
THE SOUTHERN UPLANDS PARTNERSHIP

(A company limited by guarantee)

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

THE SOUTHERN UPLANDS PARTNERSHIP
(A company limited by guarantee)

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THE SOUTHERN UPLANDS PARTNERSHIP
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2010**

Directors

C A Anderson
V Davidson
E Logan (resigned 24/6/2009)
Dr J Mitchell
Sir Michael Strang Steel CBE
S Thorp
E Telford-Jammeh
C Ballance
Dr P A Leigh (resigned 24/6/2009)
M Gordon (appointed 24/6/2009)
W Renwick (appointed 24/6/2009)

Company registered number

SC200827

Charity registered number

SC029475

Registered office

Studio 2
Lindean Mill
Galashiels
TD1 3PE

Company secretary

J & H Mitchell, W.S.

Honorary President

Mrs B. M. Kelly, CBE

Accountants

Deans Accountants and Business Advisors Limited
Chartered Accountant
1 Melgund Place
Hawick
TD9 9HY

Bankers

Bank of Scotland
3 Channel Street
Galashiels
TD1 3BE

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2010**

Advisers (continued)

Solicitors

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

THE SOUTHERN UPLANDS PARTNERSHIP
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CONVENOR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010

My time as Convenor of the Southern Uplands Partnership ends in June. Looking back over the last few years, it is pleasing to note some positive changes that have come about and the wide range of projects we have been able to deliver. From the rural business support and community capacity raising work of "Communities on the Edge" to auditing the access routes into the Northumberland National Park; eco-office proposals and support for renewable energy through to nature-based tourism and walking festivals. The importance of the uplands for carbon and for water management are areas of growing significance and black grouse conservation is an ongoing priority. Seeking out local opportunities to add value to what we have and laying the ground work for developing these opportunities is something we do well and I hope this work will continue.

The Scottish Rural Development Programme is now well established and many of us have managed to benefit from this new funding stream. Already the talk is of the next support programme to start in 2013 and how this may be structured. It is safe to say that funds will be tighter and that competition for support will be tougher. Where we can develop real collaboration between rural stakeholders, our chances of success will be greater, and the Partnership can help with this collaborative approach. Indeed that is what our work is all about, bringing all those with an interest in sustainable rural development together to share ideas, seek solutions and deliver actions that will keep people living and working in the Southern Uplands.

I would like to take this opportunity to thank the three Councils and Scottish Natural Heritage who support our work through core funding. I also thank the SUP Board members for the energy and time they put into the Partnership and the support they have given me during my time as Convenor. Thanks are also due to the members, supporters and friends who make up the Southern Uplands Partnership. I would like to express my thanks to Pip Tabor for the work he does to keep the SUP going and to the project staff who dedicate themselves to delivery of our projects. I wish the new Convenor and the Southern Uplands Partnership well in the years ahead.

Name Sir Michael Strang Steel, Bt. CBE.
 Partnership Convenor

Date 28 May 2010

THE SOUTHERN UPLANDS PARTNERSHIP
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

The Directors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Southern Uplands Partnership (the company) for the year ended 31 March 2010. The Directors confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. 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.

b. 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.

c. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Directors of the company during the period are shown on page 1. 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 2009, November 2009 and February 2010.
- 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 8th AGM which was attended by various members.
- Our directors have reviewed the Business Plan and core-funding has been secured from Scottish Borders Council, South Lanarkshire Council and Scottish Natural Heritage.

d. RELATED PARTY RELATIONSHIPS

Some of the directors hold positions with local councils or other funding organisations. During the year Scottish Borders Council provided grants of £50,710 (2009 - £21,000), South Lanarkshire Council £Nil (2009 - £6,000) and Scottish Natural Heritage £63,985 (2009 - £100,510).

e. 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
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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

OBJECTIVES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

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 the 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.

b. 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.

c. VOLUNTEERS

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

ACHIEVEMENTS AND PERFORMANCE

a. REVIEW OF ACTIVITIES

a. Projects underway and in development

Borders Walking Festival The 2009 festival was a success with over 350 participants. The 2010 event is taking bookings and looks set to do even better (see www.borderswalking.com). We hosted a successful get-together for walk festival organisers from across the Southern Uplands and these are now working better together. There are now plans for a follow-up project to promote the region as an outdoor activity destination and further link the range of walks, rides, routes and events.

