

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

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST MARCH 2018
FOR**

THE SOUTHERN UPLANDS PARTNERSHIP

THE SOUTHERN UPLANDS PARTNERSHIP
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

	Page
Report of the Trustees	1 to 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11 to 12
Notes to the Financial Statements	13 to 23

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Southern Uplands Partnership has now been going for 18 years. Much has changed over that time, but our remit and objectives have remained the same. Our charitable objects are:

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

(b) to guide and encourage the integration of environmental, social and economic land use policies, the sustainable use and management of land and water and other relevant activities in the Southern Uplands of Scotland so that they are compatible with considerations of the environment and local communities; and

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

Activities for achieving objectives

The Partnership has continued to play an important role in debates on the future of land use in South Scotland, specifically discussions on Scottish Land Use Strategy, SRDP reform and the new Economic Partnership. We have also played a role in a number of local initiatives relating to tourism, renewable energy, access and conservation. We have continued to produce regular e-newsletters and maintained the website.

Volunteers

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

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Ride Scotland's Horse Country

Long-standing supporters of SUP may recall a project called Tweed Trails/South of Scotland Countryside Trails, managed by SUP ten years ago, which put in place 350 kms of waymarked routes suitable for equestrian use. These routes linked northern England with the existing Hawick Circular ride and went through to Biggar and as far as Ae. The routes have been well used but the hoped-for equestrian tourism sector has remained tiny.

Gowan Miller has been employed as Project Coordinator since December 2017 in a new project which seeks to address this by encouraging existing accommodation providers to work together to develop packages of rides that can be marketed to those who have horses and who are looking for new experiences. Some of the routes need a bit of attention after ten years, but we hope the first packages will be marketed later in 2018. The project is working with the Scottish Enterprise, Planning to Succeed group of accommodation providers that have or are developing equestrian accommodation. There are 13 in the group distributed throughout the Borders and beyond with new group members being sought.

- The Blog site is building momentum for the project and detailing the project events - www.ridescotlandshorsecountry.com
- A Facebook page and Instagram has been established - @tweedtrails
- A website is being developed and will sit alongside the Scottish Borders Council's walk and cycle website with the same design and build www.walkscottishborders.com. It is hoped that this will be live by August 2018 and will be a central point of reference for equestrian tourism and associated businesses and support services in the Scottish Borders.

Galloway and Southern Ayrshire Biosphere

The Southern Uplands Partnership has been closely associated with the Biosphere development since the idea was first floated back in 2007 and we worked with partners to develop the bid that led to the successful application for UNESCO Biosphere status. SUP has subsequently recruited and managed the project teams that were employed to deliver the Biosphere's aims and objectives. The last 12 months have seen the Biosphere move from a model solely dependent on project funding to one with a core team, albeit small and part time, that provides continuity in delivery of the Biosphere ethos and also provides the facility to develop and manage new projects that bring in short term additional staff and which enable action to be delivered on the ground. SUP continues to be a core partner for delivery of the Biosphere through hosting the employment and financial management of the Biosphere's affairs and enabling participation in a number of strategic projects.

SHAPE

'SHAPE' (Sustainable Heritage Areas: Partnerships for Ecotourism) is a €1.5M Northern Periphery and Arctic project led by the University of Highlands and Islands. SUP represents Galloway and Southern Ayrshire Biosphere as one of two Scottish Partners. The three-year project is exploring how designated areas such as Biospheres can make more of our natural and cultural heritage for tourism. Involving partners from Finland, Norway, Greenland, Iceland and Canada, it is exploring different approaches to identifying our assets, engaging with local stakeholders and promoting new opportunities. Exchange of ideas, experiences and knowledge with international partners is part of the Biosphere ethos, especially within the network of over 660 Biospheres around the World.

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

PLACE in the Biosphere

'PLACE' (People Land Art Culture Environment) in the Biosphere project is a £200k HLF funded project designed to pilot new approaches that enable community groups to work more closely with strategic partners by placing heritage at the heart of communities in the Biosphere. The project is employing two Project Officers and two paid Interns to work with communities surrounding three key landscape areas in the UNESCO Biosphere. The project is developing pride and understanding of what is special about their area, how they can shape its future and exploring new opportunities linked to promoting themselves as destinations.

