

Charity Registration No. SC044137 (Scotland)

**GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr Joan Mitchell
Mr Peter Ross
Mr Andrew Bielinski
Mr John Mark Gibson
Mr John Thomson

Charity number (Scotland)

SC044137

Registered office

Biosphere Office
Kirkcubright Courtyard
Newton Stewart
DG8 7BE

Independent examiner

John Simpson
Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ

Bankers

Bank of Scotland
PO Box 1000
BX2 1LB

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

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GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their report and financial statements for the year ended 31 March 2019.

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 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 amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Charity's objects are: the advancement of education, community development, environmental protection and improvement including care for the heritage of the UNESCO Biosphere Reserve area to be exercised following the principles of sustainable development (where sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs). In fulfilling these purposes, the SCIO will ensure that all of the policies, actions and activities result in the maintenance of the designation of UNESCO Biosphere Reserve and achieve the Biosphere Partnership's Vision "to demonstrate our passion for living in a way that benefits people and nature". Furthermore, the SCIO will act in accordance with the principles embodied within Galloway and Southern Ayrshire Biosphere Charter:

- Help to conserve the natural resources of the Biosphere
- Support the economy to benefit people and nature
- Promote cultural heritage and local products
- Contribute to the health and well-being of the community
- Develop knowledge, understanding and promote research
- Raise awareness of the Galloway and Southern Ayrshire Biosphere

The activities of the Biosphere are guided by the Strategic Plan 2017-2022.

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Achievements and performance

The last 12 months has seen both the officers and our dependable Partnership Board members continue to build a strong and meaningful presence that we believe is beginning to demonstrate the real value of having a UNESCO Biosphere in the region.

Following acknowledgement in the 2017 Programme for Government about the role the UNESCO Biosphere can play in promoting sustainable tourism across the region, new partnerships have been explored and developed with VisitScotland. Representatives from our Biosphere joined them and a Scottish delegation promoting the region in Amsterdam where our European travel industry partners were already familiar with the UNESCO Biosphere designation and the opportunities it presents to international visitors. We continue to work with Visit Scotland on a number of exciting new initiatives being explored for 2019/20 to celebrate the world class nature of our UNESCO Biosphere.

Almost 300 individuals, businesses and organisations have now committed to the Proud Supporters Charter. Over 120 of them are businesses and this led to the launch of the first UNESCO Biosphere Certification Scheme in the UK for businesses that can demonstrate a true commitment to the Biosphere's sustainability ethos. We now have four established Biosphere Communities who are using the UNESCO Biosphere designation to celebrate and promote their communities.

We continue to network widely, locally, nationally and internationally, learning from others and sharing best practice both within and outside of the UNESCO Biosphere family. This has led to a number of our Biosphere's initiatives being used as case studies in international reports, including an IUCN report on Biospheres (March 2018) and the Oasiis Biennial report "Shining the light in the Anthropocene" (2018). We hosted the Chair of the Man and Biosphere International Cooperation Council, Dr Enny Sudarmonwati from Indonesia, who visited our Biosphere in Autumn 2018, and we have supported other partners considering UNESCO Biosphere recognition for their own regions.

We continue to value our local partnerships and have been working closely with Ayrshire College helping it use the Biosphere as a focus for student studies and have been active in supporting the development of landscape scale partnership projects in both Galloway and Ayrshire.

We have actively contributed to consultations and debates that will impact on our region, including the proposed South of Scotland Economic Agency, Forest Strategy for Scotland, Scottish Land Use Strategy, key forest design plans and proposals for the Kendoon to Tongland infrastructure improvements.

Financial review

The charity operated at a surplus for the year of £3,847, all of which was unrestricted funds.

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 30-40% of the annual operational budget. The Trustees considers 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 charity has the power to make investments which the trustees see fit.

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Future Plans

Going forward our priorities continue to be guided by our Strategic Plan 2017-2022 (available to download from www.gsabiosphere.org.uk). The Strategy takes the international vision and aims of the 2016 Lima Action Plan, that all UNESCO Biospheres worldwide are working towards, and reflects them at a local level to benefit the people and environment of South West Scotland.

