has now been going for 15 years. Much has changed over that time, but our remit and objectives have remained the same. Our charitable objects are:

(a) to promote and advance education of the public about working and living sustainably in the Southern Uplands of Scotland (being generally the hills stretching from coast to coast across Southern Scotland, the northern boundary of which is the Central Lowlands of Scotland, and the southern boundary of which is the border between Scotland and England), either independently and/or in association with Local Authorities, voluntary organisations and local residents; and

(b) 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 of Scotland so that they are compatible with considerations of the environment and local communities; and

(c) to promote, protect and conserve the biodiversity of the Southern Uplands of Scotland for the benefit of society.

##### **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 and maintained 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 2017

### ACHIEVEMENT AND PERFORMANCE

#### Charitable activities

The Southern Uplands Partnership (SUP) was started by local people keen to keep the communities and countryside of the south of Scotland alive and healthy. The Partnership represents all sorts of people, as well as government bodies, agencies and Councils. Anyone who is committed to the future of the south of Scotland is invited to join and get involved.

2016/17 has been another year of progress on many fronts under difficult conditions! The economic slow-down has continued to make it hard to get funding for projects. LEADER has remained a major source of support for project work, but the time required to secure and then administer these funds is greater than ever and we are thankful that we have Sheila Adams with her experience and endless patience on hand to do what is necessary. Scottish Natural Heritage has continued to support our work which we very much appreciate, especially at a time when their budget is being so heavily reduced. We must also thank many other members and supporters who make donations and pay subscriptions without which we would rapidly cease to exist.

We are fortunate in that we have an active Board of Directors that has met three times and the Working Group six times with Directors regularly representing SUP and its interests both at meetings and in helping to deliver strategic pieces of work. We published our 15th set of accounts with an annual report showing a stable financial position (see [www.sup.org.uk](http://www.sup.org.uk)).

The Partnership currently employs two full time core staff (pip Tabor and Ed Forrest), one part time core staff (Sheila Adams) and an additional six project staff (two full-time, four part-time) who deliver specific projects. In the 2016/17 financial year, the Partnership attracted £290k for specific project work and a further £80k for strategic and core work. These funds came from a wide range of sources.

#### Projects

##### Galloway and Southern Ayrshire UNESCO Biosphere

Interest in UNESCO Biospheres is steadily growing, the Galloway and Southern Ayrshire UNESCO Biosphere was the first in Scotland and the third in the UK when it was designated in 2012, however there are now two in Scotland and there are six in the UK with a seventh in Ireland and a number of other regions considering going for the status. In recognition of the growing interest, the Galloway and Southern Ayrshire Biosphere hosted a major conference of all existing and aspirational UK and Eire Biospheres which was the first time they'd all come together to exchange ideas and learn from each other's experiences on how we can take forward the Biosphere message locally and nationally.

Through attendance at similar international Euro MAB conferences, links have been made with a number of other Biospheres in Europe and further afield, and this has resulted in us becoming a key partner in a new project looking at Sustainable Heritage Areas Promoting Ecotourism (SHAPE). As a result, the GSA Biosphere has been growing in stature and reputation.

The Biosphere project that we have been managing for the last three years has now come to an end having made great strides in laying firm foundations for the future. The good news is that our partners have been sufficiently impressed with the outcomes to agree to a new five year funding package. This will give continuity to the delivery, albeit with a reduced team of a part time co-ordinator (Ed Forrest), part time project officer (Marie McNulty) and finance /administration support (Sheila Adams). For a limited period we will also be able to keep the Natural Heritage team (Wendy Fenton and Emily Taylor) going. The key priority will be to identify new funding opportunities to consolidate and expand the core team through the delivery of further Biosphere projects. At the same time, the Biosphere Board is being restructured to enable easier and more direct decision making which will also create an opportunity to welcome new members to the Board.

# THE SOUTHERN UPLANDS PARTNERSHIP

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2017

### ACHIEVEMENT AND PERFORMANCE

#### Charitable activities

##### Wild Film Festival

The first Wild Film Festival Scotland took place in March 2017. With a line-up of speakers including Simon King, Iolo Williams and Sacha Dench. The Festival attracted a lot of attention and some good audiences who came from as far afield as Macclesfield, Ulverston, Teeside, Edinburgh and Glasgow. Once they were with us they were subjected to the passion and knowledge of our local speakers who enthused about what the region had to offer. We will carry out a full evaluation on the event before deciding whether to try to repeat it in 2018, but early indications are that it was enjoyed by all and that it has helped raise the profile of Dumfries & Galloway as a great place for nature. We still hope that we will be able to re-energise Wild Seasons in the near future although this may be more as a website that creates links on where to go, what to see, and when to see it for wildlife.