Awareness of the Biosphere is steadily growing, helped by the Biosphere Communities initiative that has seen three communities complete a Sense of Place workshop and start to actively promote themselves as a destination in the Biosphere. A number of other communities are now lining up to join them.

First Wild Film Festival

In March 2017, SUP ran Scotland's inaugural Wild Film Festival in Dumfries. Over 50 events took place spread across three venues and three days. Headline attractions included nationally acclaimed speakers such as Iolo Williams, Simon King, Sacha Dench and Nigel Pope, supported by local speakers and a raft of Panda Awards films and workshops.

Feedback from the weekend was very positive with some individual events attracting audiences of 130 people although some films had much smaller more disappointing audiences. The weather over the course of the weekend was exceptional which was both an advantage and disadvantage - Dumfries looked its best but some potential attendees stayed away to enjoy the sunshine!

The Festival weekend itself attracted over 1,350 attendees at events, with most people attending an average of five events. A third of attendees were from outside the region which had been a key objective of the Wild Film Festival from the start. In addition, the British Wildlife Photography awards, hosted at Gracefield Arts Centre in Dumfries, attracted over 5,634 attendees. This was up by 895 on the same period last year, many of whom were attracted by the Festival.

An economic evaluation of the event gave it a conservative value of £23,661 to the region.

Unfortunately, the challenges of raising funding to repeat its success were such that we have been unable to run the Wild Film Festival in 2018. Given the right sponsorship we would like to explore possibilities in future years.

South West Scotland Environmental Information Centre (SWSEIC)

The Centre, which is the local Environmental Records Centre for the region, continues to collate, manage and share records for south west Scotland, under the management of Mark Pollitt.

During 2017/18 the Centre formally changed its name from Dumfries and Galloway Environmental Resources Centre (DGERC) to reflect its widening coverage which now extends throughout Ayrshire and Arran. The Centre now has a new logo and identity and a new website platform established through its 'Where's Wildlife in Ayrshire?' project.

This year, the Centre celebrated the entry of its one millionth wildlife record to the local database. The record of a Redshank on Loch Ryan was part of the local county bird records for Dumfries and Galloway and was one of just under 250,000 records added in 2017/18.

During 2017/18, information was provided to a range of users, including recorders, individuals, students and to environmental consultants carrying out environmental assessments.

Where's Wildlife in Ayrshire

The 'Where's Wildlife in Ayrshire' project had a change in Project Officer when Aisling Gribbin left to take up the opportunity to start her own business in December 2017. Helen Embleton took over the role in January 2018. We would like to thank Aisling for her contribution and wish Helen well with the remainder of the project.

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Over the last year the project has provided a focal point for the collection of environmental data in Ayrshire. Data has been collected via the new online recording form and the project has received several large datasets from a variety of organisations. At the time of writing, there were approximately 45,000 records within its database and the Project Officer is in the process of verifying and collating a further 60,000 records ready to be uploaded. The project is well on track for meeting its target to collect 100,000 records! We would like to thank the Scottish Wildlife Trust and Glasgow Museums Biological Records Centre and all the local recorders for seeing the value of sharing their records with the project.

During the last year the project delivered 16 training events to help 130 local wildlife enthusiasts to develop new skills in identifying species groups such as: amphibians, reptiles, bumblebees, moths, butterflies and dragonflies. Helen will continue to run these events in 2018 and will include topics such as wildflowers, rocky shore ecology, and small mammals.

The Citizen Science project for 2017 was Reptiles and Amphibians as these groups were very under recorded in the area. The project produced field guides suitable for everyone to use, showing the key features of these species and where to find them. These have been distributed during the events and via a number of organisations and outlets such as the Scottish Wildlife Trust, National Trust for Scotland and Culzean Castle and the Ranger Services in North, South and East Ayrshire.

Where possible the project has also been working in partnership with other local wildlife organisations to put the data to use via projects such as the Buglife B-lines project. The project has also provided data to inform the development of North Ayrshire Council's Biodiversity Action Plan 2019.

