

Cairngorms Outdoor Access Trust

**Report of the Trustees and group
financial statements
for the year ended 31 March 2016**

Company registration number: SC186301

Charity registration number: SC028028

Cairngorms Outdoor Access Trust

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Cairngorms Outdoor Access Trust

Company information

Trustees	DM Bryden DF Cameron KA Farquhar PE Johnson IW Moffett (Chairman) PJ Ord
Trust Manager	D Baird
Company secretary	LC Secretaries Johnstone House 52-54 Rose Street Aberdeen AB10 1HA
Principal address	Aboyne Castle Business Centre Aboyne Castle Aboyne Aberdeenshire AB34 5JP
Registered office	Johnstone House 52-54 Rose Street Aberdeen AB10 1HA
Auditor	Henderson Loggie 48 Queens Road Aberdeen AB15 4YE
Bankers	Bank of Scotland plc 9 Bridge Street Ballater Aberdeenshire AB35 5QP
Registered company number	SC186301
Registered charity number	SC028028

Cairngorms Outdoor Access Trust

Report of the Trustees

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report within the consolidated financial statements of the charity for the year ended 31 March 2016.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

Governing document

The Cairngorms Outdoor Access Trust (COAT) is a company limited by guarantee (SC186301) and is a registered charity (SC028028) governed by its Memorandum and Articles of Association, as amended by special resolution in December 2012. The voting members of the Company are the Cairngorms National Park Authority, Aberdeenshire Council, Mr Peter Ord, Scottish Natural Heritage and the Chairman of the Board of Directors of COAT. New members may only be legal entities, not natural persons, and may be admitted at discretion of the existing members.

Recruitment and appointment of new Trustees

As set out in the Articles of Association, a Chairman of the Board is appointed by the Trustees who elect one of their own number upon a resolution of not less than 75% of the voting Trustees.

The Trust shall not have less than two Trustees at any time with there being no upper limit on this number. Each member of the Company may nominate one Trustee (Cairngorms National Park Authority is entitled to nominate two) and may also replace their nominated Trustee at any time. In addition, existing Trustees may elect other individuals to become Trustees, the number of these elected trustees being limited to a maximum of three. Such Trustees may be removed by the unanimous vote of all other Trustees.

The name of the Trustees who served during the year are listed on page 1 of these accounts.

RJ Kinnaird resigned on 13 December 2015 and GW Hutcheon resigned on 13 May 2016. DM Bryden was appointed on 13 December 2015.

Induction and training of new Trustees

New Trustees undergo orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the structure and decision making process of Board and Management Group meetings, the Business Plan and the financial performance of the charity.

Key management personnel remuneration

The Trustees consider the board of Trustees and the Trust Manager to be the key management personnel of the Association, in charge of directing and controlling the Trust on a day to day basis. All Trustees give of their time freely and no Trustee remuneration or expenses were paid in the year.

Trustees are required to disclose all relevant interests and register them with the Trust Manager and in accordance with the Trust policy withdraw from decisions where conflict of interest arises.

Cairngorms Outdoor Access Trust

Report of the Trustees (continued)

Key management personnel remuneration (continued)

The pay of the Trust Manager is reviewed annually and normally increased in accordance with average earnings.

Organisational structure

The Board of Trustees administer the charity, and is responsible for governance, policy setting, strategic decisions, and discharging the duties imposed by statute on directors. The Board meets quarterly, supported by a Management Group who meet prior to each Board meeting and advise on delivery of the business plan and any matters delegated to the Management Group by the Board. A Trust Manager is appointed by the Trustees to manage day-to-day operations of the charity. To facilitate effective operations, the Trust Manager has delegated authority, within terms of delegation approved by Trustees, for operational matters including finance, procurement, tendering, employment, recruitment of consultants, negotiation with landowners, access agreements, statutory submissions, and programme management relating to the activities of the Company.

Risk management

The Trustees have examined major strategic, business and operational risks which the Trust faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The major risk facing the charity is the shortfall on committed funds to The Mountains and The People HLF project. At the inception of the project £0.46m of the £6.2m had to be found. This has now been reduced to £387,000 through fundraising in year 1 of the 5 year project. The charity will continue to underwrite this reducing shortfall and will review on an annual basis in consultation with the Heritage Lottery Fund. If the additional funding is not obtained COAT may have to consider reducing the scale of project.

Another major risk is future business beyond 2020. The Board has embarked on a future strategy which will consider developments beyond the current boundaries, to ensure a viable future for the charity.

Objectives and activities

The objectives of COAT are set out in the Memorandum of Association. The Trust's objectives are summarised as:

- To conserve and protect, for the benefit of the public, the natural heritage and environment of the Area (the Cairngorms National Park as defined by the Modifications Order 2012, and other land which falls within the scope of the project or initiative taken by the Trust) by encouraging developing and implementing a strategy for the management of access in the Area which integrates the needs of land managers, access users, the local community and the natural heritage;
- To facilitate and maintain public access to the Area whilst at the same time encouraging a sensitive and planned approach to recreational use therein;
- To advance the educational of the general public in the natural heritage of the Area;
- To promote the public and individual health benefits of the enjoyment of outdoor access within the Area.

