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**THE SOUTHERN UPLANDS PARTNERSHIP**  
(A company limited by guarantee)

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**UNAUDITED**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2009**

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
**(A company limited by guarantee)**

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2009**

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**Directors**

C A Anderson  
V Davidson  
E Logan  
Dr J Mitchell  
Sir Michael Strang Steel CBE  
S Thorp  
E Telford-Jammeh  
C Ballance  
Dr P A Leigh (appointed 21/7/2008)

**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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**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 2009**

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**Advisers (continued)**

**Solicitors**

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

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**CONVENOR'S STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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As the Project Managers report details, the Partnership has delivered a wide range of projects in Dumfries & Galloway, South Lanarkshire and Scottish Borders in 2008/9.

The ongoing global difficulties have not made life easy for anyone over the last year. Organisations such as SUP really have to make their case for continued support. Funders too are making tough decisions and we are extremely appreciative of the ongoing support from SNH, South Lanarkshire Council and Scottish Borders Council. SUP is the only organisation working right across the rural south and there has never been a time when we need to pull together more to attract attention, funding and tourism.

There are developments in our favour. Cross border working is now being encouraged at Scottish Government level. The Scottish Rural Development Programme is up and running. We are advised that what is wanted are 'fewer but larger' projects and SUP is an organisation with the experience and structure to deliver these.

Food, energy, transport, housing, jobs and demographics remain key areas for the south and for us. There are a number of exciting projects in development and, funding permitting, we look forward to keeping you updated on progress with these through our e-newsletters and website over the coming months.

I would like to take this opportunity to thank our Board for the energy and time they put into the Partnership, in particular Eileen Logan, who will be stepping down at the AGM later this year. Thanks are also due to the staff and you, the members, supporters and friends who make up the Southern Uplands Partnership. We look forward to an exciting and productive year.

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

Date 22 May 2009

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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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 2009. 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 July, November and March.
- During the year the Working Group met approximately six weekly.
- The website ([www.sup.org.uk](http://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 £21,000 (2008 - £21,673), South Lanarkshire Council £6,000 (2008 - £10,616) and Scottish Natural Heritage £100,510 (2008 - £141,771).

**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.

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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**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 SUP has been involved in consultations and enquiries from local authority Single Outcome Agreements to the Royal Society of Edinburgh Inquiry into the Future of Scotland's Hill and Island Areas, Post Office closures and the debate on the leasing of Forestry Commission land.

**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

Homecoming 2009 – Borders Walking Festival.

Objective – to grow the Borders Walking Festivals into bigger and more self-sustaining event over two years. A project coordinator has been appointed to work on the marketing and website for Borders Walking Festivals, a walking committee has been established for Jedburgh and Hawick, a Borders Walking website is now live ([www.borderswalking.com](http://www.borderswalking.com)) and a brochure will be available. It is hoped that links will be formed to other walking festivals over the course of the project.

Nature based tourism study

Objective – to evaluate the Nith Estuary area as a potential nature based tourism cluster and to develop a development plan. This study, funded by SNH, has now been completed and is the basis for a Leader funding bid for a part time facilitator. An application will go to Leader for consideration in June 2009.

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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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**Community Sustainable Energy Facilitators**

Objective – to secure a number of surveyor posts to undertake energy audits of homes, initially in the Borders but potentially more widely, and assist with insulation and draft exclusion. A great deal of effort has gone into consultation with interest groups across the south of Scotland to consider needs and unmet demand over the last year. This has resulted in applications to the Climate Challenge Fund application made with Scottish Borders Sustainable Energy Forum and the Community Council Network coordinated by Berwickshire Community Council Environment Forum.

**Cittaslow**

Objective – to deliver the first Slow Food 'Cittaslow' town in the Southern Uplands.

Work is underway to develop links with Cittaslow UK and to find funding to facilitate the qualification of a town as part of this international movement.

**Upland Restoration**

Work continues to find funding for a large scale upland restoration project that could extend black grouse conservation, increase the area of native woodland, improve wetlands and enhance peatland for carbon sequestration. Projects of this scale are slow to develop, requiring several partners and a number of funding streams, but we continue to work towards delivering this goal.