Nith Nature-Based Tourism cluster. John Sellers is working as part-time development officer for this geographic area, encouraging local businesses to work together and to utilise the local natural heritage – especially the geese – of the Nith Estuary. Learning Journeys are currently being planned to visit similar projects in Cumbria and Finland.

Upland Restoration Thanks to funding from LEADER, SNH and RSPB, Chris Land started work in October and

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

has recently been co-ordinating surveys of all the leks in the central Borders. He has been helped with this work by a band of enthusiastic volunteers, willing to get up before dawn each day. The project is able to offer advice to land owners, managers and agents on how to enhance upland habitats. The SRDP offers a funding mechanism for habitat improvement works and on top of this we have been allocated some funds from a windfarm company to mitigate for the impacts of two local windfarms. Thanks to support from the RSPB, we have additionally been able to employ Neil Macdonald as a temporary black grouse surveyor.

Upland Conference Working with the Heather Trust and the Crichton Carbon Centre, we planned and held a very successful conference on Carbon and the Uplands. Contributors included Prof. Fred Worrell (Durham University), Prof. Rob Marrs (Liverpool University), Clifton Bain from the UNESCO Peatlands programme and Dr Tony Waterhouse from SAC. This event is now being written up and will be published in due course. A follow-up event is proposed for March next year.

Renewable Energy Fair

We have been awarded £15k from Community Energy Scotland to run a renewable energy fair in Galashiels on 21st and 22nd May and we have recruited Roger Hemming to manage and run this for us. He started work in February and will work on part-time basis through to June.

Lochar Mosses

SNH and FCS are looking at the feasibility of removing trees from a number of raised mires in the Nith Estuary. If this is done, it would create one of the largest raised-mire complexes in Europe, a new local attraction and a potentially significant carbon-sink for Dumfries & Galloway. We have been asked to manage the first phase of this work and have contracted Vyv Wood-Gee to do the consultation work.

Squirrels

Stephanie Meyer-Gleaves went on maternity leave during the year and Alison Graham joined to hold the fort. Alison has now moved on to join RSPB. The main priority has been the co-ordinated control of disease-carrying grey squirrels and the project has successfully got over 40 land managers into the SRDP scheme to carry out such control. Efforts are being made to raise funds to extend this project beyond August this year.

Biosphere.

The Biosphere Steering Group has now approved a plan to progress the initiative in the light of the renewed Government support for the designation. The SUP was asked to assist with the identification of local biosphere champions in D&G and to help develop local support ahead of a meeting with the Environment Minister later this summer. Several very successful public meetings have been held. Additional work may be forthcoming as we move towards completing the necessary UNESCO application form.

Eco-Office project

Thanks to support from SRDP and the Scottish Government Third Sector Fund, a feasibility study and outline design work for a potential site in Canonbie was completed in March but this site is now considered inappropriate. We are now waiting for confirmation from Partners that they are interested in jointly exploring possible sites in Langholm.

Partnership development

Flora McDowall left the Partnership in December after seven years with us and she has left a big hole. We are very pleased that Steven Lindsay is taking on the Project Officer role, bringing a wide range of experience and some new ideas.

We are delighted that SUP has been awarded £10,375 from the D&GC Third Sector towards core funding on a one-year basis for 2010/11. Service Level Agreements are in place with the other two Councils linked to their Single Outcome Agreements (SOA) and SNH support has been secured for a further year.

Projects completed during the year:

Watson Bird Centre SUP worked with Professor Roger Crofts to investigate for the potential for a centre in the

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

Glenkens on the theme of birds and art at the home of the late Donald Watson. The results of the study are available on the website and as a result of the work a new trust is being established to take forward the proposals.

Land Art – Plant Much effort was put into a number of funding applications for this exciting project but in the end we were not successful. We believe this is a project idea ahead of its time.