South of Scotland Golden Eagle project

This project has been in development for some time and was originally to have been hosted by The Langholm Initiative. Circumstances required a new host to be found and SUP was delighted to step in. It took a bit of time to renegotiate funding agreements for this five year project, but everything has now been signed-off and Dr Cat Barlow is now employed by SUP to deliver the ambitious "reinforcement" programme. A team of project staff includes an Eagle Officer (John Wright), two Community Outreach Officers (Rick Taylor and Philip Munro) and a part-time Stakeholder Officer (Bryan Burrows) who will liaise with landowners and managers. The plan is to collect the first batch of young eagles from the Highlands this spring and to release these at a secret location in South Scotland this summer. All being well, some of these young birds will take up territories in the Southern Uplands and in due course start breeding. Significant effort will go into ensuring that schools and communities are involved in the exciting project and that land managers are supported and offered guidance on any issues that arise. Hopefully the chances of seeing these majestic birds in our skies will steadily increase over the next few years.

The project was launched outside the Scottish Parliament by Roseanna Cunningham MSP, Cabinet Secretary for the Environment, Climate Change and Land Reform. The project office is based in Lindean Mill, Galashiels.

There has been considerable interest from prospective volunteers for the project. The team has been recording those enquiries and is in the process of drawing up a volunteer programme to help outline the opportunities that the project can offer, what skills/experience are needed for each role and the types of training that can be offered. A select handful of volunteers (already known to project staff) have been selected to assist in the building of the release aviaries which needed to begin immediately after the project launch. These volunteers will be visiting the confidential release site and need to be trustworthy and have the right skills for this type of work.

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Dumfriesshire East Community Benefit Group

In July 2017, Dumfriesshire East Community Benefit Group (DECBG) was registered as a Scottish Charitable Incorporated Organisation (SCIO) with OSCR, after commissioning SUP to assist with this process and the management of the Ewe Hill 16 Fund for three years initially. Key to this role is the need to develop strategic projects. Five community groups came together to form the SCIO (Corrie Parish Hall; Hutton and Boreland Community Fellowship; Langholm, Ewes and Westerkirk Community Council; Middlebie and Waterbeck Community Council; Tundergarth Parish Hall) to receive funding from ScottishPower Renewables Ewe Hill Windfarm, near Langholm. The Ewe Hill 6 Fund which comprises £69k annually is shared between the five groups above, for distribution to projects in their own communities. The Ewe Hill 16 Fund, administered by SUP, receives £184k annually for distribution to community projects over a larger area in south Annandale and Eskdale and is subject to a grant application process. This Fund currently has two grant rounds each year and the Application Form and Guidance Notes are available on the SUP website www.sup.org.uk. The Fund opened in December 2017 and 20 applications were received before the 31 January 2018 deadline, totalling over £329k. Grants totalling over £137k were awarded to 14 projects by the DECBG Trustees at their Board meeting in March 2018.

Community Broadband

Borders Community Broadband was established to develop a community-managed solution to delivering superfast broadband to some of our most remote rural communities, where the levels of usage would not attract the private sector and where there was a real danger that superfast broadband would never happen. A massive amount of work was done, exploring the options, lobbying the various stakeholders, informing communities and developing a viable project.

For a while it looked as if the project could get a significant investment from Community Broadband Scotland (well over £1m), but things then unravelled as it became apparent that the complexities of state aid rules made the project very unattractive to tenderers. At the same time the R100 project was launched and it seems that this will deliver a pretty similar service across Scotland, including our area. The Group therefore decided to hold off and wait to see how far the R100 Initiative gets. It would be wonderful if it delivers what we want but if that does not happen, Borders Community Broadband will come out of hibernation.

Borders Energy Agency

2017 saw the Borders Energy Agency attract a small amount of funding (thanks to Davidson Chalmers and BCCF Environmental). SUP helped run a successful awareness raising event on 1 September 2017 at Tweed Horizons, and then ran four free site visits for the public to renewable energy schemes across the Scottish Borders. A similar programme will run in 2018. The aim, with such limited resources, is to try to raise awareness of the potential for new projects and to promote existing local energy projects in the hope that others will be encouraged to follow suit.

Investment policy and performance

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

FINANCIAL REVIEW

Principal funding sources

The partnership considers each application on its relative merits and in conjunction with the objectives of the Partnership. Projects are only adopted in the context of prior funding availability to ensure that the Partnership is not placed in a restricted financial position.

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

FINANCIAL REVIEW

Reserves policy

Unrestricted Funds

The Board's strategy on the financing of the Partnership is that Core Funding be sought from partners and used to fund core management and administration costs. These include costs not directly incurred in the management of current projects, and cover the significant proportion of the Partnership Manager's costs involved in discussions on potential projects which may not crystallise, and in research for funding sources for both potential and delivered projects.

