

**ESK VALLEY TRUST SCIO**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Scottish Charity Number SC031951**

# ESK VALLEY TRUST SCIO

FOR THE YEAR ENDED 31 DECEMBER 2020

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# ESK VALLEY TRUST SCIO

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees have pleasure in presenting their report and the unaudited financial statements of the Scottish Charitable Incorporated Organisation (SCIO) for the year ended 31 December 2020.

#### OBJECTIVES AND ACTIVITIES

The charitable objectives of the Esk Valley Trust are to stimulate public interest and care for the beauty, history and character of the valleys of the Rivers Esk and their surroundings in the Lothians of Scotland. In particular the Trust aims to:

- a) **promote and encourage responsible access** and sustainable public amenities in the Esk rivers' catchment areas for the benefit of local communities and others and
- b) **enhance awareness and appreciation** of the natural and social histories of the Esk valleys and their environs.

#### ACHIEVEMENTS AND PERFORMANCE

##### Membership

Fully paid membership of the Trust has fallen over the year which reflects a continuing problem with subscription renewal. We continue to look for ways to re-invigorate membership and particularly would like to attract more families with children. It may be that the Covid situation has had a specific negative effect. In 2021 we plan more activities online and, when allowed, along the river paths. We interact more with community groups along the river valleys to try to broaden awareness of and interest in the Trust. We will continue the policy of reminding members about missing subscriptions and only remove from the list of members those who have not paid their annual contributions for more than two years.

	<b>2020</b>	<b>2019</b>
	<b>number</b>	<b>number</b>
Family	32	39
Individual	26	32
Unpaid	25	20
Total	<u>83</u>	<u>91</u>
	<u>          </u>	<u>          </u>

##### Environment and Heritage

The Trust welcomes involvement with (including representative membership of) environmental and recreational fora and advisory committees, where the rivers and their environment are considered. Susan Manson represented the Trust on the Midlothian Access Forum throughout 2020 and has now stepped down.

The Trust endorsed the "Edinburgh Declaration on post-2020 global biodiversity framework" in November 2020. The commitments of the declaration are strongly aligned with the objectives of the Trust.

The Trust responds to public consultations as appropriate.

# **ESK VALLEY TRUST SCIO**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **ACHIEVEMENTS AND PERFORMANCE (continued)**

##### **Esk Valley Way**

The Trust maintains a dialogue with land owners, land-users and public authorities for improved access for the public to routes in the valleys. Since Covid restrictions began to be introduced in March 2020 liaison with all of these players has been much reduced as they concentrated on sustaining their core activities. The spirit of cooperation with the Penicuik Estate remains very positive and as soon as Covid restrictions allow we hope to be able to conclude plans for a new path through to the southern boundary of the Estate. While discussion with the Dalkeith Country Park has been suspended, we hope that revisions to the Midlothian Core Paths Plan might facilitate the concept of an agreed section of the North Esk Way through the Park. The other blockage to complete achievement of the North Esk Way is the lack of ready access along the Melville High Drive. Despite the attempts of the landowner to restrict access it is important that walkers continue to walk this route.

##### **Annual General Meeting**

For the first time the AGM was held by Zoom on 29 May 2020. Twelve people attended.

##### **Activities**

In line with our Charitable objectives the Trust activities fall, broadly, under three headings:

- Securing continuous paths along the Esk rivers
- Managing the Hewan Wood (an area of woodland between Polton and Roslin Glen which we own) and
- Promoting interest in the Esk valleys through information.

Progress with the North Esk way is given above. Management of the Hewan Wood has been facilitated by the 'Woodlands In and Around Towns (WIAT)' grant that we received under the Forestry Grant Scheme. In this year activities under the grant have been renewal of post and rail fencing, thinning of trees in the woodland and removal of hazardous trees. A new project 'Stories of the Esks' is designed to enhance the richness of information about all aspects of the Esk valleys initially through our web site and is hoped to be an important vehicle for promoting interest in the Esk valleys.

Covid restrictions required that all 'in person' meetings of the Trust were suspended during the year. A programme of online events is planned for 2021 together with group meetings outside when easing of restrictions allow.

##### **Website**

The first stage of the exercise to refresh the website has been completed.

