

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY
(A charitable company limited by guarantee)

REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

Registered Company Number: SC024243

Registered Charity Number: SC015460

WHITELAW WELLS
CHARTERED ACCOUNTANTS

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

CONTENTS	PAGE
Chair's Review	1
Reports of the Directors	5
Independent Examiner's Report	11
Statement of financial activities (incorporating the income and expenditure account)	12
Balance sheet	13
Notes to the financial statements	15

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY
CHAIR'S REVIEW
FOR THE YEAR ENDED 30 JUNE 2021

The year to 30th June 2021 was at least as challenging as the previous, part-pandemic year. Systems introduced in March and April 2020 however stood us in good stead and were gradually refined. Hard work by staff enabled the Society to provide a valued service to access takers and enablers alike.

Facilitating responsible access

A great many access issues arose during the year. Some of these were longstanding matters and some related to the pandemic.

We continue to see problems arising as a result of Network Rail taking unilateral action to close level crossings. These can negatively impact path networks affecting both local communities and visitors. Some of these, such as recently at Dalwhinnie, can cause considerable difficulty. That crossing has been in use for many years and is recorded as a public right of way, providing a vital link in Dalwhinnie's signposted local path network. It forms an important route for walkers and cyclists. ScotWays entered into urgent discussions with other organisations and the local community and provided support to Highland Council in assessing the action which can be taken.

There have been attempts by developers to use incorrect procedures and seek to remove access rights, for example to deal with anti-social behaviour.

Concern has been raised about impacts of forestry developments on access rights. Gates are locked with no non-vehicular provision, well-used paths are blocked and miles of deer fences are installed without crossing points. ScotWays is working with outdoor recreational partners via the Scottish Outdoor Recreation Alliance (SORA) to interact with the forestry sector. SORA and ScotWays are contributing to revisions to UK forestry and woodland standards to ensure that land management duties under the 2003 Act are better understood and more appropriate guidance given.

Water-based public access has become more prominent, for example the wider use of paddle boards. Sadly, there have been recent deaths by drowning. We have engaged with Scottish Water and others to promote responsible and safe access.

We worked hard with other organisations such as the National Access Forum and Police Scotland to overcome some of the problems of access-to-access. The summer of 2020 demonstrated that, in the absence of foreign travel, getting to outdoor beauty and leisure areas became difficult and crowded. For some time, we have pointed out that there were not enough facilities for visitors. Thankfully, central and local government has responded in some degree. A visitor management strategy has been put in place and more rangers have been employed; local authorities are gradually making parking easier and installing toilets.



THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY
CHAIR'S REVIEW
FOR THE YEAR ENDED 30 JUNE 2021

Communications

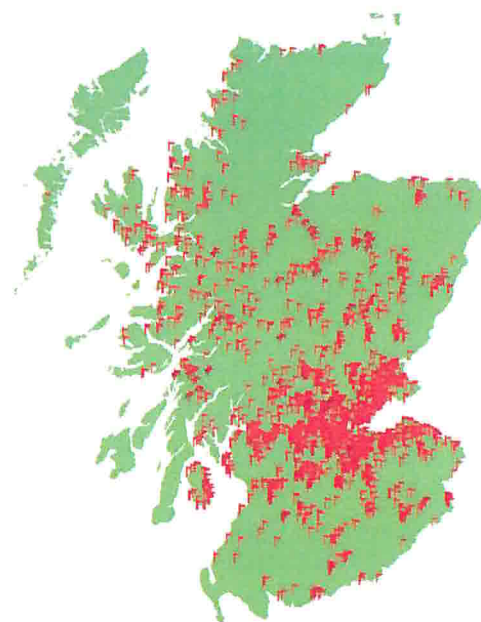
We held successful meetings by Zoom. The first was our AGM in November 2020 when, in addition to official business, we had a fascinating talk by John Home Robertson about his great-uncle, the Rev. A.E. Robertson, the “first Munroist”.

Then, in April, we promoted our first ever election hustings. The online discussion was chaired by broadcaster Jim Naughtie, attended by over 80 people and the recording watched by over 800. Provocatively entitled “Onslaught or Opportunity?”, the event generated many questions about outdoor access issues and a lively debate. The five Scottish Parliament candidates on the panel agreed on several key points - the need for more full-time countryside rangers and access officers., for more outdoor education, and for long-term funding. Four of our five panellists were elected as MSPs in May and we have followed up with all of them, met two and plan to meet all parties when the Scottish Parliament reconvenes in the autumn to find ways of progressing the access agenda in Parliament.

