

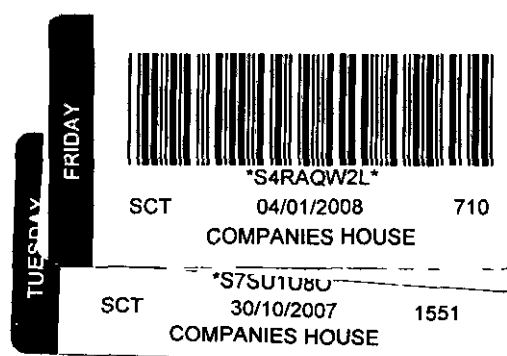
The Scottish Rights of Way and Access Society
(A company limited by guarantee)

Registered Number
SC024243

Registered Charity Number SC015460

Report and accounts
for the year ended 30 June 2007

Henderson Loggie
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Edinburgh
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Company information

Honorary President

JC Bartholomew

Directors

R Aitken (Honorary Vice President)

GM Menzies (Chairman)

P Mackay (Vice Chairman)

H Anderson

RS Barron

JC Craig

JBC Davidson

J Duberley

Eric Gotts

JD Graham

KM Griffiths

DM Jenkins

JP Lawson

JW Mackay

E McCracken (appointed 26 April 2007)

PS Somerville

J Stewart (resigned 7 May 2007)

ACH Valentine

Secretary

JC Lewis (appointed 1 January 2007)

TA Titterton (resigned 31 December 2006)

Treasurer

UM Ryalls

Registered Office

24 Annandale Street

Edinburgh

EH7 4AN

Bankers

Clydesdale Bank plc

29 30 Nicolson Square

Edinburgh

EH8 9BX

Registered Number

SC024243

Reporting Accountants

Henderson Loggie

34 Melville Street

Edinburgh

EH3 7HA

Registered Charity Number

SC015460

Directors' report

The Directors present their report and accounts for the year ended 30 June 2007

Preparation of accounts

The Accounts have been prepared in accordance with the Society's governing document, current statutory requirements and the Statement of Recommended Practice Accounting and Reporting by Charities issued in January 2005

Structure, governance and management

Governing document

The Society is a company limited by guarantee and is governed by its Memorandum and Articles of Association. Each member of the company has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the Society being wound up.

Board of Directors

Directors of the Society are also charity trustees for the purposes of charity law and are listed on page 1. Under the requirements of the Memorandum and Articles of Association, Board members are appointed for a period of three years after which they may be re-appointed at the next AGM.

Board members have an interest in the outdoors, bring certain skills and qualities helpful to the organisation, and are representative and knowledgeable of user groups, such as walkers, cyclists, equestrians and disabled people. The Board meets at least quarterly and is responsible for overall policy and strategy, assisted by Committees such as the Executive and Finance Committees. The Chief Officer, who also acts as Company Secretary, is responsible for the day to day running of the Society, supported by other staff. Tom Titterton retired as Secretary at the end of 2006 and, at the same time, Alistair Lawson stood down as Field Officer. The Directors have expressed their gratitude to both of them for their valued contributions.

Objectives and activities

The Society's principal activities during the year were

- the giving of advice about rights of access and rights of way to the public, local councils and other interested parties,
- the continued recording of rights of way and other paths, signposting paths to show their routes and to help safeguard their status, and
- the production of written material on access and rights of way to promote better understanding of these matters.

Achievements and performance

The Society has continued to act in pursuit of its Objects. Our activities have been the subject of a major review following staff reductions as the result of the ending of grant funding from Scottish Natural Heritage and the Scottish Executive. However, we have now succeeded in obtaining new funding from Scottish Natural Heritage (SNH) and the Heritage Lottery Fund for a major new 3 year project which started in August – the Heritage Paths Project. SNH has also provided us with funding for an additional work programme, including work to produce new editions of *Scottish Hill Tracks* and our Case Law Book, to report on court cases and the large number of enquiries that we receive, and to continue to provide local authorities with updates of information about the Catalogue of Rights of Way.