Cairngorms Outdoor Access Trust

Report of the Trustees (continued)

Objectives and activities (continued)

The work is very much guided by key specific documents including the Cairngorms National Park and Aberdeenshire Core Path Plans, the Cairngorms National Park Partnership Plan, the Cairngorms National Park Outdoor Access Strategy.

The Board of COAT has established a strategic plan to guide delivery of its objectives, with reference to these wider guidance documents. The COAT strategic plan comprises six activity streams:

- **Upland Paths:** The £6.2m Mountains and The People HLF project provides the operational platform for the charity until 2020, and expands its range to include both Scotland's National Parks. Whilst encompassing an expansive Activity Plan, it is capital intensive providing £4m for repair and upgrade of mountain paths in the South and East Cairngorms and throughout Loch Lomond and the Trossachs National Park. A maintenance programme will be established and rolled out to look after the upland paths from previous projects in the Cairngorms.
- **Training:** The Mountains and The People project Activity Plan provides for 5 SVQ accredited Training Course, 3 in Loch Lomond and The Trossachs, and 2 in the Cairngorms. There is good potential to develop training further, provided new funding streams can be identified.
- **Volunteering:** The Mountains and the People project Activity Plan provides for 2 strands of volunteering. The Adopt A Path scheme takes the initiative piloted in the Cairngorms Mountain Heritage project and rolls it out across both the Cairngorms and Loch Lomond and the Trossachs. A new series of conservation volunteer task based events will take place across both National Parks.
- **Education and Interpretation:** The Mountains and The People project Activity Plan provides for education, interpretation and visitor information programmes across the Cairngorms and Loch Lomond and the Trossachs National parks
- **Community paths:** The emphasis in the work for Cairngorms National Park Authority will move to looking after what has already been created with a comprehensive maintenance programme. There is scope for COAT to engage directly with communities in this area. Aberdeenshire Council will continue to develop key routes through COAT.
- **Strategic Routes:** Development and management of key strategic routes linking settlements for a wide range of users, including the Deeside Way, Speyside Way and Dava Way.

Achievement and performance

Charitable activities

The Trust has been operating in the form COAT for 8 years.

During the year the Trust started the first year of its 2015-20 Business plan. The Plan has a major 5 year HLF assisted project, The Mountains and The People at its core. This has increased the scope of the charity's operations to both of Scotland's National Parks, and works across the objectives of Mountain Paths, Training, Volunteering, Visitor Information, Education and Interpretation. Other key strands in the business plan are Strategic Routes, Maintenance and development of new sources of income.

Cairngorms Outdoor Access Trust

Report of the Trustees (continued)

Charitable activities (continued)

COAT operates a trading arm, COAT Trading Limited, which offers an expert consultancy service across Scotland and overseas, whilst providing an additional source of income through donated profits.

Key outputs in the 2015/16 operational year

The Mountains and The People Project:

- *Capital Programme:* Delivery of upland path repairs to key routes including Ben A'an, The Cobbler, Jocks Road, Glittering Skellies, Lochnagar Plateau, and Dubh Glean.
- *Activity Plan:* Recruitment of Staff for delivery of the Activity Plan, support of the Adopt A Path programme in the Cairngorms.

Community Network Paths: Repair and planning for a proportion of the Storm 'Bertha' damaged paths.

Walking to Health: Completion of the SNH/Paths For All assisted Walking To Health programme and handover to the Cairngorms National Park Authority, who will run the programme from 1st April 2016.

Strategic routes: Development and planning for the next phase of Speyside Way Extension, development and planning of next phase of the Dava Way.

Maintenance: a full maintenance programme was carried out for Upland/Lowland routes and for the Speyside Way.

Consultancy: COAT Trading continues to grow and develop into new areas. Extensive works were carried out in the Republic of Ireland. The work at the MacGillyguddy Reeks included

- phase 1 – path audit,
- phase 2 – path designs/specifications/standards, nature impact statement, archaeological statement and
- Phase 3 – development and delivery of a training course.

A path audit was carried out in the Pentland Hills Regional Park and further design, survey work carried out in Moray and Aberdeenshire.

COAT Trading has been commissioned to assist in the project management of the Cairngorms Scenic Routes project, which will put in place innovatively designed viewpoints for visitors to the Cairngorms National Park. COAT's experience of managing capital projects in the area is being used to help manage the installation of the viewpoints.