##### South West Scotland Environmental Information Centre (SWSEIC)

DGERC continues under the management of Mark Pollitt. It is currently in the process of rebranding itself as a South West Scotland Environmental Information Centre (SWSEIC) which reflects the broadening of its remit to include the Ayrshire region.

Under the auspices of SWSEIC, the Where's Wildlife in Ayrshire project went live in October 2016 with the appointment of Aisling Gribben. This project is designed to engage with people throughout Ayrshire and encourage them to get involved in learning about their local wildlife, recording sightings and collecting information about where different plants and animals live. Aisling is working with local wildlife enthusiasts of all abilities - beginners and experts - and is helping to create a focal point for local environmental data. A key part of the project focuses on training communities and individuals to gather information about local wildlife. Over the next two years the project will be out and about, attending events and running a programme of our own events throughout Ayrshire which will provide people with new skills and opportunities to find out about their local wildlife. Courses will run throughout the spring and summer months covering reptiles, butterflies and dragonflies.

Not only will the project seek to get people out recording, but it will also help to "mobilise" historic records for Ayrshire, which have often been untouched for years. We have already managed to access over 30,000 records for Ayrshire from an old Recorder 2002 database, which we are gradually re-importing into our modern database "Recorder 6". The project has also recruited a volunteer to assist with digitising paper records lurking in the vaults of the Scottish Wildlife Trust. It is an exciting time for the Where's Wildlife in Ayrshire project, and we are well on target to hit our aim of mobilising 100,000 records!

##### Community Broadband

Rural Community Superfast Broadband (or the lack of it) continues to be a major concern. Throughout the year we have been working with a number of communities, under the guidance of Community Broadband Scotland, to try to develop a project that will get future-proof, fast broadband services to communities that are too far away to be of interest to the private sector (the cost of delivering a service will never be covered by the few users that will benefit). The complexity of the project has been amazing, and the ground continually shifts, but we have made progress, and it looks as if something will actually happen later this year. Frustratingly, there has been no funding available to cover the huge amount of development work that has been done by a small group of volunteers, ably led by Callum Hay. SUP has been able to offer support and we have fronted a number of fund applications which will hopefully allow the next phases to be carried out by paid staff. We are very grateful to Scottish Borders Council which has provided a community grant to help cover the cost of expertise and consultation work.

## THE SOUTHERN UPLANDS PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2017

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

###### Euro Rural

The idea of giving holiday makers an experience of rural life has been developed by seven countries under the banner of Eurorural. SUP was the Scottish partner in this and we have worked with colleagues in France, Spain, Greece, Italy, Bulgaria and Croatia to develop local packages. With the National Trust for Scotland and Galloway Holidays, we developed a holiday centred on Castle Douglas and this has now been promoted at trade events in France and Spain. Participants will get to undertake conservation activities at Threave, work with a local artist, try out cheese making, visit a brewery and go on a night safari. Scottish Enterprise and SNH supported the project which also got EU support. We hope it will get some buyers and start a trend for such holidays, which could bring benefits to a wide range of rural businesses and accommodation providers. You can see the results of the work at <https://euroruraltourism.eu/en/> and the Galloway holiday can be seen at <http://gallowayholidays.co.uk/tours/176/euro-rural-tourism>

###### Ride Scotland's Horse Country

Back in 2004, South Scotland Countryside Trails/Tweed Trails was an innovative project that sought to promote equestrian tourism in the Southern Uplands. The project put in place 350kms of off-road trails suitable for people to walk, cycle or ride. Since completion, the trails have been well-used, but primarily by local people. The lack of an ongoing marketing project meant there was no dedicated support for businesses to develop tourism based on the trails. A partnership of Future Hawick, British Horse Society Scotland and the SUP has started to address this issue by developing a business development project that will seek LEADER and Scottish Enterprise funding.

##### Commissioned Work

###### SW Scotland Coastal Path

SUP continues to work in partnership to realise shared ambitions for a SW Scotland coastal trail in Dumfries and Galloway. That partnership working has resulted in D&G Council Access officer Bryan Scott securing funding to implement the results of the survey and negotiation work led by SUP on the Rhins a couple of years ago. The project is for £1m of route creation, interpretation and development of associated businesses infrastructure to support the new long distance path. It is hoped that work will commence in the autumn of 2017.

