

Company number: 4458492

The Ramblers' Association
Annual report and financial statements
Year to 30 September 2015

The Ramblers' Association annual report 2014-2015

Contents

Trustees' annual report

Ramblers facts	1
Statement of public benefit-objectives and activities	2
Reference and administrative details	4
Structure, governance and management	7
Trustees' responsibilities	9
Strategic report	
Principal risks	10
Achievements and plans	11
• Overview of achievements by priority 2014-2015	12
• Key activities to be undertaken in 2015-2016	12
Financial review	16

Independent auditor's report to the members of the Ramblers' Association	19
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Statement of financial activities	21
--	-----------

Balance sheet	22
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Cash flow statement	23
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Notes to the financial statements	24
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The Ramblers' Association annual report 2014-2015
Trustees' annual report
Ramblers' Facts

	<u>2014-2015</u>	<u>2013-2014</u>
membership numbers at 30 September	107,369	107,584
income		
total income	£10.2m	£8.9m
<u>includes</u>		
membership subscriptions	£2.8m	£2.7m
legacies	£2.2m	£1.4m
monies collected for social activities at local level including holidays	£2.0m	£1.9m
expenditure		
total expenditure	£8.5m	£8.3m
<u>includes</u>		
walking programmes – national	£3.6m	£3.5m
monies collected for social activities at local level including holidays	£1.9m	£1.9m
governance costs	£525,000	£460,000
employees		
total	70.0	69.0
national	59.0	58.3
Scotland	5.0	4.7
Wales	6.0	6.0
assets		
fixed assets	£291,000	£333,000
cash at bank		
national	£2.0m	£2.4m
areas, groups and councils	£1.5m	£1.4m
<u>investments</u>		
national	£2.4m	£1.0m
areas, groups and councils	£135,000	£135,000
funds		
total funds	£7.7m	£6.0m
restricted	£963,000	£500,000
designated	£3.0m	£2.6m
permanent endowment	£937,000	£Nil
unrestricted reserves	£2.8m	£3.0m
% of funds held in cash	66%	81%
areas		
number of areas at September 2015	59	59
groups		
number of groups at September 2015	485	487
(m = millions)		

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Statement of public benefit – objectives and activities

The trustees of the Ramblers Association, who are also directors of the company for the year ended 30 September 2015 under the Charities Act 2011 and the Companies Act 2006, present the trustees' annual report for the year including the directors and the strategic report under the 2006 Act, together with the audited financial statements for the year.

The financial statements comply with current statutory requirements, financial reporting standards, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities 2005 (SORP 2005).

The trustees confirm that in planning the activities of the Ramblers they have given careful consideration to the Charity Commission's general guidance on public benefit and that they have complied with their duty in the Charities Act 2011 to have due regard to the public benefit in determining the activities undertaken by the Ramblers.

Statement of public benefit

General council 2015 approved a vision and strategic framework for 2015-2025. The ambitions of the organisation over the ten year period are reflected in the public benefit statement below.

Vision

A country where everyone enjoys the outdoors on foot and benefits from the experience.

Mission

The Ramblers' mission is to create a Britain where everyone has the freedom to enjoy the outdoors on foot and benefits from the experience.

Charitable objects

- The provision and protection of footpaths and other ways over which the public have a right of way or access on foot, including the prevention of obstruction of public rights of way.
- The protection and enhancement for the benefit of the public of the beauty of the countryside and other areas by such lawful means as the trustees think fit, including by encouraging the provision, preservation and extension of public access to land on foot.
- The provision of facilities for the organising of open-air recreational activities and in particular rambling and mountaineering with the object of improving the conditions of life for the persons for whom the facilities are intended, namely the public at large, and in the interests of social welfare (including health).
- Advancing the education of the public in subjects relating to access to, and the preservation and conservation of, the countryside and of the health benefits of outdoor recreational pursuits.

The trustees may further the objectives particularly by helping all persons to a greater love, knowledge and care of the countryside and urban open spaces, and by encouraging participation in walking for recreation and as a means of transport.

Our activities

The activities currently carried out for the public benefit by the charity can be broadly categorised into the following groups of programmes:

A country designed for walking

The Ramblers ensures that everything to be in place in England, Scotland and Wales so that everyone can enjoy the outdoors on foot and benefit from the experience. This includes great places to walk; a true right to roam and path networks that connect people with communities, history, and nature; we will ensure the right support from government, society, public and private organisations to help us achieve this. A walking country will enable and motivate more people to walk, as a means of transport, for their health and wellbeing, to help the environment or for pleasure.

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Statement of public benefit – objectives and activities

Helping everyone find their feet

The Ramblers improves the health and wellbeing of individuals regardless of their age, background, fitness or mobility by providing the support and resources everyone needs, to enjoy and benefit from walking outdoors. We also help put in place nationally and locally the policies and programmes that give individuals and communities the opportunity to go out and walk and educate them about how walking can improve their health and wellbeing. Priority is given to those who are physically inactive or are under the age of 26.

Connecting people through the Ramblers

The Ramblers improves the health and well-being of our members by connecting them with each other and encouraging their participation and enjoyment of walking outdoors. Any member of the public can access our activities through a readily affordable membership fee that contains provision for people on benefits. Provision includes training and information, high quality routes, extensive led walks programmes, outings and related social activities.

How we deliver our activities

We deliver our objectives in three ways:

- Through the creation and support of structures that allow members to help other members walk and explore the outdoors.
- Through direct and indirect delivery especially in relation to work with communities that would benefit most from walking and the delivery of physical improvements to paths.
- Supporting volunteers, supporters and members of the public to educate, promote advocate on behalf of walking and the outdoors.

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Reference and administrative details

company number	4458492
charity numbers	1093577 (England & Wales) SC039799 (Scotland)
registered office and main operational address	2 nd Floor, Camelford House 87-90 Albert Embankment London SE1 7TW
Scottish operational address	Ramblers Scotland Caledonia House 1 Redheughs Rigg South Gyle Edinburgh EH12 9DQ
Welsh operational address	Ramblers Cymru 3 Coopers Yard Curran Road Cardiff CF10 5NB
president*	Kate Ashbrook *(the President is not a trustee)

The trustees

The trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

chair	Des Garrahan (chair from 29 March 2015) Jonathan Kipling (until 29 March 2015)
vice chair	Chris O'Byrne (vice chair from 9 May 2015) Naseem Akhtar (until 29 March 2015)
honorary treasurer	Alexander Mannings (honorary treasurer from 29 March 2015) Robert Peel (until 29 March 2015)
ordinary trustees	Mike Church Moirra Fraser Roy Hunt (from 29 March 2015) Jeremy Kenyon (from 29 March 2015) James Lawson Convener, Scotland Richard May Teri Moore (from 29 March 2015) Alan Norton Welsh chair (from 29 March 2015) Gwyn Lewis (until 29 March 2015) Paul Rhodes Andrew Rogers (until 29 March 2015) David Thomson (until 29 March 2015) Richard Trueman (until 10 January 2016)

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Reference and administrative details

Scottish Council executive committee (SCEC)*

president	Dr Andrew Murray
convenor	Jim Lawson (from 3 March 2015) David Thomson (until 3 March 2015)
vice convenor	Alison Mitchell (from 3 March 2015) Jim Lawson (until 3 March 2015)
honorary treasurer	Alistair Cant David Thomson John Andrews Ben Douglas Roy Keenan Elizabeth Lawie Vic Royce Jane Catto (from 3 March 2015) Andy Malby (from 3 March 2015)