Business Plan 2015-20

The Mountains and The People forms the platform for the 2015-20 Business Plan, and ensures £5.2m worth of business for the Charity over the next 5 years, encompassing a Capital and Activity Programme. Short to medium term priorities have been identified with key partners including Aberdeenshire Community Paths, Speyside Way Extension, Deeside Way and Maintenance

Cairngorms Outdoor Access Trust

Report of the Trustees (continued)

Financial review and going concern

Reserves policy

The policy of the Trustees is to maintain sufficient working capital to enable the Trust to carry out all of its activities effectively and to agreed timescales within the financial year, and to ensure prompt and efficient payment to its creditors for goods and services received. Most of the grants received by the Trust are retrospectively paid by funding partners and are performance based upon the partial or full completion of projects. At the same time the Trust is required to service a high level of capital expenditure on major projects before grants are paid. The trust therefore requires a relatively high level of cash reserve to maintain sufficient cash flow to bank roll its capital work programme. The Company currently holds a total reserves of £305,666 and with projected turnover of £1.5m this reserve will be essential to maintain operations.

Principal funding sources

Partnership funding of the 2016-20 Business Plan was received from:

- Aberdeenshire Council
- Cairngorms National Park Authority

Other income was received via grants from:

- Loch Lomond and Trossachs National Park
- The Heritage Lottery Fund
- Angus Council
- Balmoral Estate
- Brown Forbes Memorial Trust
- Forestry Commission Scotland
- Scottish Natural Heritage
- Paths for All

The leasing agreement with Balmoral Estate for the Spittal of Glenmuick Car Park continues to be COAT's key source of income generation and this generated receipts of £40,253. Receipts from the the Dinnet car park raised £3,325. Donations to the Trust totalled £9,713. Total incoming funds from all sources including grants, donations, activities and investments amounted to £793,661.

After incurring operating expenditure of £890,802 the Trust showed a deficit of £97,141 (2015 - surplus of £255,722) for the year. The deficit in the year arises as a result of applying the accounting policies required by FRS102 and the Charities SORP FRS102. £122,000 of income treated, in 2015, as deferred income has been recognised as income received in that year. Had it not been for this adjustment the Company would have returned a surplus for year of £24,859 rather than the deficit of £97,141, with the closing reserves remaining unchanged.

Total reserve funds at the year-end amounted to £305,666 (2015 - £402,807).

The Trustees consider that the Trust is in a sound financial position and will be able to meet its commitments during 2016-17.

Cairngorms Outdoor Access Trust

Report of the Trustees (continued)

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Trustees see fit. It is the charity's practice to maintain a low risk investment policy.

Future developments

The 2015-20 Business Plan is now assured with commencement of the 5 year The Mountains and The People HLF funded project. The project will allow COAT to expand its range of established areas of work, including mountain paths and training whilst developing new strands of work, particularly volunteering. Successful delivery of this work will be the top priority to COAT in the following year.

Completion of the Speyside Way Extension, development of the Deeside Way and development of Aberdeenshire Paths are key partner aspirations for COAT project work.

COAT will build a strategic plan to look at expanded range beyond Scotland's National Parks, and if necessary review the Articles of Association.

There is growing evidence of need for the very substantial areas in Scotland that have not yet had any Upland Path or Training work, and there may be room for COAT to develop into these areas in consultation with others.

Dividends and appropriations

In accordance with the Trust's Memorandum no portion of its income or property may be paid or transferred by way of dividend, bonus or otherwise by way of profit to the members of the Trust other than the payment of reasonable and proper remuneration in return for services rendered to the Trust.

Statement of Trustees responsibilities

The Trustees (who are also the directors of the Cairngorms Outdoor Access Trust for the purpose of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees 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 Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements 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 and;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Cairngorms Outdoor Access Trust

Report of the Trustees (continued)

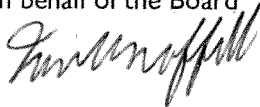
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Statement of disclosure of information to auditor

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditor is unaware, and each Trustee has taken all steps that they ought to have taken as a Trustee in order to make them aware of any audit information and to establish that the charitable company's auditor is aware of that information.

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board



IW Moffett
Chairman

22 September 2016

Cairngorms Outdoor Access Trust

Report of the independent auditor to the Trustees and Members of Cairngorm Outdoor Access Trust

We have audited the consolidated financial statements of Cairngorms Outdoor Access Trust for the year ended 31 March 2016 which comprise the consolidated and charitable company statement of financial activities, the consolidated and charitable company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation the statement of cash flows is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's members and the Trustees those matters we are required to state to them in an auditors' report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members and Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities on pages 7-8, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a fair view.