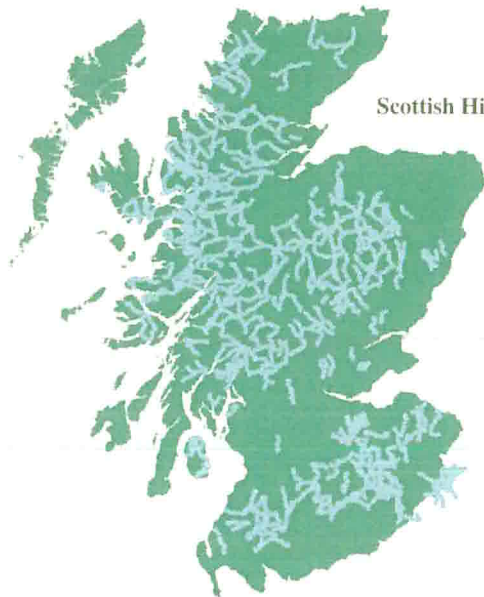


Making information available

The Society is not only the keeper of the Catalogue of Rights of Way but also publishes *Scottish Hill Tracks* in association with the Scottish Mountaineering Trust. More visibly, we have over the years installed thousands of signs around the country. These maps illustrate our reach:



THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY
CHAIR'S REVIEW
FOR THE YEAR ENDED 30 JUNE 2021



Scottish Hill Tracks

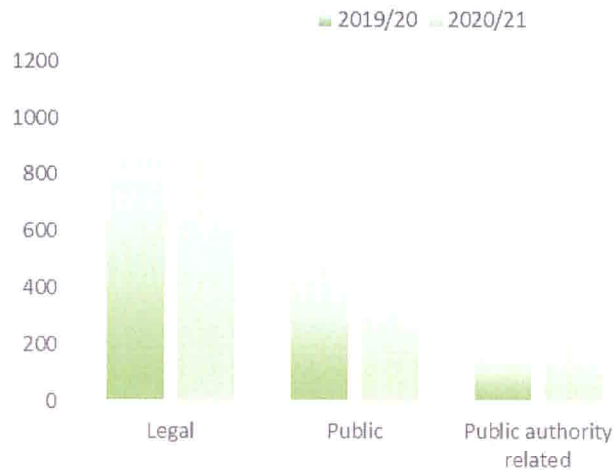
ScotWays has no signposts or Scottish Hill Tracks recorded in the Northern Isles

The fifth edition of *Scottish Hill Tracks* is now some ten years old and once pandemic restrictions were eased we started the work of recruiting volunteers to resurvey routes to check that the descriptions were still correct.

In addition, we remain the port of call for checking the existence of access rights. We charge where there is a commercial interest involved but also provide assistance to members of the public, local authorities and others.

Here is the number of searches we dealt with over the last three years:

ACCESS ENQUIRIES



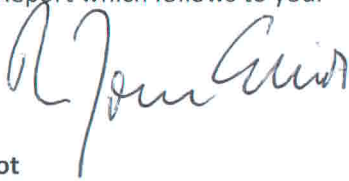
Note: 2019/2020 figures extracted from pre- and post-introduction of new recording system, so approximate.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY
CHAIR'S REVIEW
FOR THE YEAR ENDED 30 JUNE 2021

Volunteers

We were unable to engage with our trusty volunteers for most of the year except through Zoom meetings and took the opportunity to modernise our engagement with them. We now ask volunteers to register with us so that we have important information, such as their areas of skills. Then we provide each with a Handbook which sets out the Society's relationship with them together with information about the volunteer roles available. This was a considerable area of work undertaken with determination and skill lead by Tim Simons.

I am proud to have been chair of a Society which has been at the forefront of enabling our world-leading access rights and thank our staff and my fellow directors for their work during the year. I commend the Directors' Report which follows to you.

A handwritten signature in black ink, appearing to read 'R John Elliot', is positioned above the printed name and title.

R John Elliot
Chair

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2021

The Directors present their report and the accounts for the year ended 30 June 2021. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, 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).

Objectives

The charitable objective of the Society is “the preservation, defence, restoration and acquisition, for the public benefit, of public rights of access in Scotland, including public rights of way and related amenity”.

The Society is the independent charity which upholds public access in Scotland. Originally founded in 1845, then incorporating in 1946, it combines the three main roles: expert authority and adviser on the law of access; custodian and manager of the national resource of information about access routes and rights and practical guardian and advocate of public access on the ground, in town and country, across Scotland.