Welsh Council executive committee (WCEC)*

president	Denis McAteer
chair	Alan Norton (from 12 April 2015) Gwyn Lewis (until 12 April 2015)
vice chair	Gwyn Lewis (from 12 April 2015)
vice chair	Chris Hodgson
honorary treasurer	John Cook
secretary	Diane Davies Max Grant George Allingham Maggie Thomas Roger Fisher (until 28 September 2015) Asta Smith (until 12 April 2015) Anthony Thomas (until 12 April 2015) Ron Williams (until 12 April 2015) Maria Golightly (until 12 April 2015) Vernon Davies (until 12 April 2015)

*The board has delegated authority to committees in Wales and Scotland made up of representatives elected by each national council.

senior management team	chief executive - Benedict Southworth director of delivery and development - Simon Barnett director of Wales - Angela Charlton director of Scotland - Jess Dolan (appointed 9 February 2015) director of services - Christine Grant director of advocacy and engagement - Nicky Philpott
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Those termed 'director' are not directors in accordance with company law.

company secretary	Christine Grant
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bankers	Unity Trust Bank PLC Nine Brindleyplace Birmingham B1 2HB
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The Ramblers' Association annual report 2014-2015
Trustees' annual report
Reference and administrative details

	HSBC Bank Plc South West London Business Banking Centre Bank House, High Street Hampton Wick, Kingston upon Thames Surrey KT1 4DA
investment managers	CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London EC4V 4ET
auditors	Crowe Clark Whitehill LLP Chartered Accountants and Statutory Auditors St. Bride's House 10 Salisbury Square London EC4Y 8EH

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Structure, governance and management

Status

The organisation is a charitable company limited by guarantee, incorporated on 11 June 2002 and registered as a charity on 29 August 2002.

Governing document

The company was established under a memorandum of association, which established the objects and powers of the charitable company, and is governed by its articles of association.

Governing body and sub committees

The governing body of the Ramblers is the board of trustees, which comprises up to 15 members and meets up to eight times during the year. One or more members of the senior management team are in attendance at each board meeting alongside the company secretary.

The key role of the board is to determine the strategy for achieving our mission (subject to general council consultation and approval) and the oversight of the implementation of that strategy across our range of activities. This includes our values, ethics, image and communications. The board of trustees has the overall responsibility for ensuring that the Ramblers pursues its charitable objects, complies with its own constitution and relevant legislation, regulation, guidance and best practice, applies its resources exclusively to its objects and safeguards and advances the interests of walkers throughout the Great Britain.

The board has established three sub-committees, each chaired by a trustee and with terms of reference and functions delegated by the board. These sub-committees consider mission, finance and operations and remuneration. The finance and operations sub-committee scrutinises issues concerning audit, risk and central services.

Management team

The trustees delegate the day-to-day running of the Ramblers to the chief executive as its chief officer. The chief executive enacts the mission of Ramblers through its unpaid volunteers and paid staff.

The senior management team comprises the chief executive, the director of advocacy and engagement, the director of delivery and development, the director of Wales, the director of Scotland and the director of services.

Nations

Under our devolution agreements substantial authority is devolved to our entities in Scotland and Wales. They are managed by committees elected by members in those countries. The devolved accountability is subject to suitable accountability mechanisms.

Councils, areas and groups

The general council is a body that normally meets annually. The main functions of this council are to elect a maximum of nine trustees to the board, elect the chair and honorary treasurer, debate and recommend policies to the board and to receive the annual report and accounts. The general council comprises at least two elected members from each of the Ramblers' areas, depending on their membership size.

The Scottish and Welsh councils are bodies that normally meet annually. The main functions of these councils are to debate and recommend policies to their executive committees and/or general council that are specifically related to these countries. These councils are represented by elected members of the areas and groups in each of these countries. The elected chair/convener of each council or their nominee is a trustee.

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Structure, governance and management

At local level, activities for members and volunteers are organised through 485 groups and 59 areas. Each area and group operates through its own constitution, but as part of the overall Ramblers organisation.

Recruitment, election and appointment of the trustees

The board of trustees consists of:

- the chair and honorary treasurer elected by the general council.
- nine members elected by the general council.
- not more than two members co-opted by the board of trustees.
- the chair of the Welsh council and convener of the Scottish council, or someone nominated by the councils.

A person becomes eligible to be elected to the board of trustees after being a member of the Association for at least twelve consecutive months.

All elected trustees including officers serve three year terms at which point they are eligible for re-election. A trustee may serve for a maximum period of six years. The only exception to this is the chair. Upon election, the chair shall hold office for a single term of three years. The co-option of trustees may result from the annual review of the board's mix of skills, diversity and competencies. Co-opted trustees serve for a term of expiring at the next general council and may be co-opted again for a maximum of two further terms. Co-opted trustees may seek election at the end of their terms.

Following their election or appointment, each trustee receives a briefing pack outlining their roles, responsibilities and obligations as both a trustee of a charity and a director of a limited liability company, together with information on the Ramblers, its structure and work. An annual induction day, taking a strategic look at the roles, responsibilities and obligations, is offered to all new trustees.

Members of the charity

Council members are the formal company members of the charity and guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. All the trustees are council members and other council members are admitted in accordance with Article 16 of the articles of association of Ramblers.

Ramblers also comprises of other types of members, including individual members and local, national and overseas organisations that affiliate with Ramblers. These members are not company members for the purposes of the Companies Act 2006.

Ramblers' Enterprises Limited

Ramblers' Enterprises Limited is a wholly owned subsidiary of the Ramblers' Association that is incorporated in England and Wales. Its principal activities are to undertake commercial activities on behalf of the Ramblers. Ramblers' Enterprises Limited produced a net profit of £37,000 (2014: £44,000), which was donated to the Ramblers through Gift Aid.

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Trustees responsibilities

The trustees are responsible for preparing the trustees' report (incorporating a strategic report) and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website

The trustees, as company directors, have confirmed that, so far as they are each aware, there is no relevant audit information of which the charity's auditors are unaware, and that they have each taken all the steps that they ought to have taken as trustees/directors in order to make themselves aware of any relevant audit information and to ensure that the charity's auditors are aware of that information.

Principal risks

During the year, the board of trustees and senior staff met regularly to consider the major risks to which the Ramblers is exposed and confirm that systems are in place to manage those risks. A risk register is maintained in order to identify the principal risks facing the Ramblers and the actions needed to minimise those risks. The nature of risks that an organisation faces changes over time and is influenced by external factors and mitigated by operational performance across the current business plan.

It is the role of the finance and operations sub-committee to monitor risks and, where possible, to take necessary steps to mitigate them through ensuring that management implement procedures and controls.

The major risks the Ramblers currently faces are as follows:

- **The continuing need to manage our financial position.** We have a healthy financial position and a stable membership, but we must both protect and manage these assets and seek to expand. We have a healthy retention of membership, about 90% but we still need to recruit approximately 10,000 members each year to stand still.
- **Management of income streams.** Membership remains the single largest and most stable source of income for the organization and provides a solid base for budgeting. But legacies, fundraising and project activities provide significant and mutually supportive income streams with which to meet our objectives. We cannot, nor need to, rely solely on membership income for our growth. Nor do we need a wide variety of income streams to support the organization. But we do need to manage carefully all our income streams.
- **Pension deficit.** The Ramblers is committed to pension liabilities under its arrangements with the Pensions Trust. These commitments are subject to periodic actuarial assessment. We are setting aside funds to meet our commitment, while not diverting resources from operational growth. These liabilities arise from historic arrangements but still require management. This issue remains a long term risk.
- **Failure to continue to update our processes and ensure they are accessible for volunteers and staff across the GB network.** We have made a large ongoing investment to understand the ways we need to change and have made significant progress in making those changes. Failure to finish these projects will prevent Ramblers fully benefiting from this work. These projects are reflected in the current business plan.

But this infrastructure needs to be used by all. Failure to rollout improvements to support the development of areas, groups, volunteers, and members at local level will render them less effective. Generating resources to underpin any rollout is vital to managing this risk.