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation to the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Cairngorms Outdoor Access Trust

Report of the independent auditor to the Trustees and Members of Cairngorm Outdoor Access Trust (continued)

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2016 and of its incoming resources and applications of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with the United Kingdom Generally Accepted Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you, if in our opinion:

- The parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- Certain disclosure of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Fiona Morgan (Senior Statutory Auditor)

For and on behalf of Henderson Loggie, Statutory Auditor

Henderson Loggie is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Aberdeen

22 September 2016

Cairngorms Outdoor Access Trust

Consolidated statement of financial activities (incorporating income and expenditure) for the year ended 31 March 2016

	Note	Unrestricted funds £	Restricted funds £	2016 Total funds £	As restated 2015 Total funds £
Income from:					
Investments	2	469	-	469	558
Other trading activities	3	124,628	-	124,628	96,172
Donations and grants	5	39,808	628,756	668,564	1,688,767
Total income		164,905	628,756	793,661	1,785,497
Expenditure on:					
Raising funds	6	58,093	-	58,093	27,846
Charitable activities	7,8	224,576	608,133	832,709	1,501,929
Total expenditure		282,669	608,133	890,802	1,529,775
Net (expenditure)/income for the year		(117,764)	20,623	(97,141)	255,722
Reconciliation of funds					
Total funds at 1 April 2015		239,620	163,187	402,807	147,085
Total funds at 31 March 2016		121,856 =====	183,810 =====	305,666 =====	402,807 =====

Cairngorms Outdoor Access Trust

Statement of financial activities (incorporating income and expenditure) for the year ended 31 March 2016

	Note	Unrestricted funds £	Restricted funds £	2016 Total funds £	As restated 2015 Total funds £
Income from:					
Investments	2	469	-	469	558
Other trading activities	3	60,919	-	60,919	53,629
Donations and grants	5	44,774	628,756	673,530	1,702,464
Total income		106,162	628,756	734,918	1,756,651
Expenditure on:					
Charitable activities	7, 8	223,926	608,133	832,059	1,500,929
Total expenditure		223,926	608,133	832,059	1,500,929
Net (expenditure)/income for the year		(117,764)	20,623	(97,141)	255,722
Reconciliation of funds					
Total funds at 1 April 2015		239,620	163,187	402,807	147,085
Total funds at 31 March 2016		121,856	183,810	305,666	402,807

Cairngorms Outdoor Access Trust

Consolidated balance sheet at 31 March 2016

	Note	£	2016 £	£	As restated 2015 £
Fixed assets					
Tangible assets	13		9,009		13,103
Current assets					
Stocks		13,491		13,471	
Debtors	15	234,931		183,266	
Cash & cash equivalents		439,042		516,231	
			687,464		712,968
Liabilities					
Creditors	16		(390,807)		(323,264)
Net current assets			296,657		389,704
Total assets less current liabilities			305,666		402,807
Net assets			305,666 =====		402,807 =====
The funds of the charity:	18				
Unrestricted funds			121,856		239,620
Restricted funds			183,810		163,187
Total charity funds			305,666 =====		402,807 =====

This report, which has been prepared in accordance with the provisions applicable to companies subject to the small companies regime, was approved by the board on its behalf by:



IW Moffett
Chairman

22 September 2016

The notes on pages 16 to 29 form part of these financial statements.

Cairngorms Outdoor Access Trust

Balance sheet at 31 March 2016

	Note	£	2016 £	As restated 2015 £
Fixed assets				
Tangible assets	13		9,009	13,103
Investments	14		1	1
			9,010	13,104
Current assets				
Inventories		2,324		2,408
Debtors	15	208,478		198,346
Cash & cash equivalents		419,182		509,666
			629,984	710,420
Liabilities				
Creditors	16		(333,328)	(320,717)
Net current assets				
			296,656	389,703
Total assets less current liabilities				
			305,666	402,807
Net assets				
			305,666	402,807
The funds of the charity:				
Unrestricted funds	18		121,856	239,620
Restricted funds			183,810	163,187
Total charity funds				
			305,666	402,807

This report, which has been prepared in accordance with the provisions applicable to companies subject to the small companies regime, was approved by the board on its behalf by:



IW Moffett
Chairman

22 September 2016

The notes on pages 16 to 29 form part of these financial statements.

Cairngorms Outdoor Access Trust

Consolidated statement of cash flows for the year ended at 31 March 2016

	Note	2016		2015	
		Group £	Company £	Group £	Company £
Cash flows from operating activities:					
Net (expenditure)/income		(97,141)	(97,141)	255,722	255,722
Adjust for:					
Depreciation	13	6,996	6,996	10,905	10,905
(Increase)/decrease in stocks		(20)	84	(9,233)	1,830
(Increase)/decrease in debtors		(51,665)	(10,132)	61,900	48,714
Increase/(decrease) in creditors		67,543	12,611	(430,413)	(430,489)
Net cash spent on operations		(74,287)	(87,582)	(111,119)	(113,318)
Cash flows from investing activities					
Purchase of tangible assets	13	(2,902)	(2,902)	(10,312)	(10,312)
Net decrease in cash and cash equivalents		(77,189)	(90,484)	(121,431)	(123,630)
Cash & cash equivalents at 1 April 2015		516,231	509,666	637,662	633,296
Cash & cash equivalents at 31 March 2016		439,042	419,182	516,231	509,666

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements

1 Accounting policies

Company information

Cairngorms Outdoor Access Trust is a company incorporated in Scotland. The registered office is Johnston House, 52 – 54 Rose Street, Aberdeen, AB15 4YE.