The Board's strategy is to endeavour have a minimum of one year's core operational costs held in reserve, which is also critical in terms of cashflow for projects which are funded in arrears and where grant claims have to be submitted retrospectively.

During the past year net resources expended amounted to £11,220 (2017, £304 net incoming resources). Closing unrestricted funds amounted to £69,522 (2017, £82,130).

Restricted Funds

The funding for all projects is fully guaranteed before they start. However, much of this funding can only be claimed retrospectively. Closing restricted amounted to £200,210 (2017, £260,551).

FUTURE PLANS

We are committed to delivering several projects throughout 2018 2019. These include the Golden Eagle Project and the Biosphere Project (and its sub-projects PLACE and SHAPE). The Galloway Glens Biosphere Experience project will have a full time project officer starting in September. The South West Scotland Environmental Information Centre (SWSEIC) has another years funding but Where's Wildlife in Ayrshire will come to an end. We are working to find ways of extending the excellent progress that has been made there.

The Ride Scotland's Horse Country project is already looking to expand into D&G. We will continue to work with the communities of East Dumfriesshire on the Ewe Hill16 Wind farm fund.

We are hoping that the new Economic Partnership may be able to support a community renewables project and we also hope to take the Talla-Hartfell WildLand Area initiative to the next stage with an economic study being commissioned. We are pleased that SoSEP asked us to help with their recent community consultation and we hope this may lead to further collaboration.

Finally, we are seeking additional funds to allow us to take on a 4th member of the core team as the existing team are working at capacity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company, which is a recognised charity in Scotland, is a charitable company limited by guarantee and was set up by a Memorandum of Association on 19th October 1999.

There have been no changes in the objectives since the last annual report.

Method of appointment or election of directors

The management of the company is the responsibility of the Directors who are elected and co-opted under the terms of the Memorandum and Articles of Association.

THE SOUTHERN UPLANDS PARTNERSHIP

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Directors of the company during the period are shown on page 7. New Directors are elected annually at the Annual General Meeting by a process of nomination.

The Directors meet on a regular basis to review and administer the operations of the Partnership. A partnership manager is delegated to administer the daily operational matters and to line manage the Partnership's employees.

Company formation/development

- The Directors have on 28 June 2017 (including AGM), 18 October 2017 and 21 March 2018.
- During the year, Working Group meetings were held on 17 May 2017, 16 August 2017, 13 September 2017, 13 December 2017 and 21 February 2018.
- The website is in the process of being upgraded.
- Core and Project grant applications and claims were made to a number of funding bodies.

Related parties

A S Crichton (Trustee) received rent from The Southern Uplands Partnership amounting to £3,780 for costs relating to the SWSEIC project. These premises are owned by A S Crichton. (2017, £3,780).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC200827 (Scotland)

Registered Charity number

SC029475

Registered office

Studio 2
Lindean Mill
Galashiels
TD1 3PE

Trustees

J A Thomson	- resigned 28.6.17
J P Thomas	
L A Fitzpatrick	
A S Crichton	
A J McNab	
C A Strang	
A Geddes	- resigned 4.5.17
J G Mitchell	- resigned 4.5.17
F J Watson	
Dr E A Brooks	
S E Beattie-Smith	
B A Ashrowan	- appointed 28.6.17
Dr C J Miles	- appointed 28.6.17
M C Rowley	- appointed 21.2.18
K Hagmann	- appointed 21.2.18

THE SOUTHERN UPLANDS PARTNERSHIP

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary
J & H Mitchell, W.S.

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

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

Treasurer
C A Anderson

Honorary President
Mrs B. M. Kelly, CBE

MEMBERS' LIABILITY

The Directors of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

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

Approved by order of the board of trustees on 22nd August 2018 and signed on its behalf by:



A J McNab - Trustee

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

I report on the accounts for the year ended 31st March 2018 set out on pages ten to twenty three.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Alister Biggar