The Society is taking a leading role in projects to repair two bridges.

Directors' report (continued)

Achievements and performance (continued)

The Society has liaised with local authorities in a number of cases where legal action has been considered or taken to enforce rights of way and the provisions of the new access legislation. Court cases arising under the new access legislation have been monitored and reported via email to access contacts and reports placed on the web site.

The Society continued to provide information on rights of way to solicitors dealing with property transactions. Information from the Society's records has also been passed to consultants and others involved in development proposals such as the establishment of wind farms, with a view to ensuring that relevant access issues are considered. Responses have been submitted on a range of consultations where access considerations have been identified, including consultations by local authorities on draft core path plans.

The Society's free leaflet *Rights of access to the Countryside in Scotland – A Brief Overview of the Law* was published, with financial assistance from SNH, and over 27,000 copies have been distributed through various channels. The leaflet provides guidance to the general public on both the new access legislation and rights of way and also promotes membership of the Society.

A new leaflet *Hill Tracks in the Lammermuirs* has been published and widely distributed, particularly in East Lothian and the Borders.

The Society's geographic information system (GIS) has now been set up and is in daily use in connection with rights of way enquiries. Copies of the GIS data have been supplied to all local authorities, together with updated information from the Catalogue of Rights of Way.

Continuing membership of the National Access Forum, and attendance at its meetings, enabled the Society to play its part in the formulation of access policy, and to be well informed of issues of national importance.

Work on signposting routes continued. This has been on a smaller scale than previously, following the standing down of the Field Officer.

The Society encourages membership by organising walks and other activities for members, distributing the Annual Report and Newsletters, and operating a mail order bookshop which is managed by a volunteer.

Financial review

Net incoming resources for the year were £5,250 (2006 outgoing resources £10,959). Grant funding from the Scottish Executive for core costs and from Scottish National Heritage to fund the maintenance of the Catalogue of Rights of Way came to an end during the course of the year but, as noted above, Scottish Natural Heritage and the Heritage Lottery Fund have agreed to give grant funding for the Heritage Paths Project and other work. In addition to grants, the Society funds its activities from the receipt of voluntary income in the form of subscriptions, donations and legacies.

Risk management

The Board have reviewed the risks faced by the organisation and have developed an action plan to manage them. The risk register is subject to regular review and updating.

Reserves policy

The unrestricted fund represents the free reserves of the company and they are considered to be adequate to ensure the Society can continue to operate if the current funding sources cease and new funding has to be sourced.

Investment policy

The Society had two listed investments and has retained Bell Lawrie as investment advisers. Other funds are maintained in high interest accounts.

Directors' report (*continued*)

Plans for the future

The Society will continue to act in pursuit of its Objects in the coming year. The Heritage Paths Project will be set up and a new Project Officer will be appointed to undertake the Project.

Contribution of staff and volunteers

The Directors gratefully acknowledge the valuable contribution made by all Scotways' staff and volunteers during the year.

Small company special provisions

The report of the Directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 27 September 2007.



GM Menzies
Trustee

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit for that period. In preparing those accounts, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.



HENDERSON LOGGIE

Chartered Accountants

34 Melville Street
Edinburgh
EH3 7HA
United Kingdom

Accountants' report to the members on the unaudited accounts of The Scottish Rights of Way and Access Society

Respective responsibilities of directors and reporting accountants

As described on page 5, the company's directors are responsible for the preparation of accounts. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purpose of this report.

These procedures provide only the assurance expressed in our opinion. These procedures do not constitute an audit. Accordingly, we do not express an audit opinion on the accounts. Therefore our report does not provide any assurance that the accounting records and the accounts are free from material misstatement.

Opinion

In our opinion:

- (a) the accounts of the company for the financial year in question are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information in those accounting records, those accounts have been drawn up in a manner consistent with the provisions of the Act as specified in subsection (6) of section 249C, so far as applicable to the company, and
- (c) having regard to, and on the basis of, the information in the accounting records, the company satisfied the requirements of section 249A(4), for the financial year in question, and did not fall within section 249B(1)(a) to (f) at any time within that financial year.