Activities and achievements

In the report to 30th June 2020 we referred to a rolling three-year plan covering work practices, making expertise widely available, maintaining access rights to land and raising the Society’s profile.

We provided information about the law of access and, through the Catalogue of Rights of Way, about rights of way. We did this through social media, by emails and correspondence and through meetings. We engaged with organisations such as the National Access Forum, the Scottish Outdoor Recreation Alliance, the Scottish Outdoor Access Network, Police Scotland and others.

Where we became aware of access problems we engaged with the access officers of local authorities to try to resolve the issues. For example, we spent much time trying to resolve issues at the MacQuarrie Mausoleum on the Isle of Mull.

We worked to raise the Society’s profile, taking expert advice, leading to the hustings referred to in the Chair’s Review and further engagement with politicians. Richard Barron had several media appearances on television and in print.

We fulfilled all paid-for search requests during the year and thus maintained the income stream from that important source. We dealt with many enquiries from the public, some of which were straightforward and some complex.

Given the febrile atmosphere surrounding the taking of access there was need for guidance and assistance to many authorities. We engaged pro-actively and in a common-sense manner with these difficult and sometimes charged issues. For example, we were consulted by Scottish Water about the access taken at its Gladhouse reservoir in Midlothian, where taking access has itself become more difficult and many people wanted to make use of the water for leisure purposes.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2021

Financial review

The Society recorded a surplus of £20,568 (2020: deficit of £128,883) for the year. This includes a surplus of £25,168 (2020: deficit of £118,653) on unrestricted reserves and a deficit of £4,600 (2020: £10,230) on restricted reserves. The overall surplus is the result of investment gains - both realised and on year end valuation - being factored into the accounts, as required by accounting standards. The running, or "trading", position is a deficit of £21,083 (2020: deficit £103,729). As at 30 June 2021, the Society had total reserves of £620,998 (2020: £600,430), including £603,825 (2020: £326,314) general funds, revaluation reserve of £nil (2020: £11,844), £9,554 (2020: £250,053) designated reserves and £7,619 (2020: £12,219) restricted funds. Further detail on the financial performance of the charity can be found in the Statement of Financial Activities, Balance Sheet and supporting notes.

Reserves policy

The general fund represents the free reserves of the Society. General fund not tied up in fixed assets amounted to £499,534 (2020: £222,233). The Board considers it appropriate to hold the equivalent of 12 months' budgeted expenditure, around £220,000. The directors acknowledge that reserves are in excess of that requirement while the Society continues to modernise and increase its activities and profile for the benefit of the public and considers the current level of reserves satisfactory in funding operating deficits in fulfilment of the Society's objectives. More detail on the designated funds are set out in Note 16. The directors have decided that the designated funds have fulfilled their purpose and that the Society should revert to a single general fund, as explained in the Note.

Risk management

In these uncertain times the identification, management and mitigation of risk has been at the forefront of the Society's activities. It underlies the work of the Board with sub committees and of the staff. In line with our risk policy our risk register is formally reviewed at the September Board meeting after active consideration by the Finance sub-committee. Steps taken to minimise the impact of the pandemic have mitigated some risks.

Investment policy

The Society maintain an investment portfolio and are advised by Investec Wealth and Investment Limited on its composition. The investment objective is to maintain the real value of the portfolio over time as well as provide an income. During the year the units in Charifund were amalgamated into the portfolio. The value of the portfolio at 30 June 2021 was £399,803, with an annual income estimated at £9,700. The portfolio has achieved its objective over the three and a half years since it was set up and the Trustees are satisfied with its performance.

Grants awarded policy

ScotWays small grants scheme is aimed at community-based and access-related projects which might otherwise not proceed. Grants are awarded for up to 50% of the project budget and within a range of £500 to £1,500. Assessment of applications is made by a director-led committee whose criteria include public benefit and the ability of an organisation to deliver the project. Applicant organisations must be members of ScotWays.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2021

Grants awarded policy (cont)

At the discretion of the Board, the Society may also contribute to larger projects which benefit public access and meet its charitable objectives.