Accounting convention

The financial statements are prepared under the historical cost convention, modified for the revaluation of certain fixed assets and include the results of the operations of the charitable company as indicated in the Trustees' report, all of which are continuing.

The financial statements have been prepared in accordance with applicable accounting standards and the 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 (FRS102) (effective 1 January 2015) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006.

Cairngorms Outdoor Access Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the directors have considered whether in applying the accounting policies required by FRS102 and the charities SORP FRS102 a restatement of comparative items was needed. As a result of this, the deferred income previously reported was reassessed and this resulted in the opening reserves being restated, as follows:

Reconciliation of reported net income	£
Net income as previously stated	133,722
Income received in 2015 and previously reported as deferred income – now recognised as income in 2015, in line with the Charities SORP FRS102	122,000
2015 net income, as restated	<u>255,722</u> =====

The transition date was 1 April 2014.

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

Basis of consolidation

The group financial statements consolidate the results of the company's subsidiary, COAT Trading Limited. 100% of the ordinary share capital is held. The trading subsidiary's principal activity is that of consultancy services.

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

Income

All income is stated in the accounts at its gross value.

Donations and grants

Donations and grants receivable are included in the accounts in the year in which they are receivable, which is when the Trust becomes entitled to the resource.

Other trading activities

Income from the sale of publications and car park ticket income is included in the year in which they are receivable.

Gifts in kind

Gifts in kind and donated services and facilities are included in the statement of financial activities at a best estimate of the gross value of charity.

Interest

Interest receivable is included when receivable by the charity.

Expenditure

Expenditure is accounted for on accruals basis, inclusive of irrecoverable VAT. Liabilities are recognised when the Trust has a legal or constructive obligation to incur an outflow of resources.

Charitable activities includes expenditure incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities as well as those of an indirect nature necessary to support them, as well as the governance of the group.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs include central functions and have been allocated on a basis consistent with the use of resources.

Tangible fixed assets

Individual fixed assets costing £50 or more are capitalised at cost, including irrecoverable VAT. Depreciation is provided on a straight line basis at rates calculated to write off the cost of the assets, less any residual value, over their estimated useful lives, as follows:

Traffic equipment	-	10 years
Fixtures and fittings	-	4 years
Leasehold improvements	-	15 years
Computer equipment	-	3 years

Investments

Investments are a form of basic financial instrument and are initially recorded at their transaction value and subsequently measure at their fair value at the balance sheet date if available. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

1 Accounting policies (continued)

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The cost of work in progress includes raw materials, direct labour, and other direct costs, but excludes borrowing costs.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Operating leases

Rentals for leased assets, held under the terms of the operating leases are charged directly to the Statement of Financial Activities over the term of the lease.

Fund accounting

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

Restricted funds can 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.

Further explanations of the nature and purposes of each fund is included in the notes to the financial statements.

2 Income from investments

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank interest	469	558	469	558
	=====	=====	=====	=====

3 Other trading activities

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Sale of publications	-	494	-	-
Map sales	-	2,644	-	-
Consultancy	63,709	39,405	-	-
Path maintenance	16,865	15,000	16,865	15,000
Day tickets	43,578	37,810	43,578	37,810
Season tickets	476	819	476	819
	-----	-----	-----	-----
	124,628	96,172	60,919	53,629
	=====	=====	=====	=====

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

4 Commercial trading operations and investment in trading subsidiary

The wholly owned subsidiary, COAT Trading Limited, is incorporated in the UK (company number SC433416) and pays all of its profits to the charity under the gift aid scheme. The charity owns the entire share capital of 1 ordinary £1 share.

	2016	2015
	£	£
A summary of the trading results is shown below:		
Turnover	63,709	42,543
Cost of sales and administrative expenses	58,743	28,846
Net profit	4,966	13,697
Gift aid to Cairngorms Outdoor Access Trust	(4,966)	(13,697)
Accumulated in the subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Current assets	208,208	20,069
Creditors: amounts falling due within one year	(208,207)	(20,068)
Total net assets	1	1

5 Donations and grants

	Group		Company	
	2016	As restated 2015	2016	As restated 2015
	£	£	£	£
Donations (unrestricted)	4,463	4,341	4,463	4,341
Gift aid donation from subsidiary (unrestricted)	-	-	4,966	13,697
Grants (see over)	658,851	1,677,426	658,851	1,677,426
Donated services (unrestricted)	5,250	7,000	5,250	7,000
	668,564	1,688,767	673,530	1,702,464

Donated services is the use of a Landrover Freelander donated by Jaguar Land Rover Limited.