We will continue to focus on raising the profile of the UNESCO Biosphere both locally and further afield as a sustainable tourism destination. Key to this is continuing to develop greater awareness of what the Biosphere represents and how individuals, groups and businesses can use it to benefit themselves. The Biosphere Communities, Certification Scheme and development of new tourism products such as Biosphere Experiences will all be fundamental to this.

Equally important is the natural and cultural heritage backdrop against which these opportunities are promoted. The rich and varied wildlife, habitats, landscapes and history that we enjoy are critical components of not just the region's tourism economy, but also the health and wellbeing of all who live and work here. Guided by the priorities of our Natural Heritage Management Plan, we will continue to encourage a more balanced approach to address the competing priorities of the land-based industries on whose partnership working much of this depends.

However, covering such a huge area and big remit is challenging with such limited resources so we will continue to push for greater recognition of the value that the UNESCO Biosphere designation brings to South West Scotland and the need to support it properly at both a local and national level.

Structure, governance and management

The SCIO is governed in accordance with its written Constitution dated 5 July 2013. This was revised at the Annual General Meeting on 9 March 2017 and was submitted to OSCR.

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:

Dr Joan Mitchell

Mr Peter Ross

Mr Andrew Bielinski

Mr John Mark Gibson

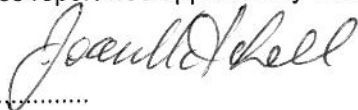
Dr Mary-Ann Smyth

(Resigned 2 September 2019)

Mr John Thomson

The charity trustees are appointed from within the membership of the partnership board. Trustees are appointed by a simple majority voting at a partnership board meeting. Trustees may also be removed by a simple majority voting meeting of the board.

The Trustees report was approved by the Board of Trustees.



.....
Dr Joan Mitchell

Trustee

Dated: 10 Dec 2019

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

I report on the financial statements of the Charity for the year ended 31 March 2019, which are set out on pages 5 to 14.

Respective responsibilities of Trustees and examiner

The Charity's Trustees, who are also the directors of Galloway & Southern Ayrshire Biosphere 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 Investments (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 2006 Accounts 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 2006 Accounts 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 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 financial statements.

Independent examiner's statement

In connection with 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 financial statements which accord with the accounting records and comply with Regulation 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 financial statements to be reached.



John Simpson
FCA
Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ

Dated:16/12/19.....

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019
<u>Income from:</u>				
Donations and legacies	2	85,000	21,250	106,250
Charitable activities	3	13,534	-	13,534
Investments	4	37	-	37
Total income		<u>98,571</u>	<u>21,250</u>	<u>119,821</u>
<u>Expenditure on:</u>				
Charitable activities	5	<u>94,724</u>	<u>21,250</u>	<u>115,974</u>
Net income for the year/ Net movement in funds		3,847	-	3,847
Fund balances at 1 April 2018		<u>64,634</u>	-	<u>64,634</u>
Fund balances at 31 March 2019		<u><u>68,481</u></u>	<u><u>-</u></u>	<u><u>68,481</u></u>

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

All income and expenditure derive from continuing activities.

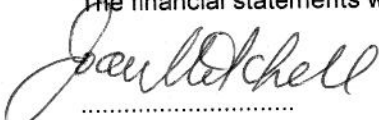
GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£
Fixed assets			
Tangible assets	9		444
Current assets			
Debtors	10	5,084	
Cash at bank and in hand		65,429	
		<u>70,513</u>	
Creditors: amounts falling due within one year	11	(2,476)	
		<u>68,037</u>	
Net current assets			68,037
Total assets less current liabilities			<u>68,481</u>
Income funds			
Unrestricted funds			68,481
			<u>68,481</u>

The financial statements were approved by the Trustees on 10 Dec 2019


.....
Dr Joan Mitchell
Trustee

.....
Mr Peter Ross
Trustee



GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

Galloway & Southern Ayrshire Biosphere is a Scottish Charitable Incorporated Organisation. The registered office is Biosphere Office, Kirroughtree Courtyard, Newton Stewart, DG8 7BE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Constitution, 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 amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 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 rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 unless the funds have been designated for other purposes.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

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 the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20% on reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (Continued)