Henderson Loggie
Chartered Accountants

27 September 2007

Statement of Financial Activities (incorporating the income and expenditure account)

for the year ended 30 June 2007

	Note	Unrestricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
<i>Voluntary income</i>					
Annual subscriptions		16,354		16,354	16,329
Life & joint subscriptions		750		750	1,650
Corporate subscriptions		10,929		10,929	12,269
Donations		6,177		6,177	4,973
Bequests & legacies		750		750	147
Income tax recoverable		3,763		3,763	2,220
		38,723		38,723	37,588
<i>Investment income</i>					
Dividends		563		563	294
Interest		2,264		2,264	2,845
		2,827		2,827	3,139
<i>Incoming resources for charitable activities</i>					
Provision of advice re Rights of Way	4	37,263		37,263	38,172
Cataloguing known Rights of Way	4		12,744	12,744	16,659
Signposting Rights of Way and Access	4	15,142		15,142	15,943
		52,405	12,744	65,149	70,774
Total incoming resources					
		93,955	12,744	106,699	111,501
Resources expended					
<i>Costs of generating funds</i>					
Cost of generating voluntary income	5	(8,708)		(8,708)	(8,452)
<i>Charitable activities</i>					
Provision of advice re Rights of Way	6	(41,362)		(41,362)	(50,449)
Cataloguing known Rights of Way	6	(15,557)	(12,744)	(28,301)	(37,957)
Signposting Rights of Way and Access	6	(19,201)		(19,201)	(19,625)
Heritage Paths Project		(1,227)		(1,227)	
		(77,347)	(12,744)	(90,091)	(108,031)
<i>Governance costs</i>					
	7	(9,128)		(9,128)	(8,768)
Total resources expended					
		(95,183)	(12,744)	(107,927)	(125,251)
Unrealised gain on investments	11	(1,228)		(1,228)	(13,750)
		6,478		6,478	2,791
Net incoming/(outgoing) resources for the year					
		5,250		5,250	(10,959)

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

Balance sheet

as at 30 June 2007

	Notes	£	2007 £	£	2006 £
Fixed assets					
Tangible assets	10		105,076		107,255
Investments at valuation	11		29,084		15,006
			134,160		122,261
Current assets					
Stock	12	5,823		6,154	
Debtors	13	5,427		11,162	
Cash in bank and at hand		66,151		73,971	
		77,401		91,287	
Creditors amounts falling due within one year	14	(2,715)		(9,882)	
Net current assets			74,686		81,405
Total assets less current liabilities			208,846		203,666
Creditors due after one year, loan on office property	15		(993)		(1,063)
			207,853		202,603
Reserves					
Unrestricted funds	16 & 17		204,712		199,462
Restricted funds	16 & 17		3,141		3,141
			207,853		202,603

The directors are satisfied that the company is entitled to exemption under section 249A(2) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the this Act relating to accounts, so far as is applicable to the company

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

These accounts were approved and authorised for issue by the Board on 27 September 2007

George Menzies

GM Menzies
Chairman

Notes to the accounts (forming part of the accounts)

1 Accounting policies

Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard for Smaller Entities (effective January 2005), the Companies Act 1985 and Accounting and Reporting by Charities Statement of Recommended Practice (SORP) issued in October 2005. They have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments.

Incoming resources

Income is accounted for on an accruals basis with the exception of legacies and donations, which are accounted for when received. Ordinary subscriptions are recognised in the year in which they are received.

Life memberships

Life membership subscriptions are recognised as income in the year of receipt and allocated to the life membership fund. Each year 5% of this fund is transferred to the general reserve.

Resources expended

Expenditure is accounted for on an accruals basis.