- **Failure to appreciate both unity and diversity.** We are one organisation of many parts. If we fail to work together to ensure that the diversity of interests and passions within the Ramblers is made attractive to those not yet engaged with Ramblers we risk failing to achieve our mission. The world will pass us by while we look inwards.

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Strategic report

Achievements and plans

We seek to fulfil our charitable objectives through the implementation of our business plan. This part of the report sets out what we have achieved compared to what we planned in our business plan during the year 2014-2015.

The current business plan is based on the following strategic priorities.

Renew and revitalise

- to continue to revitalise the Ramblers, through a new vision, a sense of being one organisation in which diversity flourishes, and a framework for increased engagement with Ramblers activities.

Deliver our mission

- to continue to create frameworks that will enable us to deliver all aspects of our mission, everywhere, through both supporting groups and integrating the different ways we deliver our mission, and by doing so increase our influence.

Stabilise and grow

- to maintain Ramblers as a stable and well led organisation, taking all opportunities to expand and grow our activities.
-

These priorities will be applied across the activities of all three nations.

The GB plan is supported by two separate documents in line with Ramblers internal devolution agreements.

- Ramblers Cymru/Y Cerddwyr business plan
- Ramblers Scotland business plan

Full details of all three plans can be found on the Ramblers website.
<http://www.ramblers.org.uk/about-us/how-we-are-run>

Key achievements

The business plan has yielded a number of key achievements in the delivery of the strategic priorities identified above.

- adoption of Strategic Framework 2015-2025.
- Big Pathwatch campaign.
- success in the Andrews case.
- partnership with People's Postcode Lottery.
- Walking for Health accreditation.
- introduction of new staffing structure.

Overview of achievements by priority 2014-2015

Renew and revitalise

Governance

- the strategic frameworks approved in March 2015 together with public benefit statement have become the key document guiding our work. It has informed the development of the rights of way strategy in England and Wales.
- the Ramblers has an aspiration and Ramblers Cymru a target that half the leadership positions will be held by women by 2020. This target has already been met within our groups.

Giving people an opportunity to support the Ramblers

- we have defined a supporter journey for Big Pathwatch participants and established a framework for providing opportunities for people to engage in different ways.

Ramblers volunteers will have a positive and consistent experience in delivering our mission

- Volunteer Development Days – This year we ran 13 volunteer development days, attended by nearly 500 volunteers.
- Ramblers Scotland delivered 61 workshops to 600 participants to increase the pool of walk leaders.
- developing volunteering – The volunteer sounding board met 4 times informing the implementation of, 'Our Approach to Volunteering.
- recognising and celebrating volunteering – The Ramblers celebrated the contributions of volunteers through local presentations and national volunteer awards.

Key activities to be undertaken in 2015-2016

Renew and revitalise

Governance

- the creation of a plain English version of our articles to make it easier for our members to understand.
- continued discussion with areas and groups.
- continual improvement of our national executive committees' ability to lead our devolved entities.

Giving people an opportunity to support the Ramblers

- we will test supporter journeys post Big Pathwatch including propositions to donate, become a member and to volunteer with us.

Ramblers volunteers will have a positive and consistent experience in delivering our mission

- next year we will continue to work with the volunteer sounding board to develop frameworks to ensure that 'Our Approach to Volunteering' is implemented consistently and to a high standard.
- a new volunteer recognition framework will bring greater coordination to celebrate and recognise volunteers.
- a new complaints and disputes policy will be introduced
- volunteers will be supported to fulfil their role through volunteer development days across Great Britain.

Overview of achievements by priority 2014-2015
(continued)

Deliver our mission

Sofa to summit pathway

- the accreditation of 350 Walking for Health schemes has been completed. A new database to enhance the monitoring and evaluation of Walking for Health has been introduced. Over 11,000 short (under 5 mile) walks took place in our groups, providing opportunities for health walkers to progress as they get fitter. Our online library of Ramblers Routes has grown to over 2,500.

Information and inspiration

- finding details of your nearest Ramblers group walk is easier than ever - over 48,000 are listed on our website through our group walks and events manager system.

Practical improvements

- 159 path teams have worked across GB to monitor, improve and make repairs to the path network. We invested in our teams by providing tools, training and equipment to those starting up or growing.

Expand access to the countryside

- we campaigned to keep the England coast path on track and saved it from cuts so it will be completed by 2020, and 100km of path were opened in this year. Trained 103 volunteers to map the 1,241km of path which will be opened next year.
- worked with the forestry commission to survey 200 paths in 50 woods to work towards greater access to woodlands for walkers.

Key activities to be undertaken in 2015-2016 (continued)

Deliver our mission

Sofa to summit pathway

- we will support Walking for Health schemes to become more targeted in recruiting participants from target groups. We will continue to grow our short walks offering and facilitate ways for walkers to transition between health walks and Ramblers group walks.

Information and inspiration

- we will get more people walking through a new GB-wide festival showcasing all the Ramblers has to offer. Webinars will help volunteers to make more use of Ramblers online services such as the group walks and events manager and local webpages.
- Ramblers Cymru has developed a number of primary school lesson plans and continues to pilot our engagement with young people. Ramblers GB is now an Authorised Activity Provider for Duke of Edinburgh awards.

Practical improvements

- we will continue to support and strengthen our path teams, and celebrate their successes.

Expand access to the countryside

- we will continue to promote the coastal path and support volunteers to deliver the best route for walkers. We will start discussions on the strategic framework's ambition of a 'true right to roam'. We will renew our access policy.
- Wales has prompted and is advocating the 'true right to roam' through the response made to the green paper on Improving opportunities to access to the outdoors for responsible recreation.

Overview of achievements by priority 2014-15
(continued)

Deliver our mission (continued)

Guardians of the footpath network

- we launched the Big Pathwatch, to survey rights of way in England and Wales and raise awareness of the path network. Developed map and web tools to enable the public to participate. Two thirds registering had no previous relationship with the Ramblers. Nationwide media coverage resulted in an advertising value equivalent of £1,222,026.
- Andrews case. We won a major victory in the Court of Appeal which will resurrect lost footpaths and bridleways.
- protected and enhanced paths on the line of HS2. Ensured the deregulation act guidance includes the interest of walkers and paths.

Protect the landscapes we love

- celebrated the work of volunteers in obtaining an extension to the Lake District and Yorkshire Dales NP.
- participation on the National Grid's stakeholder advisory group to advise on mitigating the impact of visual intrusion of pylons and other infrastructure.

Ensure decision makers know walking is the solution to many challenges

- continued to develop relationships with a range of parliamentarians and civil servants to promote the benefits of walking to the environment, transport, health, the economy and tourism.
- our manifesto for a walking Britain was promoted before the general election of 2015 and 83% of all new MPs had sight of the manifesto..
- we launched the Ramblers Cymru manifesto. This has been shared with all political parties in preparation for the May 2016 elections.
- We engaged our members in a consultation to develop our Ramblers Scotland manifesto for Holyrood elections in 2016.

Key activities to be undertaken in 2015-2016 (continued)

Deliver our mission (continued)

Guardians of the footpath network

- we will continue to protect paths through the launch of our state of the nation report on footpaths in England and Wales We support casework on footpaths including taking legal action where necessary.
- we will ensure all changes to the network are in the interests of walkers by monitoring this with volunteers. We will seek funding for supporting volunteers in lost ways and review our infrastructure to enable us to do this consistently.

Protect the landscapes we love

- we will develop a policy on fracking. We will participate in the national grid's advisory group and continue to participate in supporting special landscapes like national parks and areas of outstanding natural beauty.

Ensure decision makers know walking is the solution to many challenges

- we will develop a cross organisational campaign on walking and health and develop policy on urban green space. We will champion walking in the London Mayoral Elections under our campaign 'Love London Walk London'.