**Shared office project**

Objective – to build a 40-60 desk office unit for third sector, small business and commercial interests which will meet a need for quality office space and act as a demonstration site for low carbon building and energy saving. The building would also generate an income for SUP, helping us to become less grant reliant. A site with great potential near Canonbie has been identified by Buccleuch Estates and we are seeking the balance of the funding required to undertake site specific feasibility and design work.

**Land Art/PLANT**

Objective – to work with communities along the Southern Upland Way corridor to develop environmental art in collaboration with national and international artists. This is an exciting, large scale project, with potential to deliver benefits for local communities along the Way both through participation and as a result of increased visitors. Funding applications are pending.

**b. Projects completed during 2008/9**

**Communities on the Edge (COTE)**

Objective – to work with three communities and three estates to identify and encourage the development of new rural enterprises – completed December 2008. COTE has been one of SUPs larger projects, with a dedicated team of animators led by John Gold. Working in three communities (Langholm, Douglas and Yetholm) and three rural estate businesses (Buccleuch, Douglas & Angus and Roxburghe Estates respectively) the project received many plaudits for finding new ways of engaging with people and encouraging them to develop and deliver their own ideas. The project was rounded off in November with a well attended conference for landowners at Floors Castle. The conference report and an Animators Handbook developed during the project are available on the SUP website. Most importantly, the project left a legacy of action in communities including the successful Langholm Producers Market.

**Farm Diversification**

Objectives: to work with farming families within or close to National Scenic Areas with the aim of encouraging them to diversify into non-agricultural businesses based on high quality landscape and natural heritage – Completed April 2008. This project worked with four farm businesses to help them develop their business plans with links to the local natural heritage. All four participating businesses completed the project with development plans. A toolkit was developed and is published on the SUP website.

**Red Squirrel Conservation**

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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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Objective: to maintain red squirrel refuge woodlands where viable populations of reds can persist in the Borders and Dumfries & Galloway by employing an officer who is working with foresters, agencies and the public. Additional officers were employed to control grey squirrels and an officer was employed by SUP on behalf of the Ayrshire Red Squirrel Group. All these elements were completed by March 2009. Following on from SUP's long running project a new, pan-Scottish strategy was put in place under the Scottish Wildlife Trust. SUP continues to employ Stephanie Johnstone as a Red Squirrel Conservation Officer. Based in Dalbeattie Stephanie works with the SWT team to deliver the action plan in south Scotland.

**Partner liaison**

Service level agreements are in place with Scottish Borders Council and South Lanarkshire Council. During the year we met with senior staff in SNH to review the work of the partnership and the terms of their grant.

**Input to other initiatives**

SUP core staff continue to contribute toward a number of initiatives including the Working Countryside Theme Team of the Borders Community Plan, the Scottish Sustainable Development Forum, the South Lanarkshire Rural Partnership, the Stewartry Rural Partnership, the Nithsdale Rural Partnership, the Scottish Borders Sustainable Energy Forum, Tweed Forum, and the Scottish Borders Environment Partnership. We have been active participants in the development of the Local Authority Single Outcome Agreements, Dumfries & Galloway Third Sector Compact and development of the Stewartry Third Sector Forum.

**Lobbying activities**

**Newsletter and website development**

Three e-newsletters were produced during the year sent to over 700 members and subscribers. The Website has been regularly updated and Directors profiles have been added to the About Us page. Project updates have also been included. The site was refreshed to give it a new look in March. Our site – [www.sup.org.uk](http://www.sup.org.uk) - has served 100,375 sessions (people visiting more than one page) over the last year, and received 543,120 hits.

**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**

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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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.

**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.

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
**(A company limited by guarantee)**

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**DIRECTORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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**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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The 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 1985, 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.