###### Dumfriesshire East Community Benefit Company

We are also now working with the Dumfriesshire East Community Benefit Company, setting them up as a SCIO and developing a rationale for applicants to their community benefit fund with an eye to supporting more strategic uses that will generate long term benefits for the community.

###### Other Project Input

SUP has also been able to assist a number of local groups as they develop project ideas. We helped the South Scotland Golden Eagle project with a public consultation exercise. We have scoped out project feasibility ideas for the Cree Valley Community Woodland Trust to take over their local youth hostel and we worked with the Galloway Fisheries Trust to explore a number of different project development ideas and potential funders that might support them.

###### National Parks in Southern Scotland?

There is growing interest and support for the idea of national parks in South Scotland. A Borders group is arguing for a park to be established on the Scottish side of the Cheviot Hills extending perhaps as far as Langholm. In Galloway, there is a campaign for a Park centred on the same area as the Biosphere. SUP has contributed to both debates. We have also continued to lobby for more to be made of existing designations such as the National Scenic Areas and the more recent Wild Land Areas. If we don't tell the world we have areas of wildness and of scenic beauty, it is of little surprise that most people concentrate on those areas of Scotland where these characteristics are heavily promoted.



# THE SOUTHERN UPLANDS PARTNERSHIP

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2017

### ACHIEVEMENT AND PERFORMANCE

#### Charitable activities

##### Land Use Strategy

Brexit is likely to have as big an impact on the land and the way it is used as Foot and Mouth had back in 2001. The ending of the CAP and the subsidy regime it has delivered will be a major shock because there will almost certainly be significantly less funding. At the same time, the pressure to increase woodland cover is stronger than ever, and there is a danger that declining marginal farms will be snapped-up by forestry companies. There is nothing wrong with the ambition to increase tree cover, but it needs to be the right kind of tree in the right place. The Land Use Strategy that was piloted in the Borders offers a potential way of helping to guide land-use decisions to maximise environmental and public benefits and we would very much like to see this approach developed further and extended across the Southern Uplands.

The above work is only possible because of the support we receive from our members, Patrons and partners. We thank them all warmly for their support and look forward to their continued involvement.

#### Investment policy and performance

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

### FINANCIAL REVIEW

#### 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.

#### 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.

During the past year net incoming resources amounted to £304 (2016, £14,154). Closing unrestricted funds amounted to £82,130 (2016, £82,256).

##### Restricted Funds.

The funding for all projects is fully guaranteed before they start. However, much of this funding can only be claimed retrospectively. Closing restricted amounted to £260,551 (2016, £257,958).

## THE SOUTHERN UPLANDS PARTNERSHIP

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2017

#### **FUTURE PLANS**

The Biosphere project will continue to grow and prosper as the new funding package and management structures get established.

The development of DGERC (now SWSEIC) will continue as it becomes more established in Ayrshire and starts to explore the development of additional services.

On the access front, we hope that "Ride Scotland's Horse Country" will get financial backing to allow us to work with a range of rural businesses to develop equestrian tourism in the Borders. We also expect there to be progress made with the development of the SW Scotland Coastal Trail.

We should find out whether the Galloway Glens Landscape Partnership project has received funding, in which case we will be starting to work with a range of partners on local rural tourism partnerships.

The year ahead should see the Borders Community Broadband project procure a £1.9M contract to deliver superfast broadband to a large part of the Southern Uplands. The project will then be passed on to a dedicated new organisation which will manage the contract and oversee its delivery.

After the great success of the Wild Film Festival, we are hoping a means will be found to run a second one.

We will continue to support discussions on the potential of new and existing designations (Wild Land, National Scenic Areas and National Parks).

The East Dumfriesshire Community Benefit Fund will be operating with our support.

We are also hoping that the new Tweed Landscape Partnership project gets backing as we have a cultural heritage project included within it.

We will not be short of things to do.

#### **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 9. 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 2016, October 2016 and March 2017.
- During the year the Working Group met approximately every 6 weeks.
- The website has been maintained and a contract agreed to upgrade it.
- 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 15th AGM.