- Costs of generating funds consist of costs relating to the raising of voluntary income,
- Charitable activities include expenditure associated with one of the charity's objects and principal activities in the provision of advice regarding rights of way and access, the cataloguing of known rights of way, and in signposting rights of way and other routes
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the staff salaries incurred on each activity

Investments

Fixed asset investments are accounted for at market value.

Restricted and unrestricted funds

Restricted funds are those funds which are subject to specific conditions regarding their application. These conditions have been specified by the donors of funds.

Unrestricted funds are applied at the discretion of the Board of Directors in furtherance of the objectives of the Society.

Depreciation

Fixed assets are capitalised at cost. Depreciation has been provided at the following annual rates in order to write off fixed assets over their useful lives.

Office equipment	33 3% straight line
Vehicle trailer	33 3% straight line
Heritable property	Nil

In the opinion of the Directors, which is based on an informal valuation from a qualified surveyor, the residual value of the heritable property is not less than the carrying amount in the accounts, therefore no depreciation has been charged.

Notes (continued)

1 Accounting policies (continued)

Stocks

Stock is valued at the lower of cost and net realisable value

Taxation

The Society is recognised as a charity by the Inland Revenue and is therefore not liable to taxation on its income

2 Directors' remuneration

The directors receive no remuneration for their services, but may be paid travelling, subsistence and other expenses properly incurred by them in connection with the discharge of their duties. In the current year 3 (2006-7) directors were paid such expenses

	2007 £	2006 £
Directors' expenses	294	586

3 Net surplus

Thus is stated after charging

	2007 £	2006 £
Depreciation of fixed assets	2,179	3,962
Reporting accountants' remuneration	1,537	1,410

4 Incoming resources from charitable activities

	Advice £	Catalogue £	Signposting £	2007 £	2006 £
Scottish Executive Grant	16,875			16,875	18,000
SNH Grant		12,744		12,744	16,659
Signposting			15,142	15,142	15,943
Lawyers' searches	11,545			11,545	11,005
Publications	7,355			7,355	7,655
Bookshop	1,158		-	1,158	1,041
Walks	330			330	471
	37,263	12,744	15,142	65,149	70,774

5 Costs in generating voluntary income

	2007 £	2006 £
Staff costs	2,948	2,433
Printing, postage and stationery	3,033	3,657
Support costs	2,727	2,362
	8,708	8,452

Notes (continued)

6 Charitable activities

	Direct costs £	Staff costs £	Support costs £	2007 £	2006 £
Advice	9,470	27,455	4,437	41,362	50,449
Catalogue	1,816	22,800	3,685	28,301	37,957
Signposting	14,130	4,366	705	19,201	19,625
Heritage Paths		1,056	171	1,227	
	<u>25,416</u>	<u>55,677</u>	<u>8,998</u>	<u>90,091</u>	<u>108,031</u>

7 Governance costs

	2007 £	2006 £
Reporting accountants' fees	1,537	1,772
Meeting expenses	1,476	1,518
Travel expenses	130	309
Preparation of annual report	2,022	2,438
Staff costs	1,474	811
Support costs	2,489	1,920
	<u>9,128</u>	<u>8,768</u>

8 Support costs

	Cost of generating voluntary income £	Charitable activities £	Governance costs £	2007 £	2006 £
Treasurer's honorarium	2,250		2,250	4,500	4,000
Insurance & mortgage	144	2,713	72	2,929	2,069
Telephone, water, H&L	171	3,224	85	3,480	2,351
Computer costs	47	879	23	949	1,471
Subscriptions	9	163	5	177	234
Depreciation	106	2,019	54	2,179	3,962
Bank charges					134
	<u>2,727</u>	<u>8,998</u>	<u>2,489</u>	<u>14,214</u>	<u>14,221</u>

9 Employees

	2007 £	2006 £
Staff salaries	59,943	63,712
Employers' NIC contributions	4,207	5,021
	<u>64,150</u>	<u>68,733</u>

No employee earned more than £60,000 in either year

The average number of full time equivalent employees was 3 (2006 3)