Plans for the future

Our plans include:

- Maintaining and improving our assistance to people wanting to take access to Scotland's natural assets, whilst seeking a fair balance with those who have to make a living from the land.
- Completing the work required to publish a new edition of "Scottish Hill Tracks".
- Continuing to repair and replace path signs.
- Engaging with politicians and public media so as to highlight issues and to enhance ScotWays' visibility.
- Further enhancing our IT capacity so that we can service search enquiries efficiently and to a high standard.
- Introducing staff performance and appraisal systems.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Scottish Rights Way and Access Society is a company limited by guarantee (SC024243) and a registered charity registered (SC015460) governed by its Memorandum and Articles of Association. Each member of the Society has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the Society being wound up.

Directors of the Society are also charity trustees for the purposes of charity law and directors for the purposes of company law and are listed on page nine. The Articles of Association provide that any director who has held office for a period of three years since their last appointment shall retire from office and may seek re-appointment. Directors may not seek re-appointment if they have held office for a continuous period of nine years.

The Directors are appointed by the members at the annual general meeting and the Chair is appointed by the Directors from among their number. John Elliot was appointed in December 2020 as Chair for the following year.

Muriel Robertson retires as a director at the Annual General Meeting. She has given distinguished and invaluable service to the Society, which has helped to transform the organisation. We thank her for her outstanding service to the cause of responsible access to land in Scotland.

The directors all have an interest in the outdoors and in rights of access and bring a balanced mix of skills and knowledge about access matters.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (cont)

Board of Directors and Management

The Directors meet together five times a year and in addition each is a member of one or more sub-committees.

Day to day running of the Society is the responsibility of the Chief Operating Officer, Richard Barron and National Secretary, Alison Riddell, supported by other staff and volunteers.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2021

Charitable company information

Charity name

The Scottish Rights of Way and Access Society
(also known as Scotways)

Registered Company Number

SC024243

Registered Charity Number

SC015460

Honorary President

Vacant

Honorary Vice President

Robert Aitken

Directors

Robert Aitken

P D Dixon

(Resigned 21 November 2020)

Robert John Elliot

(Chair)

Stephan Hennig

(Appointed 10 September 2020)

Terence Henry Holmes

David Langworth

Elizabeth Helene Mauchlen

(Appointed 09 July 2020)

Muriel Robertson

Timothy Paul Simons

(Appointed 09 July 2020)

Katharine Anne Taylor

Peter Wood

Douglas Wright

(Resigned 21 November 2020)

Company Secretary

Alison Margaret Riddell

Registered Office

24 Annandale Street

Edinburgh

EH7 4AN

Principal Bankers

Clydesdale Bank plc

83 George Street

Edinburgh

EH2 3ES

Independent Examiner

Kevin Cattnach CA

Whitelaw Wells

9 Ainslie Place

Edinburgh

EH3 6AT

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, for the financial year.


In preparing those financial statements, the directors 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.

The directors are responsible for maintaining proper accounting records which 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 & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The directors 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.

This report has been prepared in accordance with 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 (FRS 102) (effective 1 January 2019) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the board of directors on 9 September 2021 and signed on its behalf by:



R John Elliot
Chair

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY**

I report on the accounts for the year ended 30 June 2021 as set out on pages 12 to 30.

Respective responsibilities of the Trustees and the Independent Examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 the 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 in the view given by the accounts.

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 2005 Act, Regulation 4 of the 2006 Accounts Regulations (as amended) and sections 381, 382, and 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)

have not been met; or

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



Kevin Cattnach C.A.
Whitelaw Wells
Chartered Accountants
9 Ainslie Place
Edinburgh, EH3 6AT

9 September 2021

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the Income & Expenditure Account)

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	3	56,076	-	56,076	53,282
Charitable activities	4	114,696	-	114,696	92,369
Investments	5	8,928	-	8,928	9,205
		<hr/>	<hr/>	<hr/>	<hr/>
Total		179,700	-	179,700	154,856
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:					
Raising funds	6	(2,899)	-	(2,899)	(3,164)
Charitable activities	7	(197,884)	(4,600)	(202,484)	(265,651)
		<hr/>	<hr/>	<hr/>	<hr/>
Total		(200,783)	(4,600)	(205,383)	(268,815)
Realised gains/(losses) on investments	12	7,615	-	7,615	(2,466)
Unrealised gains/(losses) on investments		38,636	-	38,636	(12,458)
		<hr/>	<hr/>	<hr/>	<hr/>
Net income /(expenditure)		25,168	(4,600)	20,568	(128,883)
Transfers between funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		25,168	(4,600)	20,568	(128,883)
Funds brought forward at 1 July 2020		588,211	12,219	600,430	729,313
		<hr/>	<hr/>	<hr/>	<hr/>
Funds carried forward at 30 June 2021		613,379	7,619	620,998	600,430
		<hr/>	<hr/>	<hr/>	<hr/>

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

All of the activities of the company are classed as continuing.