**The Ramblers' Association annual report 2014-2015
Trustees' annual report
Strategic report**

**Overview of achievements by priority 2014-2015
(continued)**

Stabilise and grow

Leadership of organisation

- area support officer employed to underpin framework of support to areas.

Coordination and management

- we completed an organisational wide job evaluation process in March 2015 and implemented a new staff structure from April 2015.

Management of resources

- completed a review of all lease arrangements across GB.
- Ramblers Scotland moved from Kinross to Edinburgh in September 2015.
- attendance at Pension Trust Growth Plan Employers Consultation Group meetings as part of the Growth Plans triennial review process.

Members

- membership services team restructured to improve our support.
- improvements to member only newsletter and area of our website.
- we've launched a Ramblers shop with Ramblers branded items.
- our work with our SEO agency, Receptional, was nominated at the UK Search Awards.

Fundraising

- we secured a major partnership with People's Postcode Lottery.

Key activities to be undertaken in 2015-2016 (continued)

Stabilise and grow

Leadership of organisation

- we will continue to develop our support structures for areas.

Coordination and management

- develop tools for project management
- continue to implement a framework for supporting the leadership of our areas.

Management of resources

- finalise and roll out the update of IT hardware and software across the national network.
- continue to manage the pension liability problem and identify potential exit strategies.

Members

- Volunteer Development Day: In January 2016 the first recruiting and retaining development day was held with members.
- the first Member Day will be delivered on the 2 April 2016. The event will help to retain our current members by arming them with skills, knowledge and information about Ramblers and walking.

Fundraising

- we will increase our support from corporate partnerships by developing proposals and project/product pipelines for supporting the organisation. We will seek funding from Trusts for a range of work.

Financial review

2014-2015 was a period of financial stability and growth. We ended the year in a sound financial position with a total surplus after gains and losses of £1,717,000 (2014: £617,000), including an unrestricted surplus of £317,000. This surplus was generated after the receipt of £2.2 million in legacy income including £937,000 from a permanent endowment.

Total funds amounted to £7.7 million (2014: £6.0 million) of which £963,000 (2014: 500,000) were restricted. Central unrestricted reserves (general funds) amounted to £2.8 million (2014: £3.0 million).

The key principles guiding our financial management are:

- to budget each year for core expenditure roughly equal to expected core income (a "balanced budget")
- to use legacy income to fund only future expenditure on capital items and investment in lasting improvements to our operating infrastructure or to fund unbudgeted deficits.
- all improvement projects are rigorously evaluated for value for money and continuously monitored to ensure that they are delivering what they promised.
- some of our activities consist of projects that are largely externally funded. These are budgeted and managed separately from the core activities described above.

Income

Total incoming resources increased substantially to £10.2 million (2014: £8.9 million), due to an increase in voluntary income.

Legacy income received totalled £2.2 million (2014: £1.4 million). This increase was entirely due to a permanent endowment included in the statement of financial activities of £937,000. Unrestricted legacies amounted to £877,000, a drop of £471,000. Information in respect of the permanent endowment is included in note 18.

Membership income has increased by £89,000 to £2.8 million and Gift Aid receipts are up by £71,000 to £573,000.

2015 saw the start of our second three year project with Macmillan for Walking for health activities. Income for the project increased to £790,000.

We continue to develop our non-membership income streams, including fundraising, legacy and projects with partners.

Expenditure

Charitable expenditure increased by £100,000 to £7.4 million (2014: £7.3 million).

Of the four charitable activities, promoting walking was the largest area of expenditure at £5.5 million (2014: £5.4 million). This was largely due entirely to an increase in expenditure on walking programmes and promotion at national level.

Combined spending on the remaining charitable activities, rights of way, freedom to roam and countryside protection, remained stable at £1.9 million (2014: £1.9 million). Fundraising costs remained stable at £556,000 (2014: £553,000).

Local activities-walking holidays and other activity-income and costs

Included in both income and expenditure is cash collected locally from members, to pay for activities organised by areas and groups on behalf of their members, and the corresponding expenditure. These activities include mainly holidays, day walks and socials. Total income was £2.0 million, and expenditure £1.9 million.

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Strategic report

Capital expenditure

£70,000 was incurred on the development of software and infrastructure, including enhancements to the group walk and event manager and making the Ramblers website easily readable on mobile devices.

Surplus

The surplus (net movement in funds) for the year can be analysed as follows:

	£
Core GB activities-surplus without area and group funding	157,000
Areas and groups-net allocation	(405,000)
Areas and groups-surplus	4,000
Area and groups walking activities-net cash in advance	66,000
Project deficit-expenditure on restricted funds-timing difference	(29,000)
Legacies received-national	2,122,000
Legacies received-areas and groups	110,000
Development expenditure	(308,000)

Net movement in funds-increase	1,717,000
	=====

Reserves

Reserves have increased by 28.5% across the year. The surplus arising in 2014-2015 and increased reserves have allowed us to utilise accumulated reserves in the pursuit of growth and the management of risks.

Pension commitments

The trustees have approved the allocation of an extra £400,000 to the designated pension fund. This fund now stands at £1,050,000.

The last triennial actuarial valuation of the scheme was finalised as at 30 September 2014, in December 2015. The Pension Trust Growth Plan had an overall deficit at September 2014 of £176.5 million, an increase of £28.9 million from September 2011 valuation. This designated pension fund is intended to help meet the Ramblers' share of this shortfall in the assets of this multi-employer staff pension scheme against its long-term liabilities in the event that Ramblers share of the shortfall is repaid in full.

A revised funding plan (known as a recovery plan) has been agreed. The trustees have committed to pay £78,414 per annum for 9.5 years commencing April 2016 to address the scheme shortfall. This is paid from unrestricted reserves.

The value of the estimated debt that Ramblers would need to pay if the pension liability was repaid in full has risen to £1,194,000 million.

In view of the additional recovery plan payments and the level of liability, the trustees will continue to carefully review the adequacy of the funding plan and designation levels to it on an annual basis. The level of the allocation will not, in the opinion of the trustees reduce the ability of the organisation to expand operationally.

Legal fund

The legal fund stands at £227,000 (2014: £226,000). The majority of the expenditure incurred for the Andrews case, which was concluded in the current financial year, was accrued in the accounts to September 2014. The trustees will continue to review this fund annually, and replenish it commensurate with the needs of the Ramblers and dependent on prevailing financial circumstances.

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Strategic report

Going concern

The trustees confirm that, given the improved financial position and performance, the Ramblers remains a going concern for the foreseeable future.

Investment Policy

All our investments are held as cash in bank accounts. An ethical approach to investments is adopted and avoids investments in areas that may conflict with our charitable objectives and ethical stance on the environment. To achieve a higher return would require taking on risk and also considerable management effort, better deployed delivering our charitable objectives. The board's view is that the potentially larger investment return would not justify the risks and costs. Cash flows and projections are regularly monitored and considered healthy. Banking arrangements are regularly reviewed to ensure that holdings of cash are maintained in banks with strong financial ratings and diversification of holdings is made to mitigate risks.

The trustees consider the investment performance this year to be satisfactory. The investment policy is kept under review.

Since the balance sheet date the trustees have established banking arrangements with HSBC Bank plc to diversify their ability to manage interest receipts and management of working capital.

Reserves Policy

During the year, the board of trustees reviewed the reserves policy based on the needs, opportunities and risks of the organisation. Reserves are required to ensure the charity can meet its commitments in light of the risks it is exposed to and in the event of any anticipated fall in the level of income. In addition, sufficient reserves are set aside to ensure adequate resources are available should the Ramblers need to restructure its operations in light of the challenging economic environment. The trustees are aware of the need to both manage reserves to sustain the charity against risks while ensuring that reserves are utilised fully in the pursuit of charitable objects and the strategic framework. The policy is reviewed annually by the board of trustees and monitored regularly within monthly management accounts.