Notes (continued)

10 Tangible fixed assets

	Heritable property £	Office equipment £	Vehicle trailers £	Total £
<i>Cost</i>				
At 1 July 2006	103,765	12,884	662	117,311
Additions				
Disposals			(662)	(662)
At 30 June 2007	103,765	12,884		116,649
<i>Depreciation</i>				
At 1 July 2006		9,394	662	10,056
Charge for the year		2,179		2,179
On disposals			(662)	(662)
At 30 June 2007		11,573		11,573
<i>Net book value</i>				
At 30 June 2007	103,765	1,311		105,076
At 30 June 2006	103,765	3,490		107,255

11 Investments

	Listed Investments £	
<i>Cost</i>		
At 1 July 2006	16,251	
Additions	7,600	
	23,851	
	2007	2006
	£	£
<i>Market value</i>		
Listed investments at market value	29,084	15,006

Listed investments comprise shares in Scottish Investment Trust and Standard Life Investments are held with a view to providing a favourable but secure return in the medium to long term

	2007 £	2006 £
Market value at 30 June 2006	15,006	12,215
Additions	7,600	
Market value at 30 June 2007	22,606	12,215
	29,084	15,006
Unrealised gain on investments	6,478	2,791

Notes *(continued)*

12 Stocks

Stocks consist entirely of goods for distribution to members and other interested parties

	2007 £	2006 £
Stock in hand	5,823	6,154

13 Debtors

	2007 £	2006 £
Scottish Executive Grant		5,625
Signposting debtors		2,325
Other debtors	5,427	3,212
	<u>5,427</u>	<u>11,162</u>

14 Creditors: amounts falling due within one year

	2007 £	2006 £
Other creditors	2,715	9,882

15 Creditors: amounts falling due after one year

	2007 £	2006 £
Building Society loan	993	1,063

The building society loan is secured by a standard security over the heritable property

Loans

	2007 £	2006 £
<i>Creditors include</i>		
Amounts falling due for payment after more than five years	369	471

16 Summary of funds

	2007 £	2006 £
<i>Unrestricted funds</i>		
Life membership fund	27,446	28,141
General reserve	108,005	102,060
Property fund	66,785	66,785
Case Law project	2,476	2,476
	<u>204,712</u>	<u>199,462</u>
<i>Restricted funds</i>		
Lockerby bequest	1,412	1,412
George Cheyne memorial fund	1,729	1,729
	<u>3,141</u>	<u>3,141</u>

Balances on restricted funds are wholly represented by cash held

Notes (continued)

17 Movement in funds

	Life Membership Fund £	Case Law Project £	General Reserve £	Property Fund £	Total £
Unrestricted funds					
Balance at 1 July 2006	28,141	2,476	102,060	66,785	199,462
Surplus/(deficit) for the year	750		4,500		5,250
Transfer between funds	(1,445)		1,445		
	<u>27,446</u>	<u>2,476</u>	<u>108,005</u>	<u>66,785</u>	<u>204,712</u>
			Lockerby Bequest Fund £	George Cheyne Memorial Fund £	Total £
Restricted funds					
Balance at 1 July 2006 and 30 June 2007			1,412	1,729	3,141

The balance on the case law project has been agreed as surplus on the project which can be spent as the Society wishes. It has been transferred to Unrestricted Funds but earmarked by the Directors for work on publications.

18 Analysis of net assets among funds

	Unrestricted funds	Restricted Funds £	2007 £	2006 £
Fixed assets	134,160		134,160	122,261
Net current assets	71,545	3,141	74,686	81,405
Long term liabilities	(993)		(993)	(1,063)
	<u>204,712</u>	<u>3,141</u>	<u>207,853</u>	<u>202,603</u>

19 Leasing commitments

Annual commitments under non cancellable leases are as follows

	Other 2007 £	Other 2006 £
Operating leases which expire Within 1 year		
In second to fifth years inclusive	1,409	1,409
	<u>1,409</u>	<u>1,409</u>