The notes on pages 15 to 30 form part of these financial statements.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

BALANCE SHEET

As at 30 June 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		104,291		104,081
Investments at valuation	12		399,803		347,863
			<hr/>		<hr/>
			504,094		451,944
Current assets					
Stock	13	1,686		1,003	
Debtors	14	25,470		19,470	
Cash at bank and in hand		111,861		151,248	
		<hr/>		<hr/>	
			139,017		171,721
Creditors: amounts falling due within one year	15	(22,113)		(23,235)	
		<hr/>		<hr/>	
Net current assets			116,904		148,486
			<hr/>		<hr/>
Total assets less current liabilities			620,998		600,430
			<hr/>		<hr/>
Reserves					
Unrestricted funds:	16				
General reserve		603,825		326,314	
Revaluation reserve		-		11,844	
Designated funds		9,554		250,053	
		<hr/>		<hr/>	
			613,379		588,211
Restricted funds	16		7,619		12,219
			<hr/>		<hr/>
			620,998		600,430
			<hr/>		<hr/>

The notes on pages 15 to 30 form part of these financial statements.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

BALANCE SHEET

As at 30 June 2021

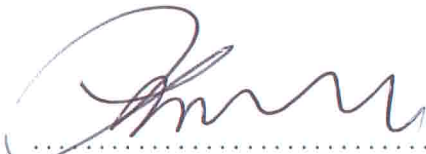
The directors are satisfied that the charitable company is entitled to exemption under section 477 of the Companies Act 2006 and that the members have not required the charitable company to obtain an audit of its financial statements for the year 30 June 2021 in accordance with the provisions in Section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the charitable company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
- (ii) 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 period and of its profit or loss for each financial period 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.

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

Approved by the board on 9 September 2021 and signed on its behalf by:

A handwritten signature in dark ink, appearing to read 'Th', is written over a horizontal dotted line.

Terence Henry Holmes
Director

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1. Accounting Policies

a) Basis of Accounting

The financial statements have been prepared in accordance with 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 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recorded at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Society has taken advantage of the exemption from the requirement to prepare a Statement of Cash Flows as permitted under FRS 102 and the Charities FRS 102 SORP.

The Scottish Rights of Way and Access Society meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared on a going concern basis. The directors have assessed the charity's ability to continue as a going concern and they have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore they continue to adopt the going concern basis of accounting which includes the expected impact of Covid -19 to the charity for a period of at least 12 months from the date of signing of these financial statements.

b) Income

Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

- Where entitlement is not conditional on the delivery of a specific performance by the charity, income from grants and donations are recognised when the charity becomes unconditionally entitled.
- Where related to performance and specific deliverables, income is accounted for as the charity earns the right to consideration by its performance.
- Income is only deferred when the donor specifies that the donation must only be used in future accounting periods or has imposed conditions that must be met before the charity has unconditional entitlement, and these conditions have not yet been met.
- Investment income and fees for services is recognised when receivable and when the service is provided, respectively.

c) Expenditure

All expenditure is accounted for on an accruals basis and is recognised in the period in which it is incurred. All costs have been directly attributed to one functional category of expenditure in the Statement of Financial Activities.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1. Accounting Policies (cont)

- Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries, including governance costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

d) Tangible Fixed Assets and Depreciation

Assets are initially included at cost. The charity has the policy not to capitalise items under £250. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives at the following rates:

- Office equipment 33.3% straight line
- Heritable property £nil

No depreciation is provided on heritable property as in the opinion of the directors, the length of their estimated useful economic life and estimated residual value is at least equal to the book value. Having regard to this, it is considered that the depreciation of any such property would not be material. Costs of repairs and maintenance are charged to revenue as incurred.

e) Fund Accounting

Funds held by the charity are either in an unrestricted general fund, which can be used in accordance with the charitable objectives, designated funds or in restricted funds. Restricted funds can only be used for particular purposes as specified by the donor.