The Ramblers has a target to achieve free (central unrestricted) reserves, excluding tangible fixed assets, of £1.8 million to meet these requirements. At the year end, the Ramblers had free reserves £2.8 million (2014: £3.0 million). Free reserves are usually higher than target reserves due to the management of legacies. The trustees are keen to use legacies for capacity building projects with targeted outcomes, but legacies are accumulated before planned expenditure takes place. Expenditure for 2015-2016 includes plans to spend £895,000 on development projects from unrestricted funds.

Areas and groups unrestricted reserves have increased in 2014-2015 by £85,000 to £1.3 million. Areas and groups are encouraged to maintain their reserves between 40% and 100% of annual expenditure. Each area and group holds on average £2,500 in unrestricted reserves.

Auditors

A resolution proposing the reappointment of Crowe Clark Whitehill LLP as the Ramblers' Association auditors will be submitted at the Annual General Meeting.

The trustees' annual report, as prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the board of trustees on 27 February 2016 including approving in their capacity as company directors the strategic report contained therein and is signed as authorised on its behalf by:

Des Garrahan
chair

Alexander Mannings
honorary treasurer

The Ramblers' Association annual report 2014-2015

Trustees' annual report

Independent auditor's report to the members of The Ramblers' Association

We have audited the financial statements of the Ramblers' Association for the year ended 30 September 2015 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes numbered 1 to 24.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's trustees and members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the strategic report and the trustees' annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared are consistent with the financial statements.

The Ramblers' Association annual report 2014-2015
Trustees' annual report
Independent auditor's report to the members of The Ramblers' Association

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Tina Allison

Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

Date: 29 February 2016

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Ramblers' Association annual report 2014-2015
Statement of financial activities *(incorporating an income and expenditure account)*
For the year ended 30 September 2015

				2015	2014	
	Note	Restricted £000	Permanent Endowment £000	Unrestricted £000	Total £000	Total £000
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2	446	936	4,429	5,811	4,807
Activities for generating funds	3	9	-	740	749	725
Investment	4	37	-	91	128	61
Incoming resources from charitable activities						
Area and group walking activities	5	-	-	2,001	2,001	1,939
Walking for Health	5	790	-	-	790	710
Funded projects - mission delivery	5	682	-	23	705	664
Total incoming resources		1,964	936	7,284	10,184	8,906
Resources expended						
Costs of generating funds						
	6	-	-	556	556	553
Charitable expenditure						
Costs of charitable activities						
Rights of way	6	189	-	703	892	821
Countryside protection	6	11	-	412	423	473
Freedom to roam	6	11	-	553	564	580
Promoting walking						
- Area and group walking activities	6	-	-	1,935	1,935	1,914
- Programmes and promotion	6	1,342	-	2,232	3,574	3,492
Total charitable expenditure		1,553	-	5,835	7,388	7,280
Governance costs	6	-	-	525	525	460
Total resources expended		1,553	-	6,916	8,469	8,293
Net incoming/(outgoing) resources before transfers	7	411	936	368	1,715	613
Transfers between funds	18	52	-	(52)	-	-
Net incoming/(outgoing) resources before other recognised gains and		463	936	316	1,715	613
Unrealised gains on investments	11	-	1	1	2	4
Net movement in funds		463	937	317	1,717	617
Reconciliation of funds						
Funds at the start of the year	18	500	-	5,522	6,022	5,405
Funds at the end of the year	18	963	937	5,839	7,739	6,022

All of the above are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The Ramblers' Association annual report 2014-2015
Balance sheet
As at 30 September 2015

	Note	2015 £000	2014 £000
Fixed assets			
Tangible fixed assets	10	291	333
Investments	11	<u>2,576</u>	<u>1,158</u>
		2,867	1,491
Current assets			
Stock	12	46	52
Debtors	13	1,705	1,412
Cash at bank & in hand : central		2,014	2,418
Cash at bank & in hand : areas, groups and councils		<u>1,539</u>	<u>1,352</u>
		5,304	5,234
Creditors: amounts falling due within 1 year	14	<u>356</u>	<u>623</u>
Net current assets		4,948	4,611
Provisions for liabilities and charges	15	<u>76</u>	<u>80</u>
Net assets	17	<u><u>7,739</u></u>	<u><u>6,022</u></u>
Funds			
Unrestricted funds	18		
General funds		2,848	2,969
Designated funds		2,991	2,553
Permanent endowment		937	-
Restricted funds		<u>963</u>	<u>500</u>
Total funds		<u><u>7,739</u></u>	<u><u>6,022</u></u>

Approved and authorised for issue by the trustees on 27 February 2016 and signed on their behalf by:

Des Garrahan
chair

Alexander Mannings
honorary treasurer

The Ramblers' Association annual report 2014-2015
Cashflow statement
For the year ended 30 September 2015

	Note	2015 £000	2014 £000
Net cash flow from operating activities		1,141	935
Returns on investments			
Dividends and interest received	4	128	61
Capital expenditure and financial investment			
Purchase of tangible fixed assets	10	(70)	(180)
Financing			
Purchase of investments	11	(479)	(5)
Additions to endowment	11	(937)	
Increase in cash		(217)	811

Reconciliation of net incoming resources to net cash flow from operating activities

		2015 £000	2014 £000
Net incoming resources		1,715	613
Depreciation	10	112	99
Investment income	4	(128)	(61)
Decrease in stock	12	6	13
Increase in debtors	13	(293)	(75)
Increase/(decrease) in creditors	14	(267)	346
Decrease in provisions	15	(4)	-
Net cash flow from operating activities		1,141	935

Analysis of changes in net funds (cash at bank & on deposit)

	At 1 October 2014 £000	Cash flow £000	At 30 September 2015 £000
Cash: central	2,418	(404)	2,014
Cash: areas, groups and councils	1,352	187	1,539
Net funds (cash at bank & in hand)	3,770	(217)	3,553

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention apart from investments which are included at market value, and in accordance with applicable accounting standards, the Companies and Charities Acts, and the recommendations in Statement of Recommended Practice - Accounting and Reporting by Charities, revised in March 2005 (Charities SORP 2005).

As detailed in the trustees' report, the trustees have reviewed the future activities and planned performance of the Charity and confirm that it remains appropriate to prepare the financial statements on the going concern basis.

The activities of the areas, groups, Scottish and Welsh councils, together with their assets, are included within these accounts. Income and expenditure are accounted for on a cash basis, as the net effect of bringing in debtors and creditors at the year end is not material. Expenditure is allocated to descriptive headings which are then aggregated into the relevant expenditure categories.

The results of Ramblers' Enterprises Limited, the trading subsidiary of The Ramblers' Association, are not consolidated on the grounds that they are not material.

b) Incoming resources

Membership income (including life membership subscriptions) is accounted for when received as it is considered to be substantially a donation. No provision is made for unexpired memberships at the year-end.

Investment income is accounted for when received.

Gift Aid on membership income and donations is recognised in line with receipt of the subscription or donation where a valid Gift Aid declaration exists.

Legacies are recognised in the financial statements only upon the granting of probate provided there is certainty of legal entitlement and certainty of value.

Grants are recognised in the statement of financial activities when the charity can demonstrate entitlement to the income.

Investment income on permanent endowment is accounted for on an accruals basis. This income is split equally between restricted and unrestricted funds.

Donated services and gifts in kind are included as income and appropriate expenditure at the value to the charity, where material.

Other income is accounted for on an accruals basis.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

1. Accounting policies (continued)

c) Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Central office support costs are fully absorbed to the charity's activities in accordance with the Charities SORP 2005. Support costs comprise costs incurred directly in support of expenditure on the charitable objects, and include finance and administration costs, membership servicing and the costs of the chief executive's office. These costs have been apportioned to the charity's activities based on the full time equivalent staff time carrying out these activities.

