

**THE ARRAN TRUST**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**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

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

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FOR THE YEAR ENDED 31 MARCH 2022**

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## **THE ARRAN TRUST**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees present their report and financial statements for the year ended 31 March 2022.

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.

#### **Ayrshire Orienteering Club**

Orienteering is an environmentally responsible sport with all routes/ events following a (relatively) set route. Ayrshire Orienteering Club (AYROC) applied for funding to produce an event standard orienteering map on Arran for community, schools and visitor use, with a small permanent course in place. AYROC have active and enthusiastic members on the island who can deliver high quality orienteering on the island for schools and community groups. Areas not to be accessed will be clearly marked out of bounds therefore no detrimental effect to the local environment. The Trustees were very supportive and awarded £1500 for the inaugural orienteering map for Arran

#### **Arran Civic Trust**

The Barking House was built to cure nets and ropes for the Arran herring fishery in the 19th century. Catacol, and a similar building in Lochranza, are the only known remaining examples of Barking Houses in the west of Scotland. They are unique visible evidence of the important herring fishery which existed in the north of Arran. The Barking House has already suffered considerable decay and without intervention, all traces would soon disappear. The ACT were keen to rebuild the dry stone wall around the ruins of the Barking House at Catacol in order to prevent further damage to the remains. The project involved re-building the dry stone walls with work being carried out by a local craftsman. The Arran Trust were able to award £500 to this interesting and important project.

#### **Mountain Leader Training**

The Arran Trust supported an application towards Mountain Leader Training allowing the trained ML to work with Arran Mountain Festival, and also local businesses, thereby expanding the visitor offering. The Trustees awarded £200 and also added in a proviso that any qualified ML should also engage with Arran Youth Foundations to offer opportunity to those young people who may not otherwise have such experiences.

#### **Arran Theatre & Arts Trust**

The Arran Arts Heritage Trail was launched to the public in April 2021 and this funding application sought to grow and enhance the visitor experience, both on-line and in person. The website [www.arranartsheritagetrail.com](http://www.arranartsheritagetrail.com) details trail locations, together with short films, an extensive database of artists/artworks and Gaelic location names. The application covered increased interpretation, website growth and maintenance, and upskilling local volunteers with a website tutorial, to enable local maintenance, additions and improvements. The Trustees awarded £500 to the project, which is seen as a great addition to the creativity heritage of the island.

## THE ARRAN TRUST

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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#### Ongoing Running Costs

There are ongoing monthly management costs for the website, which includes an annual payment for the domain hosting. By error this was paid twice in 2020, and a refund has been authorized for April 2021.

There is also a monthly payment made to Just Giving, and one off payments to Simply Business and VisitArran for insurance and administration costs, and an annual fee for public liability insurance which covers the Wishing Well.

#### Marketing

We reprinted the Arran Trust flyers which are used across the island to explain a little about the Arran Trust and how people can support the charity.

We ordered new seals for collecting cans adverts were placed instead in the local newspaper's calendar.

### ACHIEVEMENT AND PERFORMANCE

#### INCOME Notes:

1. Our income increased considerably, more likely due to the increase in visitors with restrictions lifted after the pandemic.
2. Arran Alpacas held an Open Day generating £200 for Arran Trust.
3. Arran Milk donated 5p from every litre sold which was almost the same as in 2021.
4. Arran Mountain Festival raised some donations through their event booking in support of the Arran Trust.
5. Auchrannie visitor donations for several months came in a large block in October
6. Following extensive promotions, Friends of Arran Trust are growing.
7. Wishing Well income was similar to the previous year and moving forward, we will look at using contactless collections, either through a tap screen or through a QR Code
8. Just Giving donations increased considerably.
9. There was miscellaneous income of £294, from donations.

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 30 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 2021

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#### Structure, government and management

The charity is a company limited by guarantee, was incorporated on 24<sup>th</sup> 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

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.

**Mr Tom Tracey**

Trustee

Dated: 15<sup>th</sup> November 2022



## 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 2022, which are set out on pages 5 to 12.

#### 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*

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

Date: 15<sup>th</sup> November 2022

**THE ARRAN TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2022**

		<b>Unrestricted Funds 2022 £</b>	<b>Unrestricted Funds 2021 £</b>
	<b>Notes</b>		
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	34,139	8,373
Investments	3	6	9
Other trading activities	4	294	250
<b>Total</b>		<b>34,439</b>	<b>8,632</b>
<b>EXPENDITURE ON</b>			
Charitable activities	5	7,101	21,144
<b>Net expenditure for the year/ Net movement in funds</b>		<b>27,337</b>	<b>(12,512)</b>
Fund balances at 1 April 2021		5,207	17,719
Fund balances at 31 March 2022		<b>32,544</b>	<b>5,207</b>

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 2022**

	Notes	2022 £	2021 £
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		32,544	5,207
<b>NET CURRENT ASSETS</b>		32,544	5,207
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		32,544	5,207
<b>Income funds</b>			
Unrestricted funds		32,544	5,207
		32,544	5,207

The charitable company is entitled from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

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 15th November 2022

Mr Tom Tracey  
Trustee

Company Registration No. SC392051



## **THE ARRAN TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

#### **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.

THE ARRAN TRUST

NOTES TO FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2022

	2022 £	2021 £
<b>2. DONATIONS AND LEGACIES</b>		
Donations and gifts	<u>34,139</u>	<u>8,373</u>
<b>3. INVESTMENTS</b>		
Interest Receivable	<u>6</u>	<u>9</u>
<b>4. OTHER INCOME</b>	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
Other Income	<u>294</u>	<u>250</u>
<b>5. CHARITABLE ACTIVITIES</b>	<b>Environmental protection or improvement</b>	<b>Environmental protection or improvement</b>
Staff Costs	2,000	1,000
Depreciation and impairment	-	164
Fundraising costs	242	234
Advertising and Sponsorship	857	544
Website Costs	835	852
Insurance	167	150
	<u>4,101</u>	<u>2,944</u>
Grant funding of activities (see note 7)	3,000	18,200
	<u>7,101</u>	<u>21,144</u>

**THE ARRAN TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**9. Related party transactions**

The charity paid Visit Arran Limited £2,000 (2021-£1,000) 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.