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

5 Donations and grants (continued)

Group and company	2016 £	As restated 2015 £
Unrestricted grants received are as follows:		
Aberdeenshire Council (Upper Deeside Access)	18,510	10,000
Balmoral Estate (Partnership Funding Transitional Business Plan)	3,000	3,000
Cairngorms National Park Authority (Business Plan)	8,585	238,000
	30,095	251,000
Restricted grants received are as follows:		
Angus Council (The Mountains and the People Project (TMTP))	13,000	-
Brown Forbes Memorial Trust (TMTP)	20,000	-
Cairngorms National Park Authority (Business Plan)	-	70,000
Cairngorms National Park Authority (Shovel Ready Projects)	-	565,000
Cairngorms National Park Authority (Speyside Way)	-	305,000
Cairngorms National Park Authority (Riverside Path Repairs)	18,728	-
Dava Way Association	40,000	-
Forestry Commission Scotland	105,000	-
Heritage Lottery Funding (Cairngorms Mountain Heritage Project)	-	140,398
Heritage Lottery Funding (TMTP)	335,813	13,500
Highland Council (ESF Training Project)	-	17,336
NHS Change Fund (Walking to Health)	2,000	16,317
NHS Grampian (Walking to Health)	4,500	-
Loch Lomond and Trossachs National Park	-	7,500
Loch Lomond and Trossachs National Park (TMTP)	105,000	-
Moray LEADER	-	(21)
Paths for All (Walking to Health)	5,000	1,667
Scottish Government (Cairngorms Mountain Heritage Project)	(58,759)	136,390
Scottish Government (ESF Training Project)	(1,526)	86,325
Scottish Mountaineering Trust (Cairngorms Mountain Heritage Project)	-	2,500
Scottish National Heritage (Business Plan)	-	33,454
Scottish National Heritage (Walking to Health)	10,000	6,199
Scottish National Heritage (TMTP)	30,000	-
Sport Scotland	-	24,861
	628,756	1,426,426
Total Grants received	658,851	1,677,426

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

6 Raising funds

	Basis of Apportionment	Group		Company	
		2016 £	2015 £	2016 £	2015 £
Staff costs	time	-	12,372	-	-
Subcontract costs	Invoiced	-	7,732	-	-
General expenses	Invoiced	-	2,051	-	-
Stock purchases	Invoiced	58,093	5,691	-	-
		58,093	27,846	-	-
		=====	=====	=====	=====

7 Charitable activities

Staff costs	Time	130,484	196,238	130,484	196,238
Management salaries & costs	Time	24,391	28,385	24,391	28,385
Office running costs	Invoiced	16,763	13,862	16,763	13,862
Bank charges	Invoiced	236	483	236	483
Travel and vehicle use costs	Invoiced	9,026	4,733	9,026	4,733
ESF training project		847	37,141	847	37,141
Office premises	Invoiced	7,423	10,158	7,423	10,158
Unrecoverable Aviemore office costs		-	6,401	-	6,401
Dava Way costs	Time	6,397	-	6,397	-
Mountain path repairs	Invoiced	24,310	26,112	24,310	26,112
Mountain heritage project		2,413	366,113	2,413	366,113
Low group path development works	Invoiced	44,099	3,991	44,099	3,991
SRP Projects		-	410,547	-	410,547
Scenic Routes project	Invoiced	113	-	113	-
Low ground maintenance work		9,937	10,809	9,937	10,809
Community volunteer scheme	Invoiced	-	1,432	-	1,432
Speyside Way extension	Invoiced	21,029	300,755	21,029	300,755
Speyside Way maintenance	Invoiced	7,596	492	7,596	492
The Mountain and the People costs		477,967	-	477,967	-
Publicity, PR and meeting costs	Invoiced	1,298	3,508	1,298	3,508
Car park maintenance	Invoiced	537	152	537	152
Car park rental	Invoiced	5,715	5,151	5,715	5,151
Car park development		-	1,119	-	1,119
Walking to Health	Invoiced	25,821	28,043	25,821	28,043
Vehicle (donated use)	Invoiced	5,250	7,000	5,250	7,000
Joint National Park Development	Invoiced	258	16,470	258	16,470
Depreciation		6,996	10,905	6,996	10,905
Governance costs (note 8)		3,803	11,929	3,153	10,929
		832,709	1,501,929	832,059	1,500,929
		=====	=====	=====	=====

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

8 Governance costs

	Basis of Apportionment	Group		Company	
		2016	2015	2016	2015
		£	£	£	£
Accountancy	Invoiced	650	1,000	-	-
Professional service	Invoiced	497	3,782	497	3,782
Auditor's remuneration		2,656	7,147	2,656	7,147
		<u>3,803</u>	<u>11,929</u>	<u>3,153</u>	<u>10,929</u>
		=====	=====	=====	=====

9 Net outgoing resources

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Net resources are stated after charging:				
Auditor's remuneration	2,656	7,147	2,656	7,147
	<u>2,656</u>	<u>7,147</u>	<u>2,656</u>	<u>7,147</u>
	=====	=====	=====	=====

10 Trustees' remuneration and expenses

There is no Trustees' remuneration or other benefits for the year ended 31 March 2016 nor for the year ended 31 March 2015.