The cost of generating funds includes the costs incurred in raising funds and voluntary contributions, and costs to promote and market membership.

Governance costs include the costs associated with the governance of the charity as a whole and includes the costs of the charity's General Council (AGM), meetings and servicing of the board of trustees and its sub-committees, the costs of the charity's areas, groups and councils' governance, the costs of audit, and compliance with legal and statutory requirements.

d) Funds

Unrestricted funds are donations and other incoming resources received or generated for charitable purposes. Unrestricted income received in advance for a specified future period is deferred until the service or activity is undertaken.

Designated funds are unrestricted funds earmarked by the board of trustees for particular purposes and include unrestricted reserves held by the charity's areas, groups and councils.

Restricted funds are to be used for specific purposes as laid down by the donor. Direct expenditure which meets these criteria is charged to the fund as incurred. Where allowed by the terms of the fund, a proportion of overheads and salary costs are allocated to the fund based on the amount of staff time spent working on the project.

Permanent Endowment - This was set up due to legacy received where the terms of the gift specifies that the capital amount should remain in a trust and for the Ramblers to benefit in perpetuity. See note 18 section K.

e) Assets

Tangible fixed assets are held at cost. Depreciation of fixed assets has been calculated on a 20% straight line basis for those which cost £5,000 or more and had been brought into use at the year-end.

Investments are stated at valuation at the balance sheet date, except for share holdings in unlisted investments which are stated at cost. Realised and unrealised gains or losses on investments are shown on the statement of financial activities.

Stocks are valued at the lower of cost and net realisable value.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

1. Accounting policies (continued)

f) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

g) Pension scheme

i) Group personal pension scheme - Legal & General

From 1 July 2014, all members of staff were auto-enrolled into a group personal pension plan with Legal & General. Pension contributions are charged to the SOFA when due.

ii) Pension Trust Growth Plan

Although the Ramblers are no longer contributing on an ongoing basis to the Pensions Trust Growth Plan, Ramblers' is still responsible to contribute to any Growth plan deficits. This is a multi employer money-purchase scheme. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers. Given that there is no intention to withdraw from the scheme, there is no probable liability at the balance sheet date. Pension contributions into this scheme are charged to the SOFA when due. Further information is provided in note 23. The scheme was closed to new entrants in 2014.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

	Areas, groups and councils		Central		2015	2014	
	Restricted £000	Unrestricted £000	Restricted £000	Permanent Endowment £000	Unrestricted £000	Total £000	Total £000
2. Voluntary income							
Membership subscriptions	-	-	-	-	2,782	2,782	2,693
Legacies	110	-	308	936	877	2,231	1,350
Donations	17	37	4	-	160	218	248
Gift Aid	-	-	-	-	573	573	502
Intangible income - services in kind	-	-	7	-	-	7	14
	<u>127</u>	<u>37</u>	<u>319</u>	<u>936</u>	<u>4,392</u>	<u>5,811</u>	<u>4,807</u>
3. Activities for generating funds							
Publishing and book sales	-	65	-	-	376	441	445
Fundraising - raffles	-	-	-	-	197	197	181
Commissions	-	-	-	-	5	5	7
Rental income	-	-	-	-	43	43	32
Miscellaneous	9	50	-	-	4	63	60
	<u>9</u>	<u>115</u>	<u>-</u>	<u>-</u>	<u>625</u>	<u>749</u>	<u>725</u>
4. Investment income							
Deposit interest earned	-	2	-	-	14	16	12
Dividends and other investment income	1	2	36	-	73	112	49
	<u>1</u>	<u>4</u>	<u>36</u>	<u>-</u>	<u>87</u>	<u>128</u>	<u>61</u>
5. Incoming resources from charitable activities							
Promoting Walking							
Areas and groups walking activities	-	2,001	-	-	-	2,001	1,939
Walking for Health	-	-	790	-	-	790	710
Funded projects - mission delivery	5	23	677	-	-	705	664
	<u>5</u>	<u>2,024</u>	<u>1,467</u>	<u>-</u>	<u>-</u>	<u>3,496</u>	<u>3,313</u>
Total incoming resources	<u>142</u>	<u>2,180</u>	<u>1,822</u>	<u>936</u>	<u>5,104</u>	<u>10,184</u>	<u>8,906</u>

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

6. Total resources expended

Summary	Areas, groups and councils		Central		Total 2015	Total 2014
	Restricted £000	Unrestricted £000	Restricted £000	Unrestricted £000		
Costs of generating funds	-	-	-	556	556	553
Costs of charitable activities:						
Rights of way	11	31	178	672	892	821
Countryside protection	11	5	-	407	423	473
Freedom to roam	11	5	-	548	564	580
Promoting walking						
- Area and group walking activities	-	1,935	-	-	1,935	1,914
- Programmes and promotion	14	395	1,328	1,837	3,574	3,492
Governance costs		129	-	396	525	460
Total 2015	<u>47</u>	<u>2,500</u>	<u>1,506</u>	<u>4,416</u>	<u>8,469</u>	<u>8,293</u>
Total 2014	<u>52</u>	<u>2,503</u>	<u>1,575</u>	<u>4,163</u>	<u>8,293</u>	

Promoting walking - area and group walking activities are costs relating to holidays, coach rambles and social events organised by Ramblers' areas and groups. The related income from these activities is included in incoming resources from charitable activities. Promoting walking - Programmes and promotion relates to the organising of local and national walking programmes and the promotion of walking to various audiences.

The above figures include central office support costs which have been apportioned to headings on the basis of direct staff time employed in carrying out each activity.

The following page provides a more detailed breakdown of central direct and support costs totalling £5,922,000 (2014: £5,738,000), analysed across activities and split between staff and non-staff costs. Further analysis is provided between restricted expenditure, for which the donor has specified how funds are to be used, and unrestricted expenditure which carry no specific restrictions.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

6. Total resources expended (continued)

Analysis of central costs

a) Central direct costs	Staff costs		Other costs		Total 2015	Total 2014
	Restricted £000	Unrestricted £000	Restricted £000	Unrestricted £000		
Costs of generating funds	-	134	-	272	406	447
Costs of charitable activities:						
Rights of way	59	246	119	227	651	574
Countryside protection	-	122	-	196	318	345
Freedom to roam	-	201	-	211	412	406
Promoting walking	797	409	495	267	1,968	2,063
Governance costs	-	188	-	172	360	276
Total direct costs	856	1,300	614	1,345	4,115	4,111
b) Allocated central support costs	Staff costs		Other costs		Total 2015	Total 2014
	Restricted £000	Unrestricted £000	Restricted £000	Unrestricted £000		
Costs of generating funds	-	70	-	80	150	106
Costs of charitable activities:						
Rights of way	-	97	-	102	199	184
Countryside protection	-	46	-	43	89	113
Freedom to roam	-	69	-	67	136	147
Promoting walking	-	603	36	558	1,197	1,023
Governance costs	-	23	-	13	36	54
Total support costs	-	908	36	863	1,807	1,627
Grand total	856	2,208	650	2,208	5,922	5,738

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

6. Total resources expended (continued)

c) Central support costs

Central office support costs comprise the following:

	2015	2014
	£000	£000
Management, including the chief executive's office	134	130
Finance, administration and human resources	969	893
Information technology	283	251
Membership servicing and development	333	308
Welsh office administration	52	20
Scottish office administration	36	25
	<u>1,807</u>	<u>1,627</u>

The apportionment of the above support costs across activities, including the four charitable activities, is provided on the previous page.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

7. Net incoming resources for the year

This is stated after charging:		2015	2014
		£000	£000
Auditors' remuneration			
	♦ Audit	23	23
Operating lease rentals:			
	♦ property	197	198
	♦ other	4	6
Depreciation (note 10)		112	99

8. Staff costs and numbers

Staff costs were as follows:		2015	2014
		£000	£000
Gross salaries		2,370	2,228
Employer's national insurance		236	224
Employer's pension contributions		228	182
Other staff costs		195	165
Redundancy costs		29	47
Total staff costs		3,058	2,846

One employee earned between £80,000 and £89,999 during the year (2014: Two employee earned between £80,000 and £89,999 during the year). Pension contributions paid by the charity in respect of this employee during the year totalled £6,000 (2014: £24,565).