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

10th September 2018

THE SOUTHERN UPLANDS PARTNERSHIP

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2018**

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	10,001	160	10,161	20,073
Charitable activities	5				
Projects		72,800	299,103	371,903	323,644
Other trading activities	3	14,621	-	14,621	22,184
Investment income	4	<u>3,814</u>	<u>19</u>	<u>3,833</u>	<u>3,964</u>
Total		101,236	299,282	400,518	369,865
EXPENDITURE ON					
Raising funds					
Other trading activities	6	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>14,572</u>
		6,000	-	6,000	14,572
Charitable activities	7				
Projects		<u>106,456</u>	<u>361,011</u>	<u>467,467</u>	<u>352,826</u>
Total		112,456	361,011	473,467	367,398
NET INCOME/(EXPENDITURE)		(11,220)	(61,729)	(72,949)	2,467
Transfers between funds	18	<u>(1,388)</u>	<u>1,388</u>	<u>-</u>	<u>-</u>
Net movement in funds		(12,608)	(60,341)	(72,949)	2,467
RECONCILIATION OF FUNDS					
Total funds brought forward		82,130	260,551	342,681	340,214
TOTAL FUNDS CARRIED FORWARD		<u>69,522</u>	<u>200,210</u>	<u>269,732</u>	<u>342,681</u>

The notes form part of these financial statements

THE SOUTHERN UPLANDS PARTNERSHIP

**BALANCE SHEET
AT 31ST MARCH 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	14	96	128
CURRENT ASSETS			
Debtors	15	140,679	159,138
Cash at bank		<u>156,900</u>	<u>206,294</u>
		297,579	365,432
CREDITORS			
Amounts falling due within one year	16	(27,943)	(22,879)
NET CURRENT ASSETS		<u>269,636</u>	<u>342,553</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		269,732	342,681
NET ASSETS		<u>269,732</u>	<u>342,681</u>
FUNDS	18		
Unrestricted funds		69,522	82,130
Restricted funds		<u>200,210</u>	<u>260,551</u>
TOTAL FUNDS		<u>269,732</u>	<u>342,681</u>

The notes form part of these financial statements

THE SOUTHERN UPLANDS PARTNERSHIP

**BALANCE SHEET - CONTINUED
AT 31ST MARCH 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2018.

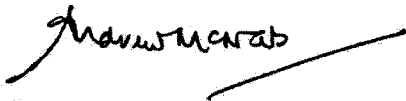
The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 22nd August 2018 and were signed on its behalf by:



A J McNab -Trustee



Dr C J Miles -Trustee

The notes form part of these financial statements

THE SOUTHERN UPLANDS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

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

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

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

Allocation and apportionment of costs

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

All assets costing more than £500 are capitalised.

THE SOUTHERN UPLANDS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018

1. ACCOUNTING POLICIES – continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

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

Company status

The company is a company limited by guarantee. The members of the company are the Directors named on page 7. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	10,161	20,026
Gift aid	-	47
	<u>10,161</u>	<u>20,073</u>

THE SOUTHERN UPLANDS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018

3. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Memberships	2,363	3,273
Consultancy fees	<u>12,258</u>	<u>18,911</u>
	<u>14,621</u>	<u>22,184</u>

4. INVESTMENT INCOME

	2018	2017
	£	£
Rents received	3,744	3,738
Deposit account interest	<u>89</u>	<u>226</u>
	<u>3,833</u>	<u>3,964</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2018	2017
	Activity	£	£
Sundry income	Projects	30,916	7,435
Grants	Projects	<u>340,987</u>	<u>316,209</u>
		<u>371,903</u>	<u>323,644</u>

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

	2018	2017
	£	£
Core Grants	70,414	42,000
Project Grants	<u>270,573</u>	<u>274,209</u>
	<u>340,987</u>	<u>316,209</u>

6. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Staff costs	5,250	5,250
Overheads	750	2,102
Subcontracting	<u>-</u>	<u>7,220</u>
	<u>6,000</u>	<u>14,572</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018**

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8) £	Support costs (See note 9) £	Totals £
Projects	<u>444,076</u>	<u>23,391</u>	<u>467,467</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2018 £	2017 £
Staff costs		
Project costs	221,364	175,148
Insurance	218,795	150,074
Rent	338	656
	<u>3,579</u>	<u>5,471</u>
	<u>444,076</u>	<u>331,349</u>

9. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Projects	<u>19,071</u>	<u>4,320</u>	<u>23,391</u>

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

	2018 Projects £	2017 Total activities £
Travel	3,343	3,906
Insurance	676	656
Rent	7,617	7,679
Telephone	1,160	759
Printing and stationery	253	517
Admin support	-	484
Other admin costs	5,270	2,393
Payroll fees	720	720
Depreciation of tangible and heritage assets	32	43
Wages	2,400	2,400
Accountancy	<u>1,920</u>	<u>1,920</u>
	<u>23,391</u>	<u>21,477</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018**

10. NET INCOME/(EXPENDITURE)

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

	2018	2017
	£	£
Depreciation - owned assets	32	44
Pension costs	<u>15,344</u>	<u>12,717</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2018 nor for the year ended 31st March 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2018 nor for the year ended 31st March 2017.

12. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	198,097	159,247
Social security costs	15,573	10,834
Other pension costs	<u>15,344</u>	<u>12,717</u>
	<u>229,014</u>	<u>182,798</u>

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

	2018	2017
Management and administration	3	3
Project staff	<u>4</u>	<u>5</u>
	<u>7</u>	<u>8</u>

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

The key management personnel of the charitable company comprise the directors, project manager, project officer and senior administrator. None of the directors were remunerated for their duties as directors during the year. The total employee benefits of the key management personnel of the charitable company during the year were £107,180 (2017, £89,813).

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	10,073	10,000	20,073
Charitable activities			
Projects	43,821	279,823	323,644
Other trading activities	22,184	-	22,184
Investment income	<u>3,758</u>	<u>206</u>	<u>3,964</u>
Total	79,836	290,029	369,865
 EXPENDITURE ON			
Raising funds	14,572	-	14,572
Charitable activities			
Projects	<u>64,959</u>	<u>287,867</u>	<u>352,826</u>
Total	79,531	287,867	367,398
 NET INCOME/(EXPENDITURE)			
	305	2,162	2,467
Transfers between funds	<u>(430)</u>	<u>430</u>	<u>-</u>
Net movement in funds	(125)	2,592	2,467
 RECONCILIATION OF FUNDS			
Total funds brought forward	82,256	257,958	340,214
TOTAL FUNDS CARRIED FORWARD	<u>82,131</u>	<u>260,550</u>	<u>342,681</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018**

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1st April 2017 and 31st March 2018	<u>10,262</u>	<u>658</u>	<u>10,920</u>
DEPRECIATION			
At 1st April 2017	10,134	658	10,792
Charge for year	<u>32</u>	<u>-</u>	<u>32</u>
At 31st March 2018	<u>10,166</u>	<u>658</u>	<u>10,824</u>
NET BOOK VALUE			
At 31st March 2018	<u>96</u>	<u>-</u>	<u>96</u>
At 31st March 2017	<u>128</u>	<u>-</u>	<u>128</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	140,679	159,097
Other debtors	<u>-</u>	<u>41</u>
	<u>140,679</u>	<u>159,138</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other creditors and accruals	<u>27,943</u>	<u>22,879</u>

THE SOUTHERN UPLANDS PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	Total 2018 funds	Total 2017 funds
	£	£	£	£
Fixed assets	96	-	96	128
Current assets	73,654	223,925	297,579	365,432
Current liabilities	<u>(4,228)</u>	<u>(23,715)</u>	<u>(27,943)</u>	<u>(22,879)</u>
	<u>69,522</u>	<u>200,210</u>	<u>269,732</u>	<u>342,681</u>

18. MOVEMENT IN FUNDS

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted funds				
SUP Core Funding	82,130	(11,220)	(1,388)	69,522
Restricted funds				
Red Squirrels in South Scotland	6,238	-	-	6,238
Black Grouse Project	5,530	5,210	-	10,740
SWSEIC	2,538	(2,302)	-	236
Biosphere Special Projects	7,257	-	-	7,257
Biosphere Development	64,563	(57,957)	-	6,606
Biosphere Events	88,934	(37,929)	-	51,005
EuroRural Tourism	-	(1,388)	1,388	-
Wild Film Festival	4,111	921	-	5,032
Where's Wildlife in Ayrshire	19,201	4,277	-	23,478
SHAPE	54,500	(4,979)	-	49,521
Etrick School Project	(2,321)	2,321	-	-
D & G Environmental Projects	10,000	-	-	10,000
South of Scotland Golden Eagle Project (Delivery)	-	(1,252)	-	(1,252)
Ride Scotland's Horse Country	-	16,402	-	16,402
PLACE in the Biosphere	-	4,780	-	4,780
Borders Community Broadband Development	-	2,055	-	2,055
Equestrian Tourism Access Works	-	2,327	-	2,327
South of Scotland Golden Eagle Project (Years 3-5)	-	5,785	-	5,785
	<u>260,551</u>	<u>(61,729)</u>	<u>1,388</u>	<u>200,210</u>
TOTAL FUNDS	<u>342,681</u>	<u>(72,949)</u>	<u>-</u>	<u>269,732</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018**