This report was approved by the Directors on 22 May 2009 and signed on their behalf, by:

**Sir Michael Strang Steel CBE**

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
**(A company limited by guarantee)**

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**INDEPENDENT EXAMINERS REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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**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 2009 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 Section 235 of the Companies Act 1985 and to the charitable company's Directors, as a body in accordance with Regulation 10 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 no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**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: 22 May 2009

David Campbell Chartered Accountant

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**INDEPENDENT EXAMINERS REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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1 Melgund Place  
Hawick  
TD9 9HY

**THE SOUTHERN UPLANDS PARTNERSHIP**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account)  
FOR THE YEAR ENDED 31 MARCH 2009

	Note	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total Funds 2009 £	Total Funds 2008 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	284,515	30,100	314,615	375,718
Activities for generating funds	3	-	2,005	2,005	2,437
Investment income	4	3,651	4,361	8,012	8,883
<b>TOTAL INCOMING RESOURCES</b>		<b>288,166</b>	<b>36,466</b>	<b>324,632</b>	<b>387,038</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Costs of generating voluntary income	5	4,697	-	4,697	3,100
Charitable activities	10	336,633	-	336,633	352,417
Governance costs	7	2,078	6,020	8,098	9,914
<b>TOTAL RESOURCES EXPENDED</b>	9	<b>343,408</b>	<b>6,020</b>	<b>349,428</b>	<b>365,431</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>(55,242)</b>	<b>30,446</b>	<b>(24,796)</b>	<b>21,607</b>
Transfers between Funds	16	7,666	(7,666)	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(47,576)</b>	<b>22,780</b>	<b>(24,796)</b>	<b>21,607</b>
<i>Total funds at 1 April 2008</i>		<i>100,842</i>	<i>126,304</i>	<i>227,146</i>	<i>205,539</i>
<b>TOTAL FUNDS AT 31 MARCH 2009</b>		<b>53,266</b>	<b>149,084</b>	<b>202,350</b>	<b>227,146</b>

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

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**BALANCE SHEET**  
**AS AT 31 MARCH 2009**

	Note	£	2009 £	£	2008 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	13		1,292		1,723
<b>CURRENT ASSETS</b>					
Debtors	14	-		887	
Cash at bank		206,311		233,160	
		<u>206,311</u>		<u>234,047</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	(5,253)		(8,624)	
<b>NET CURRENT ASSETS</b>			<u>201,058</u>		225,423
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>202,350</u>		<u>227,146</u>
<b>CHARITY FUNDS</b>					
Restricted funds	16		53,266		100,842
Unrestricted funds	16		149,084		126,304
			<u>202,350</u>		<u>227,146</u>

The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 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 2009 and of its loss for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Directors on 22 May 2009 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.

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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**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 January 2007). 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 1985.

**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.

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**1. ACCOUNTING POLICIES (continued)**

**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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

**1.6 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

**2. VOLUNTARY INCOME**

	<b>Restricted Funds 2009 £</b>	<b>Unrestricted Funds 2009 £</b>	<b>Total Funds 2009 £</b>	<i>Total Funds 2008 £</i>
Donations	1,200	30,000	31,200	-
Grants	283,315	-	283,315	375,568
PAYE filing incentive	-	100	100	150
	<u>284,515</u>	<u>30,100</u>	<u>314,615</u>	<u>375,718</u>

**3. FUNDRAISING INCOME**

	<b>Restricted Funds 2009 £</b>	<b>Unrestricted Funds 2009 £</b>	<b>Total Funds 2009 £</b>	<i>Total Funds 2008 £</i>
Memberships	-	2,005	2,005	2,437
	<u>-</u>	<u>2,005</u>	<u>2,005</u>	<u>2,437</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**4. INVESTMENT INCOME**

	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total Funds 2009 £	<i>Total Funds 2008 £</i>
Rent received	3,651	-	3,651	1,640
Investment income	-	4,361	4,361	7,243
	<u>3,651</u>	<u>4,361</u>	<u>8,012</u>	<u>8,883</u>

**5. COSTS OF GENERATING VOLUNTARY INCOME**

	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total Funds 2009 £	<i>Total Funds 2008 £</i>
Travel	145	-	145	145
Postage & stationery	275	-	275	236
Telephone	75	-	75	70
Voluntary income staff costs	4,202	-	4,202	2,649
	<u>4,697</u>	<u>-</u>	<u>4,697</u>	<u>3,100</u>