Designated funds are applied at the discretion of the Board of Directors. They are designated from unrestricted reserves for particular projects and designated funds will be considered at each year end.

f) Financial instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to the contractual provisions of the instrument. They are classified as "basic" in accordance with FRS102 and are accounted for at the settlement amount due which equates to the cost. Financial assets comprise cash, grants receivable and other debtors, and financial liabilities comprise the pension scheme creditor, accruals and other creditors.

g) Investments

Fixed asset investments are stated at their fair value at the balance sheet date. Any surplus or deficit arising from changes in fair value are recognised in the statement of financial activities for the year.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1. Accounting Policies (cont)

h) Operating leases

Rentals in respect of operating leases are charged to the statement of financial activities as incurred.

i) Stock

Stock is valued at the lower of cost and net realisable value.

j) Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the charitable company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

2. Net income/(expenditure)

	2021 £	2020 £
This is stated after charging:		
Depreciation of fixed assets	410	360
Independent examination fee	1,750	2,100
	<u> </u>	<u> </u>

3. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Annual subscriptions	18,964	-	18,964	14,739
Life subscriptions	3,300	-	3,300	2,300
Corporate subscriptions	2,862	-	2,862	2,882
Local authorities' subscriptions	5,500	-	5,500	5,750
Donations	19,531	-	19,531	22,441
Bequests and legacies	-	-	-	500
Gift aid	5,919	-	5,919	4,670
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	56,076	-	56,076	53,282
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

In 2020 income from donations and legacies was split £38,282 unrestricted and £15,000 restricted.

4. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Lawyers' searches	106,440	-	106,440	84,419
Sale of publications	6,694	-	6,694	6,060
Walks	-	-	-	340
Other income	1,562	-	1,562	1,550
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	114,696	-	114,696	92,369
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Income from charitable activities was unrestricted in both years.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

5. Income from investments

	2021 £	2020 £
Interest	553	1,008
Dividends	8,375	8,197
	<hr/>	<hr/>
	8,928	9,205
	<hr/>	<hr/>

Income from investments was unrestricted in both years.

6. Expenditure on raising funds

	2021 £	2020 £
Investment manager's fees	2,899	3,164
	<hr/>	<hr/>

Investment manager's fees were unrestricted in both years.

7. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Staff costs (note 10)	155,403	-	155,403	153,491
Grants awarded	1,635	4,000	5,635	1,453
Travel costs	92	-	92	2,490
Publications	1,332	-	1,332	2,103
Project costs	1,350	600	1,950	27,713
Bad debts	-	-	-	215
Support costs (note 8)	34,237	-	34,237	73,370
Governance costs (note 9)	3,835	-	3,835	4,816
	<hr/>	<hr/>	<hr/>	<hr/>
	197,884	4,600	202,484	265,651
	<hr/>	<hr/>	<hr/>	<hr/>

In 2020 expenditure on charitable activities was split £240,421 unrestricted and £25,230 restricted.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

8. Support costs

	2021 £	2020 £
Premises costs	6,481	6,350
Printing, postage and stationery	6,600	8,051
Computer costs	800	2,216
Subscriptions	659	740
Depreciation	410	360
Maps	867	1,495
Advertising	1,021	6,612
Sundry expenses and bank charges	1,077	902
Meeting expenses and other staff costs	486	253
Professional fees	8,605	1,954
Software costs	7,231	44,437
	<hr/>	<hr/>
	34,237	73,370
	<hr/>	<hr/>

9. Governance costs

	2021 £	2020 £
Independent examiner's fees	1,750	2,100
Meeting expenses	-	615
Preparation of annual report and AGM	2,085	2,101
	<hr/>	<hr/>
	3,835	4,816
	<hr/>	<hr/>

10. Employees

	2021 £	2020 £
Staff salaries	137,651	134,221
Employer's NIC	6,040	8,135
Pension	9,679	9,926
Death in service	2,033	1,209
	<hr/>	<hr/>
	155,403	153,491
	<hr/>	<hr/>

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

10. Employees (cont)

No employee earned more than £60,000 in either the current or previous years.

The average number of employees was 7 (2020: 6) (full time equivalent 5 (2020: 5)).

The directors receive no remuneration for their services, but may be paid travelling, subsistence and other expenses properly incurred by them in connection with the discharge of their duties. In the current year none of the directors (2020: nil) were paid such expenses.