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	2015	2014
	No.	No.
Direct core charitable activities	40	38
Direct funded charitable activities	25	25
Governance	3	3
Fundraising	2	3
	70	69

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible fixed assets

	Office Furnishings and Equipment £000	IT and Systems £000	Motor Cars £000	Total £000
Cost				
At the beginning of the year	51	661	16	728
Additions in year	-	70	-	70
Disposals in year	-	-	(16)	(16)
At the end of the year	51	731	(0)	782
Depreciation				
At the beginning of the year	39	340	16	395
Disposals in year	-	-	(16)	(16)
Charge for the year	5	107	-	112
At the end of the year	44	447	-	491
Net book value				
At the end of the year	7	284	(0)	291
At the beginning of the year	12	321	-	333

All tangible fixed assets are used for direct charitable purposes. Only items costing over £5,000 are capitalised and only those brought into use by the year-end are depreciated.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

11. Investments

	2015	2014
	£000	£000
At the start of the year	1,158	1,149
Additions	1,416	5
Gain/(loss) on revaluation at the end of the year	2	4
Valuation at the end of the year	<u>2,576</u>	<u>1,158</u>
Comprising:		
U.K. listed investments, at market value:		
♦ Held centrally	937	-
♦ Held by areas and groups	69	69
U.K. non-listed investments, valued at cost:		
♦ Held centrally	3	3
♦ Held by areas and groups	66	66
Cash:		
♦ Held centrally	1,501	1,020
	<u>2,576</u>	<u>1,158</u>
Cost at the end of the year	<u>2,526</u>	<u>1,110</u>

In addition to the investments above, The Ramblers' Association owns all the share capital (£2) of Ramblers' Enterprises Limited, a company registered in England and Wales (see note 16).

Investments representing more than 5% of the portfolio are as follows:

	2015	2014
	£000	£000
COIF Charities Deposit Fund	1,501	1,020
COIF Charities Investment Fund	67	67
Greater Manchester Area - National Savings Investment Account	63	62
Permanent endowment Trust	937	-

Funds held in the COIF Charities Deposit Fund can be accessed within 1 working day.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

12. Stock

	2015	2014
	£000	£000
Stocks held by areas and groups	<u>46</u>	<u>52</u>

Stocks held relate to finished goods in the form of publications.

13. Debtors

	2015	2014
	£000	£000
Grants - Macmillan	323	98
Legacies	671	717
Sundry debtors	451	344
Staff loans	17	15
Prepayments	206	194
Amounts due from trading subsidiary	37	44
	<u>1,705</u>	<u>1,412</u>

14. Creditors : amounts falling due within one year

	2015	2014
	£000	£000
Income received in advance	10	31
Taxation and social security (PAYE and National Insurance)	96	211
Trade creditors	139	290
Accruals	111	91
	<u>356</u>	<u>623</u>

15. Provisions

	2015	2014
	£000	£000
Balance brought forward	80	80
Charge for the year - dilapidations	(4)	-
	<u>76</u>	<u>80</u>

Dilapidations relate to the cost of converting rented offices to their original state.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

16. Ramblers' Enterprises Limited

Ramblers' Enterprises Limited, a private limited company (no: 3033217) registered in England and Wales, is a wholly owned subsidiary of The Ramblers' Association.

During the year Ramblers' Enterprises Limited received commission from HF Holidays Ltd in respect of holidays booked by members of The Ramblers' Association and Cotswold Outdoors for commission on sales to members of The Ramblers Association.

The results of Ramblers' Enterprises Limited are not consolidated with the results of The Ramblers' Association on the grounds that they are not material.

A summary of the financial activities of Ramblers' Enterprises Limited for 2014/15, and financial position as at 30 September 2015 are provided below.

Profit and loss	2015 £000	2014 £000
Turnover	39	49
Administrative costs	(2)	(5)
Profit before Gift Aid payment	37	44
Payment to the Ramblers' Association under Gift Aid	-	-
Retained profit for the year	37	44
Net assets	2015 £000	2014 £000
Net assets brought forward	-	-
Retained profit	-	-
Net assets carried forward	-	-

17. Analysis of net assets between funds

	Permanent Endowment £000	Restricted Funds £000	Designated Funds £000	General Funds £000	2015 Total Funds £000	2014 Total Funds £000
Tangible fixed assets	-	-	291	-	291	333
Investments	937	103	32	1,504	2,576	1,158
Net current assets	-	860	2,668	1,420	4,948	4,611
Provisions	-	-	-	(76)	(76)	(80)
Net assets	937	963	2,991	2,848	7,739	6,022

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

18. Movements in funds

	At 1 October 2014 £000	Incoming resources and gains £000	Less: Outgoing resources £000	Transfers £000	At 30 September 2015 £000
Restricted funds					
A: Areas, groups and councils	250	142	47	-	345
B: Get Walking Keep Walking	11	99	110	-	-
C: Path Watch	76	119	167	-	28
D: County Durham Get Walking	1	-	1	-	-
E: Medal Routes:					
Paths for All	2	22	17	-	7
Other Funders	-	69	49	-	20
F: Walking for Health	(3)	790	839	52	-
G: Group development investment	26	-	23	-	3
H: Increasing physical activity participation	2	-	-	-	2
I: Legacies	84	344	6	-	422
J: Other restricted funds	51	379	294	-	136
Total restricted funds	500	1,964	1,553	52	963
Permanent endowment fund					
K: Permanent endowment	-	937	-	-	937
	-	937	-	-	937
Unrestricted funds					
<i>Designated funds</i>					
A: Areas, groups and councils	1,290	2,181	2,500	405	1,376
L: East Berks endowment	35	-	-	-	35
M: Appeal fund	20	103	110	-	13
N: Legal fund	226	2	1	-	227
O: Pension	650	-	-	400	1,050
P: Tangible fixed assets*	332	-	-	(42)	290
<i>Total designated funds</i>	<i>2,553</i>	<i>2,286</i>	<i>2,611</i>	<i>763</i>	<i>2,991</i>
General funds	2,969	4,999	4,305	(815)	2,848
Total unrestricted funds	5,522	7,285	6,916	(52)	5,839
Total funds	6,022	10,186	8,469	(0)	7,739

Incoming resources include net gains on investments.

* Relates only to assets held centrally.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

18. Movements in funds (continued)

Purposes of restricted and designated funds

A: Areas, groups and councils

The restricted funds held by areas, groups and councils comprise mainly legacies and bequests which are considered to have geographical restrictions as to their use.

The designated areas, groups and councils fund represents the aggregate of the accumulated unrestricted funds held by the Rambler's areas, groups and councils. The fund receives area budget payments and the unrestricted funds raised by areas, groups and councils; unrestricted expenses of the areas, groups and councils are charged to it, analysed over the charitable objects of the charity.

Transfers of £409,000 relate to Ramblers funding provided to areas, groups and councils (see also note 19).

B: Get Walking Keep Walking

Big Lottery Fund

BIG funding was provided to the Ramblers' Association as part of the Travel Actively Consortium until December 2011. This was used to promote walking to inactive audiences across England.

BIG funding enabled the Ramblers' Association to set up five local projects in east London, south London, Manchester, Sheffield and Birmingham, as well as central office staff.

The east London project worked across Hackney and Tower Hamlets, and the south London project covered Lambeth, Lewisham and Southwark.

Using this resource, we delivered a programme of walking activities, a website, and a DIY pack for people in England not using our programmes.

In April 2012 extension funding was received in order to continue delivery of similar activities in Birmingham, to support route development and to extend Get Walking Keep Walking routes to 10 new locations for another year.

In June 2013 further funding was granted to deliver 12 week programmes with Walking for Health schemes in Blackburn with Darwen, Bristol and Southwark. The activity was rebranded as Every Step Counts. Resources were produced to encourage greater outreach delivery by other Walking for Health schemes across England.

C: Path Watch

The Big Pathwatch is funded for three years by the Ramblers Holidays Charitable Trust, with additional funding from the Garfield Weston Foundation. The project will allow us to carry out a survey of every right of way in England and Wales, and publish a report of our findings. The report will celebrate what's great about our path network, whilst highlighting the problems that participants encounter. We will act on these findings to help make improvements to paths, by notifying local councils and using our footpath maintenance volunteers. Through the Big Pathwatch we aim to engage with a broader audience, including young people and families. As a result of the project we hope to inspire many more people to take an interest in protecting their paths, and helping to improve them.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

18. Movements in funds (continued)

D: County Durham Get Walking

This project, funded by County Durham Sport, was targeted at those residents of Derwentside, Teesdale and Wear Valley aged 40-74 with an estimated risk of cardio-vascular disease greater than 20%. The aim of the project was to increase the level of physical activity of participants (and their households) and sustain this over 6 months.

E: Medal Routes

Paths for All

This project part funded by Paths for All involves setting up a series of walking hubs around Scotland with 3 circular routes from each hub (gold, silver and bronze target levels). The routes form a walking legacy for the 2014 Glasgow Commonwealth Games and are established with local partners.

The project has now been extended to October 2016.

Other Funders

Funding from Scottish Natural Heritage and Ramblers Holidays Charitable Trust supports the delivery of the Medal Routes project.

F: Walking for Health

The Walking for Health programme was established by Natural England in 2000 and supports the largest network of health walks across England. In 2012 the Walking for Health programme was divested by Natural England and the Department of Health to The Ramblers' Association following a competitive tendering exercise. The Ramblers delivers the programme with support and funding from Macmillan Cancer Support. The initial 3 year partnership with Macmillan was extended in December 2014 to run until at least 2018.

Transfers of £52,000 relate to a contribution to project costs from general funds.

G: Group Development Investment

This project was funded by investment income received from sportscotland to support our 55 groups in Scotland to grow and develop.

H: Increasing physical activity participation

This investment funding was made by Paths for All to support our core promoting walking work in Scotland. The aim was to increase engagement in national campaigns to promote walking, deliver population wide initiatives to encourage independent walking, encourage greater participation within led walks, develop progression pathways to and from walking activities and support the promotion and maintenance of welcoming and safe walking environments.

I: Legacies

The Ramblers' Association received a number of restricted legacies during the financial year. This fund also includes the interest on a permanent endowment bequeathed to the Ramblers of £36,000 which has been restricted.

J: Other restricted funds

These funds receive income from and expenses charged against small grants made to The Ramblers' Association for specific projects.

18. Movements in funds (continued)

K: Permanent endowment fund

This relates to a legacy notification received for which the use of the funds has been restricted. The bequest states that the capital should remain in a trust to be called the Derek Oakes Trust.

The will states that all income generated by the trust to be paid to Ramblers in perpetuity and should be used for the protection, preservation and maintenance of public footpaths in the open countryside and to defend its beauty.

L: East Berkshire endowment

This fund represents general funds of the East Berkshire Group paid to central office to be spent or invested as agreed with the East Berkshire Group from time to time.

M: Appeal fund

This fund receives donations raised through Ramblers' appeals. After direct appeal costs have been deducted, the fund is used to deliver charitable work as described in each appeal. The Appeal Fund is not used to pay for administration.

N: Legal fund

This fund sets aside resources to finance legal cases and public enquiries across Britain. The fund will hold a maximum balance of £250,000 and will be replenished, commensurate with needs and dependent on prevailing financial resources.

O: Pensions fund

The trustees have established a pensions designated fund to ensure resources are set aside to cover any financial commitment which may arise in the future to cover the shortfall in the assets of the multi-employer pension scheme (Pension Trust) against its long-term liabilities. The trustees review the adequacy of this fund at least annually.

There were no changes to the balance on the designated pension fund during the year which stands at £1,050,000.

Further details of the pension scheme are included in note 23.

P: Tangible fixed assets

This designated fund was set up to reflect the illiquid nature of these assets as they are not available to cover general expenditure. This fund does not include £1,000 worth of assets held by our areas and groups.

Transfers of £42,000 to general funds represents the difference between additions and depreciation during the year.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

19. Area and council funding

Areas and councils are funded from the central reserves to support their local charitable activities. This support is provided on the basis of a budget submitted. During the year, the following funding was received by areas and councils:

	2015	2014
	£000	£000
Unrestricted		
Funding to areas	389	386
Funding to councils	20	19
Other payments to areas and groups	7	-
Donations from areas and councils to central reserves	(11)	(6)
	405	399

20. Operating lease commitments

At 30 September 2015 the charity had annual commitments under operating leases expiring as follows:

	Equipment		Property	
	2015	2014	2015	2014
	£000	£000	£000	£000
Less than 1 year	2	5	-	-
Within 1-2 years	-	-	195	20
Within 2-5 years	5	-	22	200
Over 5 Years	-	-	-	22
	7	5	217	242

21. Trustees' expenses

Expenses as detailed below were reimbursed to a total of 16 (2014: 11) trustees for costs incurred in connection with the board of trustees and preparatory meetings, General Council, Ramblers' Association area and group annual and other meetings, rallies and events.

	2015	2014
	£000	£000
Travel and subsistence	9	8
	9	8

There was no trustee remuneration in either year.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

22. Related party transactions

Open Spaces Society

During the year Kate Ashbrook held the position of President, whilst continuing in her role of general secretary of the Open Spaces Society.

The Ramblers' Association and the Open Spaces Society (OSS) have joint copyright of the book "Rights of way - a guide to law and practice". The Ramblers' Association agreed to manage the production and distribution of the third and fourth editions. Profits from the sale of the third edition were split 60% to the Ramblers' Association and 40% to OSS, and of the fourth edition 80% to the Ramblers' Association and 20% to OSS. The OSS's share of profit, based on sales of the fourth edition for the year, was £691 (2014: £238). At 30 September 2015 the balance owed to OSS was £691 (2014: £148).

23. Pension scheme - commitments

From 1 July 2014 all ongoing pension benefits have been provided by contributions to a group personal pension scheme with Legal & General. The change in provider from Pension Trust Growth Plan was carried out following a review of providers on implementation of auto-enrolment.

The Ramblers' Association paid contributions at rates of 1%, 6%, 11% and 16% during the accounting period, depending upon individual members of staff's salary sacrifice agreements to Legal & General. These amounted to £154,569 (2014: £110,734). Contributions totalling £17,691 were payable to Legal & General at the year end and are included in creditors (2014: £61,445).

Although the Ramblers are no longer contributing on an ongoing basis to the Pensions Trust Growth Plan, Ramblers' is still responsible to contribute to any Growth plan deficits.

The Pensions Trust Growth Plan Series 1, 2 and 3 are multi-employer pension schemes. Ramblers' is unable to identify its share of the underlying assets and liabilities of the schemes.

Due to a change in statutory rules on the treatment of funding deficits when employers withdraw from a multi-employer pension scheme, if The Ramblers' Association were to withdraw from the scheme after 2