# **ESK VALLEY TRUST SCIO**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **FINANCIAL REVIEW**

Following conversion of the Trust to become a SCIO we have taken the opportunity to simplify the reporting of accounts. Consequently, these accounts are presented on a Receipts and Payments basis while previous accounts, for the Esk Valley Trust Company Limited, were presented on an Accruals basis.

The charity funds its activities by donations, subscriptions and grants. The result for the year was a surplus of £606 (2019: £434 deficit).

Receipts during the year were £2,784 (2019: £2,313), and payments of £2,178 (2019: £2,747) were made.

At the year end, the unrestricted reserves were £4,067 (2019: £3,461), restricted reserves were £5,003 (2019: £5,003) and permanent endowment reserves were £29,387 (2019: £29,387), giving total funds of £38,457 (2019: £37,851).

#### **Reserves Policy**

The charity has no staff, leasing or other significant commitments and is able to manage expenditure according to available funds. Accordingly, it is necessary only to hold minimal reserves in order to meet annual administrative costs in the event of a loss of income. The free reserves of the charity are £4,067 (2019: £3,461), which is considered to be sufficient. Any decisions on the future use of the remainder of these reserves are still to be agreed.

#### **Risk Management**

The Trustees confirm that the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, have been reviewed and systems have been established to mitigate them. The Risk Register is reviewed by the Trustees at least once per year.

#### **PLANS FOR FUTURE PERIODS**

The charity plans to continue with its activities as outlined above and work towards realising the charity's long-term vision - the creation of "The Esk Valley Way".

#### **STRUCTURE AND GOVERNANCE**

##### **Governing Document**

The Esk Valley Trust was first formed as a Limited Company in 2002. Following due process, the Trust converted from a Limited Company to a Scottish Charitable Incorporated Organisation (SCIO) in 2019 and its Constitution was revised accordingly. The Esk Valley Trust was registered as a SCIO on 1 August 2019.

The Trust retains its registration as a Scottish registered charity (number SC031951).

##### **Recruitment and Appointment of Trustees**

Individuals who are committed to the objects of the charity are admitted to the membership of the organisation. Thereafter a member can be proposed and elected as a Trustee at the AGM to serve on the board.

# ESK VALLEY TRUST SCIO

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### STRUCTURE AND GOVERNANCE (continued)

##### Trustees' Induction and Training

Any newly appointed Trustee is offered induction and training to cover the following:

- Brief history of the charity
- Copy of the founding document
- Guidance on the duties and responsibilities of charity Trustees
- Copy of the most recent financial statements
- Any other relevant documentation

##### Executive Committee

The Committee met three times during the year. The agenda covers all the Trust's areas of responsibility and considers in detail expenditure, fund raising, activities, the response of the Trust to issues affecting the river valleys, and promoting the creation of a long-distance pathway along the two Esk rivers.

##### Organisational Structure

The SCIO was incorporated on 1 August 2019 as a result of the conversion of a charitable company (Company number: SC218056, Company name: Esk Valley Trust Company Limited).

The trust is governed through the Executive Committee, which may include non-Trustees with areas of certain expertise. The charity's policy is guided by the Executive Committee responding to input both from individual members and associate members such as Community Councils and Heritage or Nature Conservation groups who represent local community interests within the river catchment area. Any major issues that affect policy are presented to the AGM for discussion.

#### REFERENCE AND ADMINISTRATIVE INFORMATION

##### The Trustees

The Trustees who served the charity during the year to 31<sup>st</sup> December 2020 and to the date of signing the accounts were as follows:

Professor J Oldham  
Mrs P Frankland  
Mr P Raine  
Professor R Crofts  
Mr Ben Miller  
Mr R Frazer

**Address & Registered Office** 45 Polton Road  
Loanhead  
Midlothian  
EH20 9BD

**Independent Examiner** Mr Andrew Turton C.A.

**Bankers** Clydesdale Bank PLC  
102 High Street  
Dalkeith  
EH22 1HZ

# **ESK VALLEY TRUST SCIO**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **ACCOUNTS PREPARATION**

The Trustees confirm that the accounts for the year ended 31 December 2020 have been prepared so as to comply with current statutory requirements and the SCIO's own governing document.