**6. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total Funds 2009 £	<i>Total Funds 2008 £</i>
Southern Uplands Partnership	74,047	-	74,047	67,898
Communities on the Edge	88,625	-	88,625	128,159
Red squirrels in South Scotland	50,276	-	50,276	51,089
Grey squirrel control	58,280	-	58,280	39,064
Biodiversity on the Edge	141	-	141	27,322
Cheviot Access Audit	4,481	-	4,481	488
Farm Diversification	11,110	-	11,110	(9,627)
Footsteps of the Reivers	18,290	-	18,290	-
Biosphere	-	-	-	569
Ayrshire red squirrel group	16,199	-	16,199	25,293
Eco office research	184	-	184	22,162
Nith Estuary	15,000	-	15,000	-
	<u>336,633</u>	<u>-</u>	<u>336,633</u>	<u>352,417</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**6. EXPENDITURE BY CHARITABLE ACTIVITY (continued)**

**SUMMARY BY EXPENDITURE TYPE**

	Staff costs 2009 £	Other costs 2009 £	Total 2009 £	Total 2008 £
Southern Uplands Partnership	59,315	14,732	74,047	67,898
Communities on the Edge	59,793	28,832	88,625	128,159
Red squirrels in South Scotland	21,890	28,386	50,276	51,089
Grey squirrel control	35,186	23,094	58,280	39,064
Biodiversity on the Edge	-	141	141	27,322
Cheviot Access Audit	3,435	1,046	4,481	488
Farm Diversification	-	11,110	11,110	(9,627)
Footsteps of the Reivers	-	18,290	18,290	-
Biosphere	-	-	-	569
Ayrshire red squirrel group	2,753	13,446	16,199	25,293
Eco office research	-	184	184	22,162
Nith Estuary	-	15,000	15,000	-
	<u>182,372</u>	<u>154,261</u>	<u>336,633</u>	<u>352,417</u>

**7. GOVERNANCE COSTS**

	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total Funds 2009 £	Total Funds 2008 £
Payroll fees	-	600	600	629
Legal & professional fees	-	3,954	3,954	2,572
Subscriptions & conference fees	1,397	-	1,397	1,920
Printing	681	-	681	1,527
Accountancy fees	-	1,466	1,466	3,266
	<u>2,078</u>	<u>6,020</u>	<u>8,098</u>	<u>9,914</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**8. DIRECT COSTS**

	SUP £	COTE £	RSSS £	Grey squirrel control £	Biodiversity on the Edge £
Project costs	-	19,133	23,050	14,174	141
Travel	3,771	5,986	3,108	8,825	-
Rent	7,311	-	-	-	-
Insurance	95	-	95	95	-
Maintenance	-	-	-	-	-
Subscriptions	-	-	6	-	-
Postage & stationery	1,686	3,713	709	-	-
Telephone	1,408	-	1,418	-	-
Sundry	30	-	-	-	-
Depreciation	431	-	-	-	-
Wages and salaries	50,584	51,365	18,852	32,431	-
National insurance	5,062	3,550	1,724	2,755	-
Pension costs	3,669	4,878	1,314	-	-
	<u>74,047</u>	<u>88,625</u>	<u>50,276</u>	<u>58,280</u>	<u>141</u>
		Cheviot Access Audit £	Farm Diversif. £	Footsteps of the Reivers £	Ayrshire Red Squirrel £
Project costs		518	11,015	18,290	12,267
Travel		528	-	-	1,084
Rent		-	-	-	-
Insurance		-	95	-	95
Maintenance		-	-	-	-
Subscriptions		-	-	-	-
Postage & stationery		-	-	-	-
Telephone		-	-	-	-
Sundry		-	-	-	-
Depreciation		-	-	-	-
Wages and salaries		3,146	-	-	2,331
National insurance		289	-	-	182
Pension costs		-	-	-	240
		<u>4,481</u>	<u>11,110</u>	<u>18,290</u>	<u>16,199</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**8. DIRECT COSTS (continued)**

	Eco office £	Nith Estuary £	Total 2009 £	Total 2008 £
Project costs	89	15,000	113,677	71,488
Travel	-	-	23,302	27,236
Rent	-	-	7,311	6,893
Insurance	95	-	570	432
Maintenance	-	-	-	309
Subscriptions	-	-	6	8
Postage & stationery	-	-	6,108	4,900
Telephone	-	-	2,826	2,891
Sundry	-	-	30	1,253
Depreciation	-	-	431	575
Wages and salaries	-	-	158,709	202,345
National insurance	-	-	13,562	16,994
Pension costs	-	-	10,101	17,093
	<u>184</u>	<u>15,000</u>	<u>336,633</u>	<u>352,417</u>

