

The Association for the Protection of Rural Scotland

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APRS
The Association for the
Protection of Rural Scotland

Company Limited by Guarantee, operating under the name APRS. Charity Number SC016139, Registered Number SC154563

ANNUAL REPORT AND FINANCIAL STATEMENTS For the Year Ended 31 December 2016

Registered Office	Dolphin House, 4 Hunter Square, Edinburgh, EH1 1QW	
Independent Examiner	Chiene + Tait LLP, Chartered Accountants & Independent Examiners, 61 Dublin Street, Edinburgh, EH3 6NL	
Bankers	Clydesdale Bank plc, Edinburgh City Customer Banking Centre, 83 George Street, Edinburgh, EH2 3ES	
President	Vice Presidents	
Colin Prior FRPS	Patrick Playfair-Hannay of Kingsmuir	Robin Salvesen (to 28 May)
	John Foster CBE	Charles Strang
	Bill Wright	
Directors/Executive Committee		
Chairman	Vice-Chairman	
Charles Millar	Jane Bower	
Director	Members	
John Mayhew (to 13 October)	Peter Bickmore Dundas	
	Michael Gascoigne	
Honorary Treasurer	Karol Swanson	
Walter Simpson	John Thomson	
Management		
John Mayhew - Director and Company Secretary		
Nina Sobecka - Administrator		

APRS relies heavily on the generosity, financial and otherwise, of its members and other supporters. The Association is very grateful for all the help it receives.

APRS received numerous subscriptions and donations during the year, a number of them made anonymously. Sums received include the following over £200:

The BIG Lottery Fund - Grant of £9,354 for the Borders National Park Project.

Sylvia Aitken Charitable Trust - £750, Cruden Foundation Ltd - £500, Patrick Ford - £250, Gunter Charitable Trust - £400, Susan H Guy Charitable Trust - £5,000, Adrian Hyde - £250, A E H Salvesen Charitable Trust - £1,000.

In addition, many members added considerably to their annual subscriptions, paying an amount in excess of the minimum.

All this financial help is very much appreciated by the Association. Without it, its important work would not be possible.

**THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
(COMPANY LIMITED BY GUARANTEE) (Operating under the name APRS)
REPORT AND REVIEW OF 2016**

The Review by the Director of 2016 activities, achievements and performance together with plans for 2017 is published separately and is issued with these Financial Statements.

Executive Committee Report of 2016

The Executive Committee of the Association for the Protection of Rural Scotland (APRS) presents its report, together with the financial statements of the Association for the year ended 31 December 2016. This report and the financial statements comply with current statutory requirements, the Company's Memorandum and Articles of Association and the Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Objectives

The principal objectives of the Association are unchanged in accordance with its Memorandum and Articles of Association which are to "improve, protect and preserve for the benefit of the public the rural scenery and the amenities of country districts, towns and villages in Scotland and generally to promote and encourage the better development of the rural environment in Scotland".

Financial activities and results

Income for the year amounted to £124,246 (2015: £68,332). Expenditure was £141,904 (2015: £71,595).

Investment powers and policy

The investment powers of the Association are defined in the Memorandum of Association, section IV 2(ix) "to invest the funds of the Association not immediately required in such stocks and shares, debentures or other securities as the Executive may deem appropriate". The Association currently holds no investments.

Reserves policy

In June 2011 the Executive Committee agreed that the Association should aim to have a reserve of three months operating costs plus the cost of winding up. It had been planned to review this policy in 2013 but since the receipt of the substantial legacy from Dr Scott in 2011 it had not been considered necessary. The free funds of the Association are, however, kept under constant review. As at the year end the Association has reserves of £27,038 (2015: £44,696)

Reference and administrative details

These are as shown on page 1.

Structure, Governance and Management

The Association was incorporated as a charitable company limited by guarantee on 28 November 1994 and has operated as such since 1 January 1995. It operates under the abbreviated name of APRS and is registered as a charity, no. SC016139, with the Office of the Scottish Charity Regulator.

**THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
(COMPANY LIMITED BY GUARANTEE) (Operating under the name APRS)
REPORT AND REVIEW OF 2016 (Continued)**

Appointment of APRS Council and Executive Committee

As set out in the Articles of Association the Council of APRS is elected at a general meeting and from their number the Executive Committee is likewise elected at a general meeting. The Council is an advisory body while the Executive Committee is responsible as Directors of the Company for the management of APRS.

Induction and training of Executive

All Executive Committee members are familiar with the work of the charity. As part of the induction process each new member is provided with a copy of the Memorandum and Articles of Association and other essential background material. If there are any areas where additional training is required, this is discussed by the Executive and an appropriate solution identified.