11. Tangible fixed assets

	Heritable Property £	Office equipment £	Total £
Cost			
At 1 July 2020	103,765	5,703	109,468
Additions	-	620	620
Disposal	-	(265)	(265)
	<hr/>	<hr/>	<hr/>
At 30 June 2021	103,765	6,058	109,823
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 July 2020	-	5,387	5,387
Charge for the year	-	410	410
Disposal	-	(265)	(265)
	<hr/>	<hr/>	<hr/>
At 30 June 2021	-	5,532	5,532
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 June 2021	103,765	526	104,291
	<hr/>	<hr/>	<hr/>
At 30 June 2020	103,765	316	104,081
	<hr/>	<hr/>	<hr/>

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

12. Investments

	2021 £	2020 £
<i>Listed investments</i>		
Market value at 30 June 2020	310,114	267,373
Additions	95,427	100,033
Disposal proceeds	(77,379)	(42,348)
Other movements	-	(20)
Realised gains/(losses) during the year	7,615	(2,466)
Unrealised gains/(losses) during the year	38,636	(12,458)
	<u>374,413</u>	<u>310,114</u>
Cash held by investment broker	25,390	37,749
	<u>399,803</u>	<u>347,863</u>
Fair value at 30 June 2021		
	<u>399,803</u>	<u>347,863</u>
Historical cost	351,907	317,305
	<u>351,907</u>	<u>317,305</u>

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:-

- Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Market risk: this comprises currency risk, interest rate risk and other price risk.
- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The charitable company has exposure to these risks because of the investments it makes to implement its investment strategy. The Directors manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the charitable company's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the charitable company's investment managers and monitored by the Directors by regular reviews of the investment portfolios.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

12. Investments (cont)

Further information on the Directors' approach to risk management and the charitable company's exposure to credit and market risks are set out below:

Credit Risk

The charitable company invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Analysis of direct credit risk

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled manager operates and diversification of investments amongst a number of pooled arrangements. The Directors carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager. Pooled investment arrangements used by the charitable company comprise authorised unit trusts.

Currency risk

The charitable company is subject to currency risk because some of the charitable company's investments are held in overseas markets.

Interest rate risk

The charitable company is subject to interest rate risk through investments comprising bonds.

Other price risk

Other price risk arises principally in relation to equities held in pooled vehicles. The charitable company manages this exposure to other price risk by contributing a diverse portfolio of investments across various markets.

13. Stock

Stock consists entirely of goods for distribution to members and other interested parties.

	2021 £	2020 £
Stock in hand	1,686	1,003

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

14. Debtors

	2021 £	2020 £
Gift aid recoverable	5,841	4,671
Prepayments	8,020	2,045
Other debtors	11,609	12,754
	<hr/>	<hr/>
	25,470	19,470
	<hr/>	<hr/>

15. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	93	120
Other creditors	11,556	17,856
Pension	1,182	1,207
Deferred income	4,913	4,052
VAT	4,369	-
	<hr/>	<hr/>
	22,113	23,235
	<hr/>	<hr/>

Deferred income relates to members subscriptions paid in advance.

	2021 £	2020 £
At 30 June 2020	4,052	3,851
Released to income	(4,052)	(3,851)
Deferred in the year	4,913	4,052
	<hr/>	<hr/>
At 30 June 2021	4,913	4,052
	<hr/>	<hr/>

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

16. Movement of Funds

	Balance at 1 July 2020 £	Income £	Expenditure £	Gain/(loss) of Investment/ Transfers £	Balance at 30 June 2021 £
Restricted Funds:					
Donald Bennet Fund	8,263	-	(4,000)	-	4,263
Heritage Path Fund	456	-	(100)	-	356
Law Guide Fund	2,500	-	(500)	-	2,000
Signage Fund	1,000	-	-	-	1,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	12,219	-	(4,600)	-	7,619
Designated Fund	250,053	3,300	-	(243,799)	9,554
Unrestricted Fund	326,314	176,400	(200,783)	301,894	603,825
Revaluation Reserve	11,844	-	-	(11,844)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	600,430	179,700	(205,383)	46,251	620,998
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

- *Donald Bennet Fund:* funding received to fund projects in memory of the Society's former Chairman, Donald Bennet.
- *Heritage Paths Fund:* funding received to fund a project relating to Heritage Paths.
- *Law Guide Fund:* ScotWays has received funds towards the production of a new guide to access law in Scotland.
- *Signage Fund:* £1,500 was granted for signposting work in the Fife Council area.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

16. Movement of Funds (cont)

	Balance at 1 July 2019 £	Income £	Expenditure £	Gain/(loss) of Investment/ Transfers £	Balance at 30 June 2020 £
Restricted Funds:					
Carnach Bridge Fund	10,000	15,000	(25,000)	-	-
Donald Bennet Fund	8,263	-	-	-	8,263
Heritage Path Fund	686	-	(230)	-	456
Law Guide Fund	2,500	-	-	-	2,500
Signage Fund	1,000	-	-	-	1,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	22,449	15,000	(25,230)	-	12,219
Designated Fund	293,578	2,300	(108,072)	62,247	250,053
Unrestricted Fund	386,518	137,556	(135,513)	(62,247)	326,314
Revaluation Reserve	26,768	-	-	(14,924)	11,844
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	729,313	154,856	(268,815)	(14,924)	600,430
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