**9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2009 £	Other costs 2009 £	Total 2009 £	Total 2008 £
Costs of generating voluntary income	4,202	495	4,697	3,100
<b>CHARITABLE ACTIVITIES</b>	<u>4,202</u>	<u>495</u>	<u>4,697</u>	<u>3,100</u>
Southern Uplands Partnership	59,315	14,732	74,047	67,898
Communities on the Edge	59,793	28,832	88,625	128,159
Red squirrels in South Scotland	21,890	28,386	50,276	51,089
Grey squirrel control	35,186	23,094	58,280	39,064
Biodiversity on the Edge	-	141	141	27,322
Cheviot Access Audit	3,435	1,046	4,481	488
Farm Diversification	-	11,110	11,110	(9,627)
Footsteps of the Reivers	-	18,290	18,290	569
Ayrshire red squirrel group	2,753	13,446	16,199	25,293
Eco office research	-	184	184	22,162
Nith Estuary	-	15,000	15,000	-
<b>CHARITABLE ACTIVITIES</b>	<u>182,372</u>	<u>154,261</u>	<u>336,633</u>	<u>352,417</u>
<b>GOVERNANCE</b>	<u>-</u>	<u>8,098</u>	<u>8,098</u>	<u>9,914</u>
	<u>186,574</u>	<u>162,854</u>	<u>349,428</u>	<u>365,431</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2009 £	Support costs 2009 £	Total 2009 £	Total 2008 £
Southern Uplands Partnership	74,047	-	74,047	67,898
Communities on the Edge	88,625	-	88,625	128,159
Red squirrels in South Scotland	50,276	-	50,276	51,089
Grey squirrel control	58,280	-	58,280	39,064
Biodiversity on the Edge	141	-	141	27,322
Cheviot Access Audit	4,481	-	4,481	488
Farm Diversification	11,110	-	11,110	(9,627)
Footsteps of the Reivers	18,290	-	18,290	569
Ayrshire red squirrel group	16,199	-	16,199	25,293
Eco office research	184	-	184	22,162
Nith Estuary	15,000	-	15,000	-
Total	<u>336,633</u>	<u>-</u>	<u>336,633</u>	<u>352,417</u>

**11. NET INCOME / (EXPENDITURE)**

This is stated after charging:

	2009 £	2008 £
Depreciation of tangible fixed assets: - owned by the charity	431	575
Pension costs	<u>10,384</u>	<u>17,285</u>

During the year, no Directors received any remuneration (2008 - £NIL).

During the year, no Directors received any benefits in kind (2008 - £NIL).

During the year, no Directors received any reimbursement of expenses (2008 - £NIL).

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**12. STAFF COSTS**

Staff costs were as follows:

	<b>2009</b>	<i>2008</i>
	£	£
Wages and salaries	<b>162,245</b>	<i>204,611</i>
Social security costs	<b>13,945</b>	<i>17,185</i>
Other pension costs	<b>10,384</b>	<i>17,285</i>
	<u><b>186,574</b></u>	<u><i>239,081</i></u>

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

	<b>2009</b>	<i>2008</i>
	No.	No.
Management	<b>1</b>	<i>1</i>
Project Staff	<b>10</b>	<i>15</i>
	<u><b>11</b></u>	<u><i>16</i></u>

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

**13. TANGIBLE FIXED ASSETS**

	<b>Furniture, fittings and equipment £</b>
<b>COST</b>	
At 1 April 2008 and 31 March 2009	<u><b>10,262</b></u>
<b>DEPRECIATION</b>	
At 1 April 2008	<b>8,539</b>
Charge for the year	<b>431</b>
At 31 March 2009	<u><b>8,970</b></u>
<b>NET BOOK VALUE</b>	
At 31 March 2009	<u><b>1,292</b></u>
<i>At 31 March 2008</i>	<u><i>1,723</i></u>

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**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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**14. DEBTORS**

	<b>2009</b>	2008
	£	£
Trade debtors	-	887
	<u>          </u>	<u>          </u>

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

	<b>2009</b>	2008
	£	£
Trade creditors	381	382
Social security and other taxes	3,066	4,414
Other creditors	306	562
Accruals and deferred income	1,500	3,266
	<u>          </u>	<u>          </u>
	<u>5,253</u>	<u>8,624</u>