Organisation

The Executive Committee meets a minimum of four times during the year to oversee the general business of the Association and the management of its financial affairs. The Executive Committee has the power to set up sub-groups to deal with specific matters and is responsible for appointing the Association's Director and Treasurer. The President and Vice-Presidents are honorary roles with no executive responsibilities.

Risk management

The Executive Committee is aware of the risks to which the Association is exposed. The major external risk is the constantly changing funding policies employed by Charitable Trusts. The Executive Committee considered and approved the adoption of a Risk Register for the Association in March 2010 and this is reviewed annually. To mitigate these risks the Association has identified the need to continue to research new funding opportunities as a priority. The internal risks are minimised by procedures in place, relating to the authorisation of all transactions and projects. The Executive Committee is satisfied that systems are in place to mitigate exposure to the major risks.

Responsibilities of the Executive Committee

The members of the Executive Committee (who are also Directors of the Association for the Protection of Rural Scotland for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Executive Committee 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing the financial statements the Executive Committee is required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- 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 charity will continue in operation.

**THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
(COMPANY LIMITED BY GUARANTEE) (Operating under the name APRS)
REPORT AND REVIEW OF 2016 (Continued)**

Responsibilities of the Executive Committee (Continued)

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

The Executive Committee is 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.

Key Management Personnel

The Association is managed by the Director, John Mayhew, and the Administrator, Nina Sobecka.

Charles Millar.....
Chairman



.....12/4/2017

I report on the financial statements of The Association for the Protection of Rural Scotland for the year ended 31 December 2016 which are set out on pages 6 to 12.

This report is made to the Executive Committee of The Association for the Protection of Rural Scotland, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Executive Committee and members of The Association for the Protection of Rural Scotland, as a body, for my work or for this report.

Respective responsibilities of trustees and independent examiner

The Executive Committee (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The Executive Committee consider that the audit requirement of Regulation 10(1)(a) to (c) of the Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the Executive Committee 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 financial statements.

Independent examiner's statement

In the course of 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 Act and Regulation 4 of the Regulations, and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Regulationshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Malcolm Beveridge

**Malcolm Beveridge BA CA
CHIENE + TAIT
Chartered Accountants and Independent Examiners
61 Dublin Street
Edinburgh EH3 6NL**

19 APRIL 2017

**THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS for the Year Ended 31 December 2016**

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended **31 December 2016**

Income and endowments from:	Notes	Restricted (See note 12) £	Unrestricted £	Total £
Donations and legacies	2	94,849	16,687	111,536
Charitable activities	3	9,354	3,316	12,670
Investments	4	-	40	40
Total Income		<u>104,203</u>	<u>20,043</u>	<u>124,246</u>
Expenditure on:				
Raising funds	6	-	8,019	8,019
Charitable activities	6	101,472	32,413	133,885
Total Expenditure		<u>101,472</u>	<u>40,432</u>	<u>141,904</u>
Net income / (expenditure) and net movement in funds		2,731	(20,389)	(17,658)
Reconciliation of funds				
Total Funds Brought Forward		<u>(2,050)</u>	46,746	44,696
Total Funds Carried Forward		<u>681</u>	<u>26,357</u>	<u>27,038</u>

For the year ended **31 December 2015**

Income and endowments from:	Notes	Restricted (See note 12) £	Unrestricted £	Total £
Donations and legacies	2	18,500	45,583	64,083
Charitable activities	3	-	4,187	4,187
Investments	4	-	62	62
Total Income		<u>18,500</u>	<u>49,832</u>	<u>68,332</u>
Expenditure on:				
Raising funds	6	-	9,509	9,509
Charitable activities	6	24,048	38,038	62,086
Total Expenditure		<u>24,048</u>	<u>47,547</u>	<u>71,595</u>
Net income / (expenditure) and net movement in funds		(5,548)	2,285	(3,263)
Reconciliation of funds				
Total Funds Brought Forward		<u>3,498</u>	44,461	47,959
Total Funds Carried Forward		<u>(2,050)</u>	<u>46,746</u>	<u>44,696</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 8 to 12 form part of these financial statements

**THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS for the Year Ended 31 December 2016**

BALANCE SHEET

as at 31 December 2016

	Notes	2016 £	2015 £
Current Assets			
Debtors	8	1,415	1,121
Cash at Bank and in hand		35,301	45,438
		<u>36,716</u>	<u>46,559</u>
Liabilities			
Less: Creditors falling due within one year	9	9,678	1,863
		<u>27,038</u>	<u>44,696</u>
Net Current Assets			
		<u>27,038</u>	<u>44,696</u>
Funds of the Charity:			
General Unrestricted Income Funds		26,357	46,746
Restricted Income Funds	12	681	(2,050)
Total Funds		<u>27,038</u>	<u>44,696</u>

Audit exemption statement

For the year ended 31 December 2016, the company was entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006.