- *Carnach Bridge*: funding received towards the replacement of a bridge over the River Carnach.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

16. Movement of Funds (cont)

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2021 £
Designated Funds:					
Life membership Fund	7,424	3,300	-	(1,170)	9,554
Property Fund	66,785	-	-	(66,785)	-
Office System	93,372	-	-	(93,372)	-
Intellectual Property	30,377	-	-	(30,377)	-
Outdoor Projects	28,017	-	-	(28,017)	-
Profile Raising	24,078	-	-	(24,078)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total designated funds	250,053	3,300	-	(243,799)	9,554
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Life membership subscriptions are added to the Life Membership fund when received. A proportion is transferred to the general reserve annually to write off the subscriptions over 15 years.

The property fund was created when the office at 24 Annandale Street was bought in 1998, the purchase price of which came partly from an appeal and partly from a legacy. The legacy and appeal monies were allocated to an unrestricted designated fund but keeping it separate now serves no useful purpose so it too is to be held in the general reserve.

The Office System fund was created to address office systems including CROW which used old technology, to challenge work practices and ensure staff have the tools they need to work effectively, to enhance information management, to make systems compliant and to re-configure office space to accommodate volunteers.

The Intellectual Property fund was created to make the Society's expertise and informed views available through the publication and review of law guides and other material.

The Outdoor Projects fund: was created to continue the Society's active role in maintaining access either through the work of its volunteers, including training, or making a financial contribution.

The Profile Raising fund was created to raise the Society's profile to put it in a stronger position to campaign and to attract members.

The designated funds other than the life and property funds were set aside by directors in 2018 following receipt of the Brown Soutar legacy and creation of the rolling 3-year plan which that legacy supported financially. Much progress has been made in each of the areas and in 2021 the directors decided that the designated funds had fulfilled their purpose and should revert to a single general reserve which would allow the directors and members to assess the financial performance of the Society with more clarity.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

16. Movement of Funds (cont)

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2020 £
Designated Funds:					
Life membership Fund	6,182	2,300	-	(1,058)	7,424
Property Fund	66,785	-	-	-	66,785
Office System	117,614	-	(84,990)	60,748	93,372
Intellectual Property	31,690	-	(1,313)	-	30,377
Outdoor Projects	34,862	-	(6,845)	-	28,017
Profile Raising	36,445	-	(14,924)	2,557	24,078
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total designated funds	293,578	2,300	(108,072)	62,247	250,053
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

17. Analysis of net assets amongst funds

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Fixed assets	504,094	-	504,094	451,944
Net current assets	109,285	7,619	116,904	148,486
	<hr/>	<hr/>	<hr/>	<hr/>
	613,379	7,619	620,998	600,430
	<hr/>	<hr/>	<hr/>	<hr/>
	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
Fixed assets	451,944	-	451,944	467,382
Net current assets	136,267	12,219	148,486	261,931
	<hr/>	<hr/>	<hr/>	<hr/>
	588,211	12,219	600,430	729,313
	<hr/>	<hr/>	<hr/>	<hr/>

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

18. Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Fair value through profit and loss	399,803	347,683
	<u> </u>	<u> </u>

Financial assets measured at fair value through profit and loss comprise listed investments.

19. Operating lease commitments

The Society was committed to making the following non-cancellable lease payments as at 30 June 2021:

	2021 £	2020 £
Within one year	1,912	1,912
2 – 5 years	2,867	4,779
Over 5 years	-	-
	<u> </u>	<u> </u>
	4,779	6,691
	<u> </u>	<u> </u>

20. Analysis of changes in net debt during the year

	2021 £	2020 £
As at 1 July 2020	151,248	272,885
Net cash outflow	(39,387)	(121,637)
	<u> </u>	<u> </u>
As at 30 June 2021	111,861	151,248
	<u> </u>	<u> </u>

21. Related parties

There were no related party transactions requiring disclosure in the year.

THE SCOTTISH RIGHTS OF WAY AND ACCESS SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

22. **Contingent asset**

As at 30 June 2021 the Society was aware of a legacy, the value of which was not accurately known at the year end, that was subsequently confirmed, in July 2021, to be £4,152.