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**16. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>					
SUP core funding	126,304	36,466	(6,020)	(7,666)	149,084
<b>RESTRICTED FUNDS</b>					
Southern Uplands Partnership	2,335	69,361	(79,362)	7,666	-
Communities on the Edge	27,283	52,839	(90,091)	-	(9,969)
Red squirrels in South Scotland	50,202	27,818	(50,270)	-	27,750
Grey squirrel control	7,261	57,160	(58,280)	-	6,141
Biodiversity on the Edge	-	31,125	(141)	-	30,984
Cheviot access	-	4,481	(4,481)	-	-
Farm diversification	11,110	-	(11,110)	-	-
Nith estuary	-	15,000	(15,000)	-	-
Ayrshire red squirrel	2,651	11,232	(16,199)	-	(2,316)
Eco office research	-	150	(184)	-	(34)
Footsteps of Reivers	-	19,000	(18,290)	-	710
	<u>100,842</u>	<u>288,166</u>	<u>(343,408)</u>	<u>7,666</u>	<u>53,266</u>
Total of Funds	<u>227,146</u>	<u>324,632</u>	<u>(349,428)</u>	<u>-</u>	<u>202,350</u>
<b>SUMMARY OF FUNDS</b>					
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
General funds	126,304	36,466	(6,020)	(7,666)	149,084
Restricted funds	100,842	288,166	(343,408)	7,666	53,266
	<u>227,146</u>	<u>324,632</u>	<u>(349,428)</u>	<u>-</u>	<u>202,350</u>

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

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

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

	<b>Restricted Funds 2009 £</b>	<b>Unrestricted Funds 2009 £</b>	<b>Total Funds 2009 £</b>	<i>Total Funds 2008 £</i>
Tangible fixed assets	-	1,292	1,292	1,723
Current assets	54,338	151,973	206,311	234,047
Creditors due within one year	(1,072)	(4,181)	(5,253)	(8,624)
	<u>53,266</u>	<u>149,084</u>	<u>202,350</u>	<u>227,146</u>

**18. 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 £10,384 (2008 - £17,285). Contributions totalling £Nil (2008 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

**19. OPERATING LEASE COMMITMENTS**

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings 2009 £</b>	<i>2008 £</i>
<b>EXPIRY DATE:</b>		
Between 2 and 5 years	<u>6,893</u>	<u>6,893</u>

**20. 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 £21,000 (2008 - £21,673), South Lanarkshire Council £6,000 (2008 - £10,616) and Scottish Natural Heritage £100,510 (2008 - £141,771).

**21. CONTROLLING PARTY**

The company is under the control of its members.

**THE SOUTHERN UPLANDS PARTNERSHIP**  
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**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2009**

	2009 £	2008 £
<b>INCOME</b>		
Grants received	283,315	375,568
PAYE filing incentive	100	150
Membership	2,005	2,437
Rent received	3,651	1,640
Interest received	4,361	7,243
Donations	31,200	-
	324,632	387,038
<b>LESS: EXPENDITURE</b>		
Project costs	113,677	71,488
Travel	23,302	27,236
Salaries	158,709	202,345
National insurance	13,562	16,994
Pension cost	10,101	17,093
Postage & stationery	6,108	4,900
Telephone	2,826	2,891
Rent	7,311	6,893
Insurance	570	432
Maintenance	-	309
Subscriptions	6	8
	336,172	350,589
<b>NET (EXPENDITURE)/INCOME FROM CHARITABLE SOURCES</b>	<b>(11,540)</b>	<b>36,449</b>
Travel	(145)	(145)
Postage & stationery	(275)	(236)
Rent	(75)	(70)
Administration Salaries	(3,536)	(2,266)
National insurance	(383)	(191)
Pension costs	(283)	(192)
Subscriptions	(1,397)	(1,920)
Printing	(681)	(1,527)
Legal & professional fees	(3,954)	(2,572)
Payroll fee	(600)	(629)
Accountancy fees	(1,466)	(3,266)
Sundry	(30)	(1,253)
Depreciation	(431)	(575)
	(13,256)	(14,842)
<b>NET (EXPENDITURE) / INCOME</b>	<b>(24,796)</b>	<b>21,607</b>