##### **Related parties**

A S Crichton (Trustee) received rent from The Southern Uplands Partnership amounting to £3,780 for costs relating to the DGERC project. These premises are owned by A S Crichton. (2016, £3,780).

**THE SOUTHERN UPLANDS PARTNERSHIP**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2017**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC200827 (Scotland)

**Registered Charity number**

SC029475

**Registered office**

Studio 2  
Lindean Mill  
Galashiels  
TD1 3PE

**Trustees**

M W Fraser	- resigned 5.7.16
A B Fraser	- resigned 5.7.16
J A Thomson	
J P Thomas	
L A Fitzpatrick	
A S Crichton	
A J McNab	
C A Strang	
A Geddes	- resigned 4.5.17
J G Mitchell	- resigned 4.5.17
F J Watson	
Dr E A Brooks	- appointed 5.7.16
S E Beattie-Smith	- appointed 8.3.17

**Company Secretary**

J & H Mitchell, W.S.

**Independent examiner**

Alister 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

**Treasurer**

C A Anderson

**Honorary President**

Mrs B. M. Kelly, CBE

**THE SOUTHERN UPLANDS PARTNERSHIP**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2017**

**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.

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

Approved by order of the board of trustees on 28th June 2017 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J.A. Thomson', written in a cursive style.

J A Thomson - Trustee

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

I report on the accounts for the year ended 31st March 2017 set out on pages twelve to twenty three.

**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*

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

Date: 10th July 2017

THE SOUTHERN UPLANDS PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	10,073	10,000	20,073	13,084
<b>Charitable activities</b>	5				
Projects		43,821	279,823	323,644	348,564
Other trading activities	3	22,184	-	22,184	27,775
Investment income	4	<u>3,758</u>	<u>206</u>	<u>3,964</u>	<u>3,904</u>
<b>Total</b>		79,836	290,029	369,865	393,327
<b>EXPENDITURE ON</b>					
<b>Raising funds</b>					
Other trading activities	6	<u>14,572</u>	<u>-</u>	<u>14,572</u>	<u>6,000</u>
		14,572	-	14,572	6,000
<b>Charitable activities</b>	7				
Projects		<u>64,960</u>	<u>287,866</u>	<u>352,826</u>	<u>299,605</u>
<b>Total</b>		<u>79,532</u>	<u>287,866</u>	<u>367,398</u>	<u>305,605</u>
<b>NET INCOME</b>		304	2,163	2,467	87,722
<b>Transfers between funds</b>	19	<u>(430)</u>	<u>430</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(126)	2,593	2,467	87,722
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>82,256</u>	<u>257,958</u>	<u>340,214</u>	<u>252,492</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>82,130</u></u>	<u><u>260,551</u></u>	<u><u>342,681</u></u>	<u><u>340,214</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**THE SOUTHERN UPLANDS PARTNERSHIP**

**BALANCE SHEET  
AT 31ST MARCH 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	14	128	172
<b>CURRENT ASSETS</b>			
Debtors	15	159,138	98,424
Cash at bank		<u>206,294</u>	<u>250,043</u>
		365,432	348,467
<b>CREDITORS</b>			
Amounts falling due within one year	16	(22,879)	(8,425)
		<u>342,553</u>	<u>340,042</u>
<b>NET CURRENT ASSETS</b>			
		342,681	340,214
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>342,681</u>	<u>340,214</u>
<b>NET ASSETS</b>		<u>342,681</u>	<u>340,214</u>
<b>FUNDS</b>	18		
Unrestricted funds		82,130	82,256
Restricted funds		<u>260,551</u>	<u>257,958</u>
<b>TOTAL FUNDS</b>		<u>342,681</u>	<u>340,214</u>

The notes form part of these financial statements

**THE SOUTHERN UPLANDS PARTNERSHIP**

**BALANCE SHEET - CONTINUED  
AT 31ST MARCH 2017**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2017 in accordance with Section 476 of the Companies Act 2006.

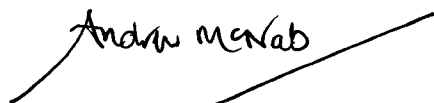
The trustees acknowledge their responsibilities for

- (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.

The financial statements were approved by the Board of Trustees on 28th June 2017 and were signed on its behalf by:



J A Thomson -Trustee



A J McNab -Trustee

The notes form part of these financial statements



# THE SOUTHERN UPLANDS PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity adopted SORP (FRS 102) in the current year. No transitional adjustments were deemed necessary.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' or 'revenue' grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest receivable on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

#### **Allocation and apportionment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. The charity identify the costs which relate to its support functions and then identify those which relate to the governance function. Having identified its governance costs, the remaining support costs together with governance are apportioned to the key charitable activities undertaken in the year.

