

THE ARRAN TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Company Registration No. SC392051 (Scotland)

Charity Registration No. SC042312 (Scotland)

Arran Accountancy Limited
Alexanders
Brodict
Isle of Arran
KA27 8AJ

THE ARRAN TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Kenneth Bone Mr Tom Tracey Mr Robert Waine Mrs Angela Elliot-Walker Mr Henry Murdo Mrs Margaret Currie Mr Christopher Trail
Secretary	Mr Tom Tracey
Charity number (Scotland)	SC042312
Company number	SC392051
Principal address	VisitArran The Pier Brodick Isle of Arran Scotland KA27 8AU
Registered office	VisitArran The Pier Brodick Isle of Arran Scotland KA27 8AU
Independent examiner	Arran Accountancy Limited Alexanders Brodick Isle of Arran KA26 8AJ
Bankers	Royal Bank of Scotland Brodick Branch Brodick Isle of Arran KA27 8AP

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FOR THE YEAR ENDED 31 MARCH 2023

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THE ARRAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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 2019)".

OBJECTIVES AND ACTIVITIES

The charity's objects are the delivery of environmental enhancements and conservation of the Isle of Arran and the promotion of sustainable development practices. Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. The policies adopted in furtherance of these objects are to protect the environment and fund conservation and green infrastructure and there has been no change in these during the year.

Fundamental to achieving our objectives is engagement with Visitors to Arran to support the environment by voluntarily contributing to Arran Trust.

Arran Geopark – Fisherman's Walk

This walk is without doubt the busiest on the island. Arran Access Trust estimate 80,000 people use this walk every month, which is just incredible. It's an ongoing battle, with the rising tides and coastal erosion, which had resulted in access to the walk being restricted. The Arran Trust were able to support the rebuilding of the boardwalk by offering £1,550 for materials, which were then used by local community volunteers, including a 5 year old boy, to rebuild the damaged sections. This resulted in the walk becoming accessible once again.

Arran Community Land Initiative

Arran Community Land Initiative has planted thousands of native trees and are working with an agricultural adviser on how best to maximise biodiversity and promote different habitats for the natural world.

The Arran Trust were able to support greater biodiversity by providing £1,866 for tools, which can be used for maintenance as well as productivity. This money also supported purchases of seeds to encourage rich meadow status.

Arran Geopark (at the time under auspices of Arran Access Trust)

The Arran Trust was able to support the prototyping of education packages and creation of digital/downloadable resources for primary school children on Arran with an award of £3,100. These resources will eventually be available on the Arran Geopark website to download and to include background info for teachers/parents, and a mix of activities – that can be done outdoors, as well as indoor/classroom-based resources. As an aspiring UNESCO Geopark, the Arran Geopark originated under auspices of Arran Trust, but is now an independent SCIO.

Arran Mountain Festival

Through an award of £650 from the Arran Trust, the Mountain Festival was able to purchase climbing equipment (ropes, harnesses, helmets, slings) for participants in the A'Chir ridge scramble as part of the Mountain Festival. In previous Festivals this signature scramble has been led by paid guides from off the Island who have provided their own equipment. Thanks to Arran Trust funding the 2023 AMF was led by local guides (trained by the Mountain Festival with previous financial assistance from the Arran Trust) now using AMF owned equipment which will last several years.

THE ARRAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Ongoing Running Costs

There are ongoing monthly management costs for the website, which includes an annual payment for the domain hosting. There is also a monthly payment made to Just Giving, and one off payments to Simply Business and VisitArran for insurance and administration costs, as well as an annual fee for public liability insurance which covers the Wishing Well.

Marketing

Adverts were placed in the local newspaper's calendar, and also supporting special additions of the publication (e.g. Arran's Food Festival, Arran Malt & Music Festival, etc). We took out supportive advertising in the Arran Show Programme, and also enlisted the services of a blogger.

INCOME Notes:

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tom tracey
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1. Our income decreased last year, although it must be noted that 2021–2022 was a record year for income for the Trust. This drop could be due to rising cost of living crisis, and also reduction in participating accommodation providers.
2. Arran Active donated £200 from the sale of Arran map picnic rugs.
3. A donation of £1,635 came from the Arran White Stag Dinner.
4. Arran Milk continued to donate 5p from every litre of milk sold, which generated £1,147.
5. Arran Mountain Festival raised £101 through their event booking in support of the Arran Trust.
6. Friends of Arran Trust remain static.
7. Wishing Well income has only been emptied once this year, so income will reflect this.
8. Donations have increased due to a donation 'charge' to Arran Trust for any business or private individual using the community tents and marquee managed by VisitArran.

The trustees have cash reserves in excess of outstanding grants and will adjust future awards to suit the income received ensuring the charity remains a going concern.

The Arran Trust was set up as a sister company to Visit Arran Ltd, and is a registered charity. The Arran Trust is a visitor gifting scheme, that supports community groups and businesses to potentially sustain, restore, protect, interpret and conserve the environmental beauty of Arran that so attracts these same visitors. This may be in the form of access, interpretation, education, heritage or perhaps even species reintroduction. The Arran Trust continues to grow and develop, as awareness of the Trust and its aims become more apparent to community groups and visitors alike. Over 60 local businesses support the Trust, by use of collecting cans, sponsored products or nightly donations from visitors.