Registered Office:

45 Polton Road  
Loanhead  
Midlothian  
EH20 9BD

Signed by order of the Trustees

R W Frazer  
Trustee

Approved by the Trustees on

2021

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>Report to the trustees/members of</b>	<b>ESK VALLEY TRUST</b>						
<b>Registered charity number</b>	<b>SC031951</b>						
<b>On the accounts of the charity for the period</b>	Period start date				Period end date		
	Day	Month	Year		Day	Month	Year
	<b>01</b>	<b>January</b>	<b>2020</b>	<b>to</b>	<b>31</b>	<b>December</b>	<b>2020</b>
<b>Set out on pages</b>	<b>7 to 13</b>					<small>(remember to include the page numbers of additional sheets)</small>	

<b>Respective responsibilities of trustees and examiner</b>	The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) 2005 Act and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (d) 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.
<b>Basis of independent examiner's statement</b>	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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts 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 accounts.
<b>Independent examiner's statement</b>	<p>In the course of my examination, no matter has come to my attention</p> <ol style="list-style-type: none"> <li>1. which gives me reasonable cause to believe that in any material respect the requirements: <ul style="list-style-type: none"> <li>• to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and</li> <li>• to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations</li> </ul> </li> </ol> <p>have not been met, or</p> <ol style="list-style-type: none"> <li>2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.</li> </ol>
<b>Signed:</b>	
<b>Name:</b>	
<b>Relevant professional qualification(s) or body (if any):</b>	
<b>Address:</b>	

# ESK VALLEY TRUST SCIO

## SECTION A - STATEMENT OF RECEIPTS AND PAYMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total £	2019 Total £
<b>A1 Receipts</b>						
Voluntary income	1	1,134	-	-	1,134	1,313
Grant	1	1,650	-	-	1,650	1,000
<b>Total receipts</b>		2,784	-	-	2,784	2,313
<b>A3 Payments</b>						
Payments relating directly to charitable activities	2	2,178	-	-	2,178	2,747
<b>Total payments</b>		2,178	-	-	2,178	2,747
<b>Surplus / (deficit) for the year</b>		606	-	-	606	(434)

All the activities of the charity are classed as continuing.

The notes on pages 10 to 13 form part of these financial statements

# ESK VALLEY TRUST SCIO

## SECTION B - STATEMENT OF BALANCES

AS AT 31 DECEMBER 2020

	Unrestricted Funds	Restricted Funds	Endowment Funds	2020 Total	2019 Total
	£	£	£	£	£
<b>B 1.1 Cash funds</b>					
Cash and bank balances at start of year	3,461	5,003	616	9,080	9,514
Surplus / (deficit) shown on receipts and payments account	606	-	-	606	(434)
<b>Cash and bank balances at end of year</b>	<b>4,067</b>	<b>5,003</b>	<b>616</b>	<b>9,686</b>	<b>9,080</b>
<b>B1.2 Bank Balances</b>					
Cash at bank	3,862	5,003	616	9,481	8,700
PayPal account	205	-	-	205	380
	<b>4,067</b>	<b>5,003</b>	<b>616</b>	<b>9,686</b>	<b>9,080</b>

**B2 Investments** - The Trust has no investments held to generate income.

### **B3 Other assets**

Tangible asset - Hewan Wood	-	-	28,771	28,771	28,771
Tangible asset - maintenance stock	160	-	-	160	-
WIAT Grant 2019 - expenditure and work done	-	-	-	-	1,650
WIAT Grant 2020 - expenditure and work done	3,606	-	-	3,606	328
Gift Aid receivable	173	-	-	173	199
	<b>3,939</b>	<b>-</b>	<b>28,771</b>	<b>32,710</b>	<b>30,948</b>

### **B4 liabilities**

WIAT Grant expenditure	-	-	-	-	809
Examiner's expenses	50	-	-	50	50
	<b>50</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>859</b>

**B5 Contingent Liabilities** - The Trust has no quantifiable contingent liabilities.

## **ESK VALLEY TRUST SCIO**

### **SECTION B - STATEMENT OF BALANCES**

#### **AS AT 31 DECEMBER 2020**

The Trustees acknowledge their responsibilities for:

- Ensuring that the company keeps accounting records which comply with The Charities Accounts (Scotland) Regulations 2006;
- Preparing financial statements on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended)

These Financial Statements were approved by the Trustees on  
and are signed on their behalf by;

2021

Professor J Oldham  
Trustee and Chair

The notes on pages 10 to 13 form part of these financial statements

# ESK VALLEY TRUST SCIO

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities & Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended)

#### **Fixed assets**

Fixed assets are recorded at cost, except for equipment which was acquired by the predecessor charitable company and which had been fully depreciated at 1<sup>st</sup> August, 2019, the date of conversion to a SCIO. The equipment comprises a laptop computer, which is still in use by the Trust.