## THE SOUTHERN UPLANDS PARTNERSHIP

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31ST MARCH 2017

#### 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.

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.

##### **Donated goods**

Donated professional services and donated facilities are recognised as income when the charity has control over them, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised. More information on volunteers contribution to the charity is detailed in the Report of the Trustees.

##### **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.

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017**

**2. DONATIONS AND LEGACIES**

	2017	2016
	£	£
Donations	20,026	10,538
Gift aid	<u>47</u>	<u>2,546</u>
	<u>20,073</u>	<u>13,084</u>

**3. OTHER TRADING ACTIVITIES**

	2017	2016
	£	£
Memberships	3,273	3,305
Consultancy fees	<u>18,911</u>	<u>24,470</u>
	<u>22,184</u>	<u>27,775</u>

**4. INVESTMENT INCOME**

	2017	2016
	£	£
Rents received	3,738	3,672
Deposit account interest	<u>226</u>	<u>232</u>
	<u>3,964</u>	<u>3,904</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

		2017	2016
	<b>Activity</b>	£	£
Sundry income	Projects	7,435	9,097
Grants	Projects	<u>316,209</u>	<u>339,467</u>
		<u>323,644</u>	<u>348,564</u>

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

	2017	2016
	£	£
Core Grants	42,000	37,110
Project Grants	<u>274,209</u>	<u>302,357</u>
	<u>316,209</u>	<u>339,467</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017**

**6. OTHER TRADING ACTIVITIES**

	2017	2016
	£	£
Staff costs	5,250	5,250
Overheads	2,102	750
Subcontracting	<u>7,220</u>	<u>-</u>
	<u>14,572</u>	<u>6,000</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs	Totals
	(See note 8)	(See note 9)	
	£	£	£
Projects	<u>331,349</u>	<u>21,477</u>	<u>352,826</u>

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2017	2016
	£	£
Staff costs	175,148	164,212
Project costs	150,074	100,880
Insurance	656	648
Rent	<u>5,471</u>	<u>4,809</u>
	<u>331,349</u>	<u>270,549</u>

**9. SUPPORT COSTS**

	Management	Governance costs	Totals
	£	£	£
Projects	<u>17,157</u>	<u>4,320</u>	<u>21,477</u>

Support costs, included in the above, are as follows:

	2017	2016
	Projects	Total activities
	£	£
Travel	3,906	3,604
Insurance	656	648
Rent	7,679	7,696
Telephone	759	1,016
Printing and stationery	517	718
Admin support	484	8,551
Other admin costs	<u>2,393</u>	<u>1,966</u>
Carried forward	16,394	24,199

THE SOUTHERN UPLANDS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017

9. SUPPORT COSTS – continued

	2017	2016
	Projects	Total activities
	£	£
Brought forward	16,394	24,199
Payroll fees	720	720
Depreciation of tangible and heritage assets	43	57
Wages	2,400	2,400
Accountancy	<u>1,920</u>	<u>1,680</u>
	<u>21,477</u>	<u>29,056</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation - owned assets	44	58
Pension costs	<u>12,717</u>	<u>10,610</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2017 nor for the year ended 31st March 2016.

**Trustees' expenses**

Expenses were paid to J A Thomson (Trustee) amounting to £83 for reimbursement of travel costs relating to Clyde Habitat Forum.

THE SOUTHERN UPLANDS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017

12. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	159,247	149,488
Social security costs	10,834	11,764
Other pension costs	<u>12,717</u>	<u>10,610</u>
	<u>182,798</u>	<u>171,862</u>

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

	2017	2016
Management and administration	3	1
Project staff	<u>5</u>	<u>5</u>
	<u>8</u>	<u>6</u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charitable company comprise the directors, project manager, project officer and senior administrator. None of the directors were remunerated for their duties as directors during the year. The total employee benefits of the key management personnel of the charitable company during the year were £89,813.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Total funds
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	12,968	116	13,084
<b>Charitable activities</b>			
Projects	38,633	309,931	348,564
Other trading activities	27,775	-	27,775
Investment income	<u>3,672</u>	<u>232</u>	<u>3,904</u>
<b>Total</b>	83,048	310,279	393,327
<b>EXPENDITURE ON</b>			
Raising funds	6,000	-	6,000
<b>Charitable activities</b>			
Projects	99,106	200,499	299,605
Management charges	<u>(36,212)</u>	<u>36,212</u>	<u>-</u>
<b>Total</b>	68,894	236,711	305,605