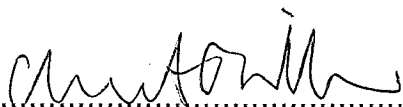
No notice has been deposited with the company under section 476 of the Companies Act 2006 requiring an audit to be carried out.

The Directors acknowledge their responsibility for:

- Ensuring the company keeps accounting records in accordance with sections 386 and 387 of the Companies Act 2006; and:
- Preparing statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus for that financial year in accordance with the requirements of sections 394 and 395 of the Companies Act 2006.

The financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006 and with the Financial Reporting Standard in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

The financial statements were approved by the Executive Committee on 12/4/2017.



**Charles Millar, Chairman, on behalf of the Executive Committee
Registered Company No: SC154563**

The notes on pages 8 to 12 form part of these financial statements

**THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS for the Year Ended 31 December 2016**

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016**

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) First time adoption of FRS102

In preparing the financial statements, the Executive Committee have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 a restatement of comparative items was needed. No restatements were required.

c) Going concern

The financial statements have been prepared on a going concern basis. The Executive Committee has assessed the charity's ability to continue as a going concern and has reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Committee continues to adopt the going concern basis of accounting in preparing these financial statements.

d) Income recognition

Voluntary income including donations, legacies and membership income that provide core funding or are of a general nature are recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income and rental income are recognised on a receivable basis.

e) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the review by the Director.

There were no other donated services or facilities during the year.

f) Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds are those costs incurred in attracting donations and legacies.
- Charitable activities include expenditure associated with the production of the newsletter and include both the direct costs and support costs relating to these activities.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable activities. Governance costs consist of

THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS for the Year Ended 31 December 2016
NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Accounting Policies (continued)

f) Expenditure recognition (continued)

meeting expenses, independent examiner's fee and an element of salaries. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

g) Irrecoverable VAT

The company is not registered for Value Added Tax and accordingly expenditure is stated gross.

h) Funds structure

During the year the Deposit Return Scheme Project received grants which are held as restricted funds to be applied solely to the project.

In 2016 the National Parks Joint Project with The Scottish Campaign for National Parks was re-established with restricted funds from a charitable trust.

Also in 2016 a new project, the Borders National Park Project was launched with restricted funds from the BIG Lottery Fund.

All other funds are unrestricted income funds available to spend on activities that further any of the purposes of the charity.

i) Pension Scheme

The charity contributes to a defined contribution pension scheme. The scheme assets are held separately from those of the charity. In addition, the charity, from January 2017, operates a pension scheme under the Government Nest Pension Scheme for auto-enrolment.

2. Donations and legacies

	2016	2015
	£	£
Donations and legacies	103,736	54,940
Gift aid receivable	1,389	2,422
Subscription income	6,411	6,721
	<u>111,536</u>	<u>64,083</u>

3. Charitable activities

	2016	2015
	£	£
Grants	9,354	-
Rental income	3,316	4,187
	<u>12,670</u>	<u>4,187</u>

4. Investments

	2016	2015
	£	£
Interest receivable	40	62

THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS for the Year Ended 31 December 2016
NOTES TO THE FINANCIAL STATEMENTS (continued)

5. Staff Costs and Numbers

	2016	2015
	£	£
Salaries	34,833	35,726
Pension Contributions	2,200	2,200
Social Security Costs	685	730
	<u>37,718</u>	<u>38,656</u>

These figures include Staff Costs related to Restricted Projects shown under a separate heading in note 6 below.

The average monthly number of employees during the year was 2 (2015 - 2).

During the year the Director received reimbursement of Travelling expenses of £400 (2015 - £182). Other Executive Committee members received no remuneration or reimbursement of expenses for their services on the Committee (2015 - nil). Key management remuneration amounted to £37,718.

6. Analysis of Expenditure

	Charitable	Fundraising	Sub	Allocated	2016	2015
	£	& Publicity	Total	to Projects	Total	Total
	£	£	£	£	£	£
Salaries	18,882	4,721	23,603	9,950	33,670	32,055
Rent, Insurance and Council Tax	3,234	808	4,042	2,526	6,568	7,281
Heat, Light, Telephone & Office	2,039	510	2,549	1,592	4,141	2,204
Postage and Stationery	240	60	300	187	487	478
Publications	1,688	422	2,110	1,319	3,429	1,641
Subscriptions and Donations	333	-	333	208	541	725
Travel and Subsistence	98	24	122	-	122	207
<i>Governance costs:</i>						
Salaries	3,332	833	4,165	-	4,048	5,060
Meeting Expenses	906	226	1,132	-	1,132	1,644
Independent Examiner's Fee	1,661	415	2,076	-	2,076	1,374
Unrestricted Expenditure	<u>32,413</u>	<u>8,019</u>	<u>40,432</u>	<u>15,782</u>	<u>56,214</u>	<u>52,669</u>
Restricted Projects (see note 11)	101,472	-	101,472	(15,782)	85,690	18,926
31 December 2016	<u>133,885</u>	<u>8,019</u>	<u>141,904</u>	<u>-</u>	<u>141,904</u>	<u>71,595</u>
31 December 2015	<u>62,086</u>	<u>9,509</u>	<u>71,595</u>	<u>-</u>	<u>71,595</u>	