Community Sustainable Energy Facilitators. Another good project idea developed with the Scottish Borders Sustainable Energy Forum and Community Council Network but which did not get funding from the Climate Challenge Fund. The project would have created a number of surveyor posts to audit homes in the Borders and assist with insulation and draft exclusion.

Partner Liaison

SUP continued to contribute to other initiatives such as the Community Planning processes, the Scottish Borders Environment Partnership, local renewable energy groupings, The Scottish Sustainable Development Forum, Tweed Forum and others.

We produced regular e-newsletters sent to over 700 members and maintained the website which continues to get good attention. We gave a number of talks to community groups relating to our general work and also to the Biosphere.

Plans for the future.

A number of projects will continue to run through this year and it is likely that a number of others will be developed during the year. We hope to move towards being involved with fewer bigger projects but we will continue to support all worthwhile projects providing they meet our overall aims.

b. INVESTMENT POLICY AND PERFORMANCE

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

c. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

Core or project development funding remains a major issue for us. A number of meetings have been held with representatives of Dumfries & Galloway 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.

SUP has been extremely fortunate in attracting a significant donation from a supporter, for which we are very grateful.

FINANCIAL REVIEW

a. 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.

b. PRINCIPAL FUNDING

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.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

PLANS FOR THE FUTURE

a. 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 in future years. Our Shared Office proposal is one approach to this and we are keen to develop others. The Scottish Rural Development Programme is now running and we should be able to access some future project support through this route. The system has proved a considerable challenge for voluntary sector groups so far, but great efforts are being made by the agencies involved to overcome the difficulties.

Radar for up and coming issues/opportunities

Interest in nature based tourism and local food initiatives seem to be increasing and we are looking for partnership opportunities in both these areas.

While the Galloway/Ayrshire Biosphere Reserve re-designation is on hold at present, ideas have grown out of the cross border meetings and again, SUP could be in a good position to assist.

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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors (who are also directors of The Southern Uplands Partnership for the purposes of company law) are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company and charity law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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 Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Directors on 28 May 2010 and signed on their behalf, by:

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

Sir Michael Strang Steel CBE

THE SOUTHERN UPLANDS PARTNERSHIP
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

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

I report on the financial statements of the company for the year ended 31 March 2010 which comprise the Statement of Financial Activities and Balance Sheet, with the related notes.

This report is made solely to the company's Directors, as a body, in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the company's Directors those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Directors as a body, for my work, for this report, or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND EXAMINER

The Directors are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The Directors 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 financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with Regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Directors 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 Accounts Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Accounts Regulationshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:

Dated: 28 May 2010

David Campbell Chartered Accountant

DEANS ACCOUNTANTS AND BUSINESS ADVISORS LIMITED

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

Chartered Accountant

1 Melgund Place
Hawick
TD9 9HY

THE SOUTHERN UPLANDS PARTNERSHIP
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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2010

	Note	Restricted funds 2010	Unrestricted funds 2010	Total funds 2010	Total funds 2009
		£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	211,318	10,455	221,773	314,615
Activities for generating funds	3,4	8,245	950	9,195	2,005
Investment income	5	4,211	212	4,423	8,012
TOTAL INCOMING RESOURCES		223,774	11,617	235,391	324,632
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	6	4,736	-	4,736	4,697
Charitable activities	11	240,637	-	240,637	336,633
Governance costs	8	1,984	6,641	8,625	8,098
TOTAL RESOURCES EXPENDED	10	247,357	6,641	253,998	349,428
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
		(23,583)	4,976	(18,607)	(24,796)
Transfers between Funds	17	18,430	(18,430)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(5,153)	(13,454)	(18,607)	(24,796)
<i>Total funds at 1 April 2009</i>		<i>53,266</i>	<i>149,084</i>	<i>202,350</i>	<i>227,146</i>
TOTAL FUNDS AT 31 MARCH 2010		48,113	135,630	183,743	202,350

The notes on pages 14 to 24 form part of these financial statements.