**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017**

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – continued**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>NET INCOME</b>	14,154	73,568	87,722
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	68,102	184,390	252,492
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>82,256</u>	<u>257,958</u>	<u>340,214</u>

**14. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1st April 2016 and 31st March 2017	<u>10,262</u>	<u>658</u>	<u>10,920</u>
<b>DEPRECIATION</b>			
At 1st April 2016	10,090	658	10,748
Charge for year	<u>44</u>	<u>-</u>	<u>44</u>
At 31st March 2017	<u>10,134</u>	<u>658</u>	<u>10,792</u>
<b>NET BOOK VALUE</b>			
At 31st March 2017	<u>128</u>	<u>-</u>	<u>128</u>
At 31st March 2016	<u>172</u>	<u>-</u>	<u>172</u>

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

	2017 £	2016 £
Trade debtors	159,097	95,878
Other debtors	<u>41</u>	<u>2,546</u>
	<u>159,138</u>	<u>98,424</u>

THE SOUTHERN UPLANDS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Other creditors and accruals	<u>22,879</u>	<u>8,425</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	Total funds	2017	2016
	£	£	£	£	£
Fixed assets	128	-	128	128	172
Current assets	86,750	278,682	365,432	365,432	348,467
Current liabilities	<u>(4,748)</u>	<u>(18,131)</u>	<u>(22,879)</u>	<u>(22,879)</u>	<u>(8,425)</u>
	<u>82,130</u>	<u>260,551</u>	<u>342,681</u>	<u>342,681</u>	<u>340,214</u>

18. MOVEMENT IN FUNDS

	At 1.4.16	Incoming Resources	Resources Expended	Transfers	At 31.3.17
	£	£	£	£	£
<b>Unrestricted Funds</b>					
SUP Core Funding	<u>82,256</u>	<u>79,836</u>	<u>(79,532)</u>	<u>(430)</u>	<u>82,130</u>
<b>Restricted Funds</b>					
Red Squirrels in South Scotland	6,238	254	(254)	-	6,238
D & G Environmental Projects	-	10,000	-	-	10,000
Black Grouse Project	6,640	-	(1,110)	-	5,530
SHAPE	-	54,500	-	-	54,500
DGERC	7,317	34,620	(39,399)	-	2,538
Where's Wildlife in Ayrshire	-	47,929	(28,728)	-	19,201
Renewable Energy Mapping Opportunities	2,375	8,875	(11,250)	-	-
Ettrick School Project	-	-	(2,321)	-	(2,321)
Biosphere Special Projects	9,757	-	-	(2,500)	7,257
Biosphere Development	165,933	17,456	(121,326)	2,500	64,563
Biosphere Events	56,251	50,100	(17,417)	-	88,934
Wild Film Festival	-	57,882	(53,771)	-	4,111
EuroRural Tourism	<u>3,447</u>	<u>8,413</u>	<u>(12,290)</u>	<u>430</u>	<u>-</u>
	<u>257,958</u>	<u>290,029</u>	<u>(287,866)</u>	<u>430</u>	<u>260,551</u>
Total Funds	<u>340,214</u>	<u>369,865</u>	<u>(367,398)</u>	<u>-</u>	<u>342,681</u>



**THE SOUTHERN UPLANDS PARTNERSHIP**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2017**

**18. MOVEMENT IN FUNDS – continued**

Unrestricted Funds - Funds held for the general core part of the charity which do not hold any restrictions.

Restricted Funds - Relates to all current projects being managed by The Southern Uplands Partnership which are all shown separately due to donor restrictions and monitoring of the progress of each individual project.

Transfer of Funds - represents the continuance of similar projects.

**19. OTHER FINANCIAL COMMITMENTS**

The charitable company has future operating lease commitments of £6,272 relating to the lease at Lindean Mill.

**20. RELATED PARTY DISCLOSURES**

A S Crichton (Trustee) received rent from The Southern Uplands Partnership amounting to £3,780 for costs relating to the DGERC project. These premises are owned by A S Crichton. (2016, £3,780).