During the year two Trustees were reimbursed for travel and subsistence expenses totalling £1,949 (2015 - £1,355).

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

11 Staff costs

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Wages and salaries	152,000	197,746	137,981	189,662
Social security	11,380	13,021	10,331	12,115
Other pension costs	27,621	21,347	25,074	19,215
	<u>191,001</u>	<u>232,114</u>	<u>173,386</u>	<u>220,992</u>
	=====	=====	=====	=====
			2016	2015
Staff numbers			No.	No.
Project Manager			1	1
Trust administrator			1	1
Project access officers			5	3
Trainees			-	8
Car park attendant			1	1
			<u>8</u>	<u>14</u>
			===	=====

During the year, the Company employed 8 members of staff, 6 of whom worked on a full time basis, with the remaining 2 on a part time employment contract (2015 - 12 full time and 2 part time). The subsidiary has no employees.

No employee received emoluments greater than £60,000 in either of the two years ended 31 March 2015 and 2016.

The charity considers its key management personnel comprises of the Trustees and the Trust Manager. Total employment benefits including employers pension contributions of the key management personnel were £50,645 (2015 - £53,655).

12 Taxation

Group and company	2016 £	2015 £
UK corporation tax	-	-
	===	===

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

No corporation tax arises on the subsidiary's profits for the year because profits have been paid, to the Charity, by COAT Trading Limited, by way of a gift aid payment.

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

13	Tangible fixed assets	Leasehold improvements Spittal of Glen Muick car park	Traffic equipment	Office furniture	Computer equipment	Plant & equipment	Total
	Group and company	£	£	£	£	£	£
	Cost						
	At 1 April 2015	51,735	21,721	4,957	20,158	7,578	106,149
	Additions	-	-	-	2,902	-	2,902
	Disposals	-	-	-	-	-	-
	At 31 March 2016	51,735	21,721	4,957	23,060	7,578	109,051
	Depreciation						
	At 1 April 2015	50,148	13,592	4,862	17,928	6,516	93,046
	Charge for the year	953	2,501	95	2,462	985	6,996
	Eliminated on disposal	-	-	-	-	-	-
	At 31 March 2016	51,101	16,093	4,957	20,390	7,501	100,042
	Net book value						
	At 31 March 2016	634	5,628	-	2,670	77	9,009
	At 31 March 2015	1,587	8,129	95	2,230	1,062	13,103

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

14 Investments - Company

	2016	2015
	£	£
Investment in subsidiary company: COAT Trading Limited	1	1
	===	===

The value of the investment in the subsidiary continues to be held at cost due to there being no fair value of the investment available.

15 Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	230,603	152,092	204,150	149,651
Amounts owed by group undertakings	-	-	-	17,521
Prepayments and accrued income	4,328	31,174	4,328	31,174
	-----	-----	-----	-----
	234,931	183,266	208,478	198,346
	=====	=====	=====	=====

16 Creditors : amounts falling due within one year

	Group		Company	
	2016	As restated 2015	2016	As restated 2015
	£	£	£	£
Trade creditors	100,276	92,018	92,365	90,888
VAT	4,890	1,524	1,367	1,107
Accruals	15,641	148,773	12,668	147,773
Social security	3,270	2,221	3,270	2,221
Amounts owed to group undertakings	-	-	150,728	-
Deferred income (see below)	266,730	78,728	72,930	78,728
	-----	-----	-----	-----
	390,807	323,264	333,328	320,717
	=====	=====	=====	=====
Deferred income				
Opening balance	78,728	675,000	78,728	675,000
Released in year	(21,213)	(597,272)	(21,213)	(597,272)
Deferred in year	209,215	1,000	15,415	1,000
	-----	-----	-----	-----
Closing balance	266,730	78,728	72,930	78,728
	=====	=====	=====	=====

16 Creditors : amounts falling due within one year (continued)

Deferred income (continued)

A grant of £193,800 (2015: £nil) received during the year has been deferred as it relates to an advance contribution towards the work to be carried out on path management contracts.

Grants of £72,930 (2015 - £78,728) received during the year, and the previous year, have been deferred as the conditions of the grants had not been met at the year end.

17 Pension commitments

Cairngorms Outdoor Access Trust participates in the North East Scotland Pension Fund which is part of the Local Government Pension Scheme (Scotland), a multi-employer scheme. The Local Government Pension Scheme is a defined benefit scheme.