THE SOUTHERN UPLANDS PARTNERSHIP

(A company limited by guarantee)

REGISTERED NUMBER: SC200827

**BALANCE SHEET
AS AT 31 MARCH 2010**

	Note	£	2010 £	2009 £
FIXED ASSETS				
Tangible fixed assets	14		969	1,292
CURRENT ASSETS				
Debtors	15	8,236	-	
Cash at bank		176,038	206,311	
		184,274	206,311	
CREDITORS: amounts falling due within one year	16	(1,500)	(5,253)	
NET CURRENT ASSETS		182,774		201,058
TOTAL ASSETS LESS CURRENT LIABILITIES		183,743		202,350
CHARITY FUNDS				
Restricted funds	17	48,113	53,266	
Unrestricted funds	17	135,630	149,084	
		183,743	202,350	

The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2010 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

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

The financial statements were approved by the Directors on 28 May 2010 and signed on their behalf, by:

C A Anderson

Sir Michael Strang Steel CBE

The notes on pages 14 to 24 form part of these financial statements.

THE SOUTHERN UPLANDS PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. 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.

1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.4 INCOMING RESOURCES

All incoming resources are included in the statement of financial activities when the company 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.

1.5 RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES (continued)

1.6 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	25% reducing balance
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2. VOLUNTARY INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Sales & sundry income	9,008	10,380	19,388	31,200
Grants	202,310	-	202,310	283,315
PAYE filing incentive	-	75	75	100
Voluntary income	<u>211,318</u>	<u>10,455</u>	<u>221,773</u>	<u>314,615</u>

3. FUNDRAISING INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Memberships	-	950	950	2,005

4. TRADING ACTIVITIES

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
CHARITY TRADING INCOME				
Ticket sales - Walking Festival	<u>8,245</u>	<u>-</u>	<u>8,245</u>	<u>-</u>
Net income from trading activities	<u>8,245</u>	<u>-</u>	<u>8,245</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

5. INVESTMENT INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Rent received	4,211	-	4,211	3,651
Investment income	-	212	212	4,361
	4,211	212	4,423	8,012
	=====	=====	=====	=====

6. COSTS OF GENERATING VOLUNTARY INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Travel	145	-	145	145
Postage & stationery	275	-	275	275
Telephone	75	-	75	75
Voluntary income staff costs	4,241	-	4,241	4,202
	4,736	-	4,736	4,697
	=====	=====	=====	=====

7. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Southern Uplands Partnership	74,109	-	74,109	74,047
Communities on the Edge	312	-	312	88,625
Red squirrels in South Scotland	36,821	-	36,821	50,276
Walking Festival	6,800	-	6,800	58,280
Upland Habitat Enhancement	2,194	-	2,194	141
Community Energy Event	2,306	-	2,306	4,481
Watson Bird Centre	10,099	-	10,099	11,110
Footsteps of the Reivers	49,492	-	49,492	18,290
Wind Farm Habitat	13,296	-	13,296	-
Ayrshire red squirrel group	188	-	188	16,199
Eco office research	38,583	-	38,583	184
Nith Estuary	6,437	-	6,437	15,000
	240,637	-	240,637	336,633
	=====	=====	=====	=====

THE SOUTHERN UPLANDS PARTNERSHIP
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

7. EXPENDITURE BY CHARITABLE ACTIVITY (continued)

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2010 £	Other costs 2010 £	Total 2010 £	Total 2009 £
Southern Uplands Partnership	57,834	16,275	74,109	74,047
Communities on the Edge	-	312	312	88,625
Red squirrels in South Scotland	22,393	14,428	36,821	50,276
Grey squirrel control	-	6,800	6,800	58,280
Upland Habitat Enhancement	-	2,194	2,194	141
Community Energy Event	2,055	251	2,306	4,481
Watson Bird Centre	-	10,099	10,099	11,110
Footsteps of the Reivers	-	49,492	49,492	18,290
Biosphere	9,902	3,394	13,296	-
Ayrshire red squirrel group	-	188	188	16,199
Eco office research	-	38,583	38,583	184
Nith Estuary	-	6,437	6,437	15,000
	92,184	148,453	240,637	336,633