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total
	2019 £	2019 £	2019 £
Donations and gifts	10,000	-	10,000
Grant income	75,000	21,250	96,250
	<u>85,000</u>	<u>21,250</u>	<u>106,250</u>
Donations and gifts			
Donation	10,000	-	10,000
	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Grants receivable for core activities			
Dumfries & Galloway Council	20,000	-	20,000
East Ayrshire Council	15,000	-	15,000
South Ayrshire Council	15,000	-	15,000
Scottish Natural Heritage	10,000	-	10,000
Forestry Commission	15,000	-	15,000
Plant Life International	-	1,250	1,250
PLACE Project	-	20,000	20,000
	<u>75,000</u>	<u>21,250</u>	<u>96,250</u>

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Charitable activities - income

	Running of trust 2019 £
Dark Sky Conference income	11,534
Consultancy income	2,000
	<u>13,534</u>

4 Investments

	Unrestricted funds 2019 £
Interest receivable	37
	<u>37</u>

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Charitable activities - expenditure

	Running of trust
	2019 £
Staffing costs	49,913
PLACE project	24,000
National plant monitoring	1,250
Travel	6,310
Consultancy	14,000
	<hr/>
	95,473
Share of support costs (see note 6)	19,230
Share of governance costs (see note 6)	1,271
	<hr/>
	115,974
	<hr/> <hr/>
Analysis by fund	
Unrestricted funds	94,724
Restricted funds	21,250
	<hr/>
	115,974
	<hr/> <hr/>

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Support costs	Support costs £	Governance costs £	2019 £
	111	-	111
Depreciation	756	-	756
Rent	98	-	98
Insurance	694	-	694
Telephone	1,343	-	1,343
Postage, stationery & advertising	65	-	65
Bank charges	337	-	337
Sundry	8,030	-	8,030
Management fee	3,045	-	3,045
PR & marketing	4,752	-	4,752
Office & meeting costs	-	654	654
Accountancy	-	616	616
Costs of meetings	<u>19,231</u>	<u>1,270</u>	<u>20,501</u>
Analysed between Charitable activities	<u>19,231</u>	<u>1,270</u>	<u>20,501</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year. The following trustees had travelling expenses reimbursed.

Dr Joan Mitchell £90
Mr Andrew Bielinski £20

8 Employees

There are two project officers working on 0.6 FTE and one project officer working on 0.2 FTE employed on behalf of Galloway & Southern Ayrshire Biosphere through Southern Uplands Partnership.

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9	Tangible fixed assets	Plant and equipment
		£
	Cost	
	Additions	555
	At 31 March 2019	<u>555</u>
	Depreciation and impairment	
	Depreciation charged in the year	111
	At 31 March 2019	<u>111</u>
	Carrying amount	
	At 31 March 2019	<u><u>444</u></u>
10	Debtors	2019
		£
	Amounts falling due within one year:	
	Trade debtors	5,084
		<u><u>5,084</u></u>
11	Creditors: amounts falling due within one year	2019
		£
	Other creditors	2,026
	Accruals and deferred income	450
		<u><u>2,476</u></u>

GALLOWAY & SOUTHERN AYRSHIRE BIOSPHERE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Balance at 31 March 2019 £
	Incoming resources £	Resources expended £	
Plant Life International	1,250	(1,250)	-
PLACE Project	20,000	(20,000)	-
	<u>21,250</u>	<u>(21,250)</u>	<u>-</u>

Plant Life International - A five year agreement to March 2023 between Plant Life and the Biosphere supporting and training volunteers in plant recording across the Biosphere, delivered locally for the Biosphere through South West Scotland Environmental Information Centre.

PLACE Project - A Heritage Lottery Fund project to March 2021 delivered by Southern Uplands Partnership and focused on engaging key communities in the natural and cultural heritage of the Biosphere.

13 Analysis of net assets between funds

	2019 £	Total 2019 £
Fund balances at 31 March 2019 are represented by:		
Tangible assets	444	444
Current assets/(liabilities)	68,037	68,037
	<u>68,481</u>	<u>68,481</u>

14 Related party transactions

There were no disclosable related party transactions during the year.