Under the North East Scotland Pension Fund the contribution rate required for the Cairngorms Outdoor Access Trust is set up on a grouped basis, combining the experience of the employer with other employers within the same group also participating in the Fund. Within this group assets and liabilities of the Fund are not separately identified between the various employers participating as part of the triennial actuarial valuations. As a result Cairngorms Outdoor Access Trust is unable to identify its relevant share of the underlying assets and liabilities in the Fund. These accounts have therefore been drawn up in accordance with FRS102 on the basis that the pension cost is accounted for as a defined contribution scheme.

Information about the overall funding position of the North East Scotland Pension Fund was provided by the actuary to the Fund on the actuarial valuation of the Scheme as at 31 March 2014. That valuation showed that the overall funding position of the Scheme as a whole was 94%, the deficit being £191 million.

The contributions payable by the employers are based on the position of the Fund as a whole, which is reassessed at triennial valuation, in line with the Administering Authority's Funding Strategy Statement.

The pension cost charge represents contributions payable by the group to the funds and amounted to £27,621 (2015 - £21,347).

The next actuarial valuation of the North East Scotland Pension Fund is being carried out with an effective date of 31 March 2015 with revised contribution rates being effective from 1 April 2016.

Notes to the consolidated financial statements (continued)

18 Analysis of net assets between funds – Group and Company

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Group				
Fixed assets	9,009	-	9,009	13,103
Current assets	144,871	542,593	687,464	712,968
Current liabilities	(32,024)	(358,783)	(390,807)	(323,264)
	<u>121,856</u>	<u>183,810</u>	<u>305,666</u>	<u>402,807</u>
	=====	=====	=====	=====
Company				
Fixed assets	9,010	-	9,010	13,104
Current assets	281,191	348,793	629,984	710,420
Current liabilities	(168,345)	(164,983)	(333,328)	(320,717)
	<u>121,856</u>	<u>183,810</u>	<u>305,666</u>	<u>402,807</u>
	=====	=====	=====	=====

19 Movement in funds - Group and Company

	As originally stated At 1 April 2015 £	Prior period adjustment £	As restated At 1 April 2015 £	Net movement in funds £	At 31 March 2016 £
Unrestricted funds	173,620	66,000	239,620	(117,764)	121,856
Restricted funds	107,187	56,000	163,187	20,623	183,810
Total funds	<u>280,807</u>	<u>122,000</u>	<u>402,807</u>	<u>(97,141)</u>	<u>305,666</u>
	=====	=====	=====	=====	=====

Notes to the consolidated financial statements (continued)

19 Movement in funds – Group and Company (continued)

Group net movement in funds, included in above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds	164,905	282,669	(117,764)
Restricted funds	628,756	608,133	20,623
Total funds	<u>793,661</u> =====	<u>890,802</u> =====	<u>(97,141)</u> =====

Company net movement in funds, included in above are as follows:

Unrestricted funds	106,162	223,926	(117,764)
Restricted funds	628,756	608,133	20,623
Total funds	<u>734,918</u> =====	<u>832,059</u> =====	<u>(97,141)</u> =====

Restricted funds comprise monies received in support of various specific projects undertaken by the charity in furtherance of its charitable objectives.

20 Lease commitments

The Company is committed to five leases. The first from the Trustees of Balmoral Estate, the car park at Spittal of Glen Muick until 31 March 2020. The lease payment is variable sum calculated at 12.5% of the gross revenue of ticket sales from the car park each year, and is paid six monthly in arrears.

The second from ECM Humphrey, the car park at Kinord Hall until 31 March 2029. The lease payment is variable sum calculated at 12.5% of the gross revenue of ticket sales from the car park each year, and is paid quarterly in advance.

The third is from Visit Scotland for use of the Information Centre in Balloch. The rent is £nil but the Company pays an agreed 71% of shared costs.

There are two leases in respect of office accommodation at the Aboyne Business Centre which run until September 2017, at £4,200 per annum, and May 2018 at £7,000, respectively renewable bi-annually.

21 Company status

The company is limited by guarantee and does not have share capital. The liability of each member in the event winding up is limited to £1.

Cairngorms Outdoor Access Trust

Notes to the consolidated financial statements (continued)

22 Related party transactions

Control

Throughout the year, the company was controlled by the Trustees.

Transactions

During the year the company had the following transactions with related parties. These bodies are considered to be related parties as some of the directors and senior management on the Board of Cairngorms Outdoor Access Trust have connections with these bodies, as explained in the Trustee's Report.

Related party	Transaction	£	Balance at year end £
Cairngorms National Park Authority	Grant funding	27,313	-
Aberdeenshire Council	Grant funding	18,510	-
Scottish National Heritage	Grant funding	40,000	-

The company has taken advantage of the exemptions available not to disclose transactions with COAT Trading Limited.