8. GOVERNANCE COSTS

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Payroll fees	-	600	600	600
Legal & professional fees	-	4,316	4,316	3,954
Subscriptions & conference fees	1,210	-	1,210	1,397
Printing	774	-	774	681
Accountancy fees	-	1,725	1,725	1,466
	1,984	6,641	8,625	8,098

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

9. DIRECT COSTS

	SUP £	COTE £	RSSS £	Walking Festival £	Renewable Energy Work £
Project costs	-	312	10,132	6,800	2,194
Travel	3,780	-	2,002	-	-
Rent	8,473	-	-	-	-
Insurance	235	-	320	-	-
Subscriptions	-	-	-	-	-
Postage & stationery	1,619	-	399	-	-
Telephone	1,631	-	1,575	-	-
Sundry	214	-	-	-	-
Depreciation	323	-	-	-	-
Wages and salaries	49,030	-	20,340	-	-
National insurance	5,069	-	2,053	-	-
Pension costs	3,735	-	-	-	-
	74,109	312	36,821	6,800	2,194

	Community Energy £	Watson Bird Centre £	Footsteps of the Reivers £	Wind Farm Habitat £	Ayrshire Red Squirre £
Project costs	251	10,099	49,492	3,314	-
Travel	-	-	-	-	188
Rent	-	-	-	-	-
Insurance	-	-	-	80	-
Subscriptions	-	-	-	-	-
Postage & stationery	-	-	-	-	-
Telephone	-	-	-	-	-
Sundry	-	-	-	-	-
Depreciation	-	-	-	-	-
Wages and salaries	1,930	-	-	9,103	-
National insurance	125	-	-	799	-
Pension costs	-	-	-	-	-
	2,306	10,099	49,492	13,296	188

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

9. DIRECT COSTS (continued)

	Eco office £	Nith Estuary £	Total 2010 £	Total 2009 £
Project costs	38,583	6,437	127,614	113,677
Travel	-	-	5,970	23,302
Rent	-	-	8,473	7,311
Insurance	-	-	635	570
Subscriptions	-	-	-	6
Postage & stationery	-	-	2,018	6,108
Telephone	-	-	3,206	2,826
Sundry	-	-	214	30
Depreciation	-	-	323	431
Wages and salaries	-	-	80,403	158,709
National insurance	-	-	8,046	13,562
Pension costs	-	-	3,735	10,101
	38,583	6,437	240,637	336,633

10. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2010 £	Other costs 2010 £	Total 2010 £	Total 2009 £
Costs of generating voluntary income	4,241	495	4,736	4,697
CHARITABLE ACTIVITIES	4,241	495	4,736	4,697
Southern Uplands Partnership	57,834	16,275	74,109	74,047
Communities on the Edge	-	312	312	88,625
Red squirrels in South Scotland	22,393	14,428	36,821	50,276
Walking Festival	-	6,800	6,800	58,280
Upland Habitat Enhancement	-	2,194	2,194	141
Community Energy Event	2,055	251	2,306	4,481
Watson Bird Centre	-	10,099	10,099	11,110
Footsteps of the Reivers	-	49,492	49,492	18,290
Biodiversity on the Edge	9,902	3,394	13,296	-
Ayrshire red squirrel group	-	188	188	16,199
Eco office research	-	38,583	38,583	184
Nith Estuary	-	6,437	6,437	15,000
CHARITABLE ACTIVITIES	92,184	148,453	240,637	336,633
GOVERNANCE	-	8,625	8,625	8,098
	96,425	157,573	253,998	349,428

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2010 £	Support costs 2010 £	Total 2010 £	Total 2009 £
Southern Uplands Partnership	74,109	-	74,109	74,047
Communities on the Edge	312	-	312	88,625
Red squirrels in South Scotland	36,821	-	36,821	50,276
Walking Festival	6,800	-	6,800	58,280
Upland Habitat Enhancement	2,194	-	2,194	141
Community Energy Event	2,306	-	2,306	4,481
Watson Bird Centre	10,099	-	10,099	11,110
Footsteps of the Reivers	49,492	-	49,492	18,290
Biodiversity on the Edge	13,296	-	13,296	-
Ayrshire red squirrel group	188	-	188	16,199
Eco office research	38,583	-	38,583	184
Nith Estuary	6,437	-	6,437	15,000
Total	240,637	-	240,637	336,633

12. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2010 £	2009 £
Depreciation of tangible fixed assets:		
- owned by the charity	323	431
Pension costs	4,021	10,384

During the year, no Directors received any remuneration (2009 - £NIL).