FINANCIAL REVIEW

The Trustees consider the financial position of the charity to remain strong and plan to increase income and gifting in future years by adding resources to support the expansion of existing programmes and the creation of new programmes.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE ARRAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, government and management

The charity is a company limited by guarantee, was incorporated on 24th January 2011 and has no share capital. The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Kenneth Bone
Mr Tom Tracey
Mr Robert Waine
Mrs Angela Elliot-Walker
Mr Henry Murdo
Mr Richard Small
Mrs Margaret Currie
Mr Christopher Trail


The current trustees are responsible for appointment of additional or replacement trustees. Any proposals or nominations are discussed at the next Board meeting and a majority decision is required.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity is controlled by the Board of Trustees, who make the decisions at the Board meetings. The day to day management is carried out by Sheila Gilmour, Executive director of Visit Arran Ltd.

The trustees' report was approved by the Board of Trustees.

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Mr Tom Tracey Trustee
Dated: 5th December 2023

THE ARRAN TRUST

INDEPENDANT EXAMINER'S REPORT
TO THE TRUSTEES OF THE ARRAN TRUST

I report on the financial statements of the charity for the year ended 31 March 2023, which are set out on pages 5 to 9.

Respective responsibilities of trustees and examiner

The trustees, who are also the directors of The Arran Trust for the purposes of company law, 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 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 2006 Accounts Regulations. 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 the course of my examination, no matter has come to my attention:

- (a) Which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations: and
 - (ii) to prepare accounts which accord with the accounting records, comply with Regulations 8 of the 2006 Accounts Regulations ;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Lorna Wyllie BA CA
Arran Accountancy Limited
Alexanders
Brodict
Isle of Arran
KA27 8AJ

Date: 5th December 2023

THE ARRAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	13,132	34,139
Investments	3	145	6
Other trading activities	4	1,181	294
Total		<u>14,459</u>	<u>34,439</u>
EXPENDITURE ON			
Charitable activities	5	<u>12,341</u>	<u>7,101</u>
Net expenditure for the year/Net movement in funds		2,118	27,337
Fund balances at 1 April 2022		32,544	5,207
Fund balances at 31 March 2023		<u><u>34,662</u></u>	<u><u>32,544</u></u>

The statement of financial activities includes all gains and losses recognised in the financial year.

All income and expenditure derive from continuing activities.
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE ARRAN TRUST

BALANCE SHEET
31ST MARCH 2023

Notes	2023 £	2022 £
CURRENT ASSETS		
Cash at bank and in hand	34,662	32,544
NET CURRENT ASSETS	34,662	32,544
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>34,662</u>	<u>32,544</u>
Income funds		
Unrestricted funds	34,662	32,544
	<u>34,662</u>	<u>32,544</u>

The charitable company is entitled from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain and audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 of the Companies Act 2006 and
- (b) for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its incoming resources, including its income and expenditure, for the 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 company.

These financial statements have been prepared in accordance with the provision applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

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 Mr Tom Tracey Trustee

Company Registrar No. SC392051

THE ARRAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity Information

The Arran Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Visit Arran, The Pier, Brodick, Isle of Arran, North Ayrshire, KA27 8AU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as issued in October 2019 for the accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions on the SORP for charities applying FRS 102 Update Bulleting 1 not to prepare a Statement of Cash Flows.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

1.5 Resources expended

Expenditure, other than that which is capitalised, is charged to the SOFA on an accruals basis, inclusive of VAT.

Charitable activities comprises all costs and expenses considered to relate to achieving and maintaining the objects of The Arran Trust.

Grant funding is recognised when the award is agreed by the trustees.

Governance costs are those costs incurred to allow The Arran Trust to comply with statutory obligations.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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NOTES TO FINANCIAL STATEMENTS –continued
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 2022 £	£
2. DONATIONS AND LEGACIES		
Donations and gifts	<u>13,132</u>	<u>34,139</u>
3. INVESTMENTS		
Interest Receivable	<u>145</u>	<u>6</u>
4. OTHER INCOME		
	<u>Unrestricted funds</u>	<u>Unrestricted funds</u>
Other Income	<u>1,181</u>	<u>294</u>
5. CHARITABLE ACTIVITIES		
	<u>Environmental protection or improvement</u>	<u>Environmental protection or improvement</u>
Staff Costs	2,000	2,000
Fundraising costs	910	242
Advertising and Sponsorship	852	857
Website Costs	804	835
Insurance	177	167
Accountancy & company fees	433	-
	<u>5,175</u>	<u>4,101</u>
Grant funding of activities (see note 6)	7,166	3,000
	<u>12,341</u>	<u>7,101</u>

THE ARRAN TRUST

NOTES TO FINANCIAL STATEMENTS –continued
FOR THE YEAR ENDED 31ST MARCH 2023

	2023	2022
	£	£
6. GRANTS PAYABLE		
Grants to institutions:		
Arran Access Trust	4,650	-
Arran Civic Trust –Catacol Barking House	-	300
Arran Community Land Initiative (ACLI)	1,866	
Arran Mountain Festival	650	-
Arran Theatre & Arts Trust: Arts Heritage Trail	-	500
Ayrshire Orienteering Club	-	1,500
Lochranza & Catacol Community Trust	-	500
	<u>7,166</u>	<u>2,800</u>
Grants to individuals	-	200
	<u>7,166</u>	<u>3,000</u>

7. TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of travelling expenses during the year.

8. EMPLOYEES

The average monthly number of employees during the year was:

	2023	2022
Total	<u>-</u>	<u>-</u>
Employment costs	2023	2022
Wages and Salaries	<u>2,000</u>	<u>2,000</u>

THE ARRAN TRUST

NOTES TO THE FINANCIAL STATEMENTS –continued FOR THE YEAR ENDED 31 MARCH 2023

9. Related party transactions

The charity paid Visit Arran Limited £2,000 (2022–£2,000) for administration costs incurred during the year. Visit Arran Limited is related by virtue of 3 common directorships. There were no amounts outstanding at the period end.