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
SUP Core Funding	101,236	(112,456)	(11,220)
Restricted funds			
Black Grouse Project	6,000	(790)	5,210
SWSEIC	39,159	(41,461)	(2,302)
Biosphere Development	(230)	(57,727)	(57,957)
Biosphere Events	-	(37,929)	(37,929)
EuroRural Tourism	(1,388)	-	(1,388)
Wild Film Festival	4,017	(3,096)	921
Where's Wildlife in Ayrshire	39,647	(35,370)	4,277
SHAPE	15,132	(20,111)	(4,979)
Ettrick School Project	2,531	(210)	2,321
Galloway & South Ayrshire Biosphere	61,195	(61,195)	-
South of Scotland Golden Eagle Project (Delivery)	58,299	(59,551)	(1,252)
Ride Scotland's Horse Country	29,744	(13,342)	16,402
PLACE in the Biosphere	5,000	(220)	4,780
Borders Community Broadband Development	21,141	(19,086)	2,055
Equestrian Tourism Access Works	2,427	(100)	2,327
South of Scotland Golden Eagle Project (Years 3-5)	<u>16,608</u>	<u>(10,823)</u>	<u>5,785</u>
	299,282	(361,011)	(61,729)
TOTAL FUNDS	<u>400,518</u>	<u>(473,467)</u>	<u>(72,949)</u>

THE SOUTHERN UPLANDS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds				
	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted Funds				
SUP Core Funding	82,256	304	(430)	82,130
Restricted Funds				
Red Squirrels in South Scotland	6,238	-	-	6,238
Renewable Energy Mapping Opportunities	2,375	(2,375)	-	-
Black Grouse Project	6,640	(1,110)	-	5,530
SWSEIC	7,317	(4,779)	-	2,538
Biosphere Special Projects	9,757	-	(2,500)	7,257
Biosphere Development	165,933	(103,870)	2,500	64,563
Biosphere Events	56,251	32,683	-	88,934
EuroRural Tourism	3,447	(3,877)	430	-
Wild Film Festival	-	4,111	-	4,111
Where's Wildlife in Ayrshire	-	19,201	-	19,201
SHAPE	-	54,500	-	54,500
Ettrick School Project	-	(2,321)	-	(2,321)
D & G Environmental Projects	-	10,000	-	10,000
	<u>257,958</u>	<u>2,163</u>	<u>430</u>	<u>260,551</u>
TOTAL FUNDS	<u>340,214</u>	<u>2,467</u>	<u>-</u>	<u>342,681</u>

THE SOUTHERN UPLANDS PARTNERSHIP

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2018**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
SUP Core Funding	79,836	(79,532)	304
Restricted funds			
Red Squirrels in South Scotland	254	(254)	-
Renewable Energy Mapping Opportunities	8,875	(11,250)	(2,375)
Black Grouse Project	-	(1,110)	(1,110)
SWSEIC	34,620	(39,399)	(4,779)
Biosphere Development	17,456	(121,326)	(103,870)
Biosphere Events	50,100	(17,417)	32,683
EuroRural Tourism	8,413	(12,290)	(3,877)
Wild Film Festival	57,882	(53,771)	4,111
Where's Wildlife in Ayrshire	47,929	(28,728)	19,201
SHAPE	54,500	-	54,500
D & G Environmental Projects	10,000	-	10,000
Ettrick School Project	-	(2,321)	(2,321)
	<u>290,029</u>	<u>(287,866)</u>	<u>2,163</u>
TOTAL FUNDS	<u>369,865</u>	<u>(367,398)</u>	<u>2,467</u>

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

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

Transfer of Funds - represents SUP contribution to a project from general funds.

19. OTHER FINANCIAL COMMITMENTS

The charitable company has future operating lease commitments of £896 relating to the lease at Lindean Mill.

20. RELATED PARTY DISCLOSURES

A S Crichton (Trustee) received rent from The Southern Uplands Partnership amounting to £3,780 for costs relating to the SWSEIC project. These premises are owned by A S Crichton. (2017, £3,780).