During the year, no Directors received any benefits in kind (2009 - £NIL).

During the year, no Directors received any reimbursement of expenses (2009 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

13. STAFF COSTS

Staff costs were as follows:

	2010 £	2009 £
Wages and salaries	83,974	162,245
Social security costs	8,430	13,945
Other pension costs	4,021	10,384
	96,425	186,574

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

	2010 No.	2009 No.
Management	1	1
Project Staff	5	10
	6	11

No employee received remuneration amounting to more than £60,000 in either year.

14. TANGIBLE FIXED ASSETS

	Furniture, fittings and equipment £
COST	
At 1 April 2009 and 31 March 2010	10,262
DEPRECIATION	
At 1 April 2009	8,970
Charge for the year	323
At 31 March 2010	9,293
NET BOOK VALUE	
At 31 March 2010	969
At 31 March 2009	1,292

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

15. DEBTORS

	2010 £	2009 £
Trade debtors	8,236	-

16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Trade creditors	-	381
Social security and other taxes	-	3,066
Other creditors	-	306
Accruals and deferred income	1,500	1,500
	<hr/> 1,500	<hr/> 5,253

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
UNRESTRICTED FUNDS					
SUP core funding	149,084	11,617	(6,641)	(18,430)	135,630
RESTRICTED FUNDS					
Southern Uplands Partnership	-	33,211	(80,669)	47,458	-
Communities on the Edge	(9,969)	11,920	(312)	(1,639)	-
Red squirrels in South Scotland	33,891	37,908	(36,971)	(9,300)	25,528
Windfarm Habitat Fund	30,984	18,702	(13,296)	(3,631)	32,759
Community Energy Event	-	2,851	(2,316)	(535)	-
Renewable Energy Work					
Experience	-	3,076	(2,194)	(882)	-
Nith estuary	-	10,259	(6,437)	(2,000)	1,822
Ayrshire red squirrel	(2,316)	2,475	(188)	29	-
Eco office research	(34)	23,700	(38,583)	(2,000)	(16,917)
Footsteps of Reivers	710	48,405	(49,492)	(5,600)	(5,977)
Walking Festival	-	10,330	(6,800)	(970)	2,560
Watson Bird Centre	-	6,437	(10,099)	(2,000)	(5,662)
Lochar Mosses	-	10,000	-	(500)	9,500
Uplands Conference	-	4,500	-	-	4,500
	53,266	223,774	(247,357)	18,430	48,113
Total of funds	202,350	235,391	(253,998)	-	183,743

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
General funds	149,084	11,617	(6,641)	(18,430)	135,630
Restricted funds	53,266	223,774	(247,357)	18,430	48,113
	202,350	235,391	(253,998)	-	183,743

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Tangible fixed assets	-	969	969	1,292
Current assets	48,113	136,161	184,274	206,311
Creditors due within one year	-	(1,500)	(1,500)	(5,253)
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	48,113	135,630	183,743	202,350
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

19. 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 £4,021 (2009 - £10,384). Contributions totalling £Nil (2009 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

20. OPERATING LEASE COMMITMENTS

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2010 £	2009 £
EXPIRY DATE:		
Between 2 and 5 years	8,473	6,893
	<hr/> <hr/>	<hr/> <hr/>

21. RELATED PARTY TRANSACTIONS

Some of the directors hold positions with local councils or other funding organisations. During the year Scottish Borders Council provided grants of £50,710 (2009 - £21,000), South Lanarkshire Council £Nil (2009 - £6,000) and Scottish Natural Heritage £63,985 (2009 - £100,510).

22. CONTROLLING PARTY

The company is under the control of its members.