The Trustees do not adopt a policy of revaluation of its heritage assets. Any improvements carried out to the land, including upgrading of paths/signs are written off as expenditure in the year incurred.

#### **Income**

- All income is included in the Statement of Receipts and Payments when received.
- The value of services provided by volunteers has not been included in these accounts, except to the extent recognised and recovered by grant funding.

#### **Expenditure**

- All costs have been directly attributed to one of the functional categories or resources expended in the Statement of Receipts and Payments.
- Expenditure on charitable activities includes the costs incurred by the charity in delivery of its activities and services to its beneficiaries and their associated support costs, including governance costs.
- Governance costs comprise those cost associated with meeting the constitutional and statutory requirements of the charity, including independent examination fee and strategic management costs.
- The charity is not registered for VAT and accordingly, costs are incurred gross of irrecoverable VAT.

# ESK VALLEY TRUST SCIO

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1. ACCOUNTING POLICIES (continued)

#### Unrestricted Funds

Unrestricted funds are grants and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

#### Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

#### Endowment Funds

The permanent endowment funds are funds that must be permanently maintained and represent the freehold property acquired to be used indefinitely for the purposes of the charity.

### 1 RECEIPTS – all unrestricted

	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>
Voluntary income	1,134	1,313
- Comprises membership fees and donations		
Grant	1,650	-
- Woods In and Around Towns (WIAT)		
Grant	-	1,000
- Cala Community Bursary		
	<u>2,784</u>	<u>2,313</u>

### 2. PAYMENTS RELATING DIRECTLY TO CHARITABLE ACTIVITIES – all unrestricted

	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>
<b>Direct charitable costs</b>		
WIAT expenses	809	472
Website	819	432
Path maintenance	320	-
<b>Support costs</b>		
Insurance	-	431
Office costs	14	290
Administrator	170	486
<b>Governance costs</b>		
Meeting expenses	-	90
Independent examiner's fee	46	546
	<u>2,178</u>	<u>2,747</u>

### 3. EMPLOYEES AND TRUSTEES' REMUNERATION

The charity has no employees. No fees or expenses have been paid to Trustees (2019: £nil). All Trustees act without remuneration.

## **ESK VALLEY TRUST SCIO**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **4. TANGIBLE FIXED ASSETS**

The 27-acre Hewan Wood, beside the North Esk near Polton in Midlothian was acquired by the charity in March 2002. As the wood is a heritage asset, the predecessor company did not apply depreciation. The original cost of the wood was £28,771.

Computer equipment costing £1,182 was acquired by the predecessor charitable company and had been fully depreciated at 1st August, 2019, the date of conversion to a SCIO. The computer remains in use by the SCIO.

# ESK VALLEY TRUST SCIO

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 5. MOVEMENT IN FUNDS

	Balance 1 January 2020 £	Receipts £	Payments £	Balance 31 December 2020 £
<b>Unrestricted funds</b>				
General funds	3,461	2,784	(2,178)	4,067
<b>Restricted funds</b>				
Hewan Wood Fund	4,003	-	-	4,003
Ironmills Park Access	1,000	-	-	1,000
	5,003	-	-	5,003
<b>Endowment funds</b>				
Copley Trust	2,453	-	-	2,453
Hewan Wood	21,934	-	-	21,934
Hobart Trust	5,000	-	-	5,000
	29,387	-	-	29,387
<b>TOTAL funds</b>	<b>37,851</b>	<b>2,784</b>	<b>(2,178)</b>	<b>38,457</b>

#### Restricted Funds

##### *Hewan Wood Fund*

Funds specified for the upkeep of Hewan Wood.

##### *Ironmills Park Access Campaign*

Funds to campaign for improved access to Ironmills Park, which has been restricted as a result of the new Borders railway line.

#### Endowment Funds

The funds were used to purchase Hewan Wood, which remains an asset of the Trust. The maintenance of the woodland, paths and fencing are a continuing charge on the resources of the Trust.