Governance costs are included within fundraising and charitable activities. Governance costs have been apportioned to salaries on a time allocation basis, whilst meeting expenses and independent examinations have been allocated as 20% to fundraising and 80% to charitable activities.

7. Operating lease commitments

At the year end the Association had commitments under operating leases of £4,250.

THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS for the Year Ended 31 December 2016
NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Debtors and prepayments

	2016	2015
	£	£
Gift Aid due	615	1,121
Office costs prepaid	800	-
	<u>1,415</u>	<u>1,121</u>

9. Creditors

	2016	2015
	£	£
Independent Examiner's Fee	1,800	1,500
Amounts outstanding	7,878	363
	<u>9,678</u>	<u>1,863</u>

10. Legal status of the Association

The Association is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

11. Pension contributions

The Association participates in a defined contribution pension scheme. Pension contributions of £2,200 (2015: £2,200) were charged during the year.

12. Restricted Funds

Membership Project

	2016	2015
	£	£
Income	-	-
Expenditure	-	2,250
Net movement in funds during the year	-	(2,250)
Fund balance brought forward	-	2,250
Fund balance carried forward	-	-

National Parks Project

	2016	2015
	£	£
Income	10,000	-
Expenditure	5,498	1,248
Allocation of core costs	1,500	-
Net movement in funds during the year	3,002	(1,248)
Fund balance brought forward	-	1,248
Fund balance carried forward	3,002	-

Deposit Return System Project

	2016	2015
	£	£
Income	84,771	18,500
Expenditure	80,096	15,428
Allocation of core costs	14,282	5,122
Net movement in funds during the year	(9,607)	(2,050)
Fund balance brought forward	(2,050)	-
Fund balance carried forward	<u>(11,657)</u>	<u>(2,050)</u>

**THE ASSOCIATION FOR THE PROTECTION OF RURAL SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS for the Year Ended 31 December 2016
NOTES TO THE FINANCIAL STATEMENTS (continued)**

12. Restricted Funds (continued)

Borders National Park Project	2016	2015
	£	£
Income	9,432	-
Expenditure	96	-
Net movement in funds during the year	9,336	-
Fund balance brought forward	-	-
Fund balance carried forward	9,336	-

The funding for the Deposit Return System Project is received in periodic lump sums and it is intended that the funding should always cover the costs of the project. A shortfall at 31 December 2016 (and 2015) was more than covered by a receipt of £27,475 (2015, £20,000) shortly after the year end.

Projects Summary	2016	2015
	£	£
Income	104,203	18,500
Expenditure	85,690	18,926
Allocation of core costs	15,782	5,122
Net movement in funds during the year	2,731	(5,548)
Fund Balance brought forward	(2,050)	3,498
Fund balance Carried forward	681	(2,050)

Analysis of Net Assets between Funds	2016	2015
	£	£
National Parks Project	3,002	-
Deposit Return Scheme	(11,657)	(2,050)
Borders National Park Project	9,336	-
Total Projects	681	(2,050)
Total Unrestricted Funds	26,357	46,746
Represented by: Net Current Assets	27,038	44,696

Members of APRS Council at 31 December 2016 (* Denotes member of the Executive Committee)

President: Colin Prior FRPS. **Vice-Presidents:** John Foster CBE, Patrick Playfair-Hannay of Kingsmuir, Bill Wright, Charles Strang. **Representative Members:** Craill Preservation Society - Jonathan Armitage, The Camping and Caravanning Club Ltd - David Batty, The Caravan Club Ltd - vacant. **Individual Members:** Mary Armstrong, Mike Barnacle, Peter Bickmore Dundas*, Professor Jane Bower - Vice-Chairman*, Duncan Campbell, Jane Dalgleish, Michael Gascoigne*, Rebecca Hughes, Graham Lang, John Mayhew - Director and Company Secretary, Charles Millar - Chairman*, Walter Simpson - Treasurer*, Karol Swanson*, John Thomson*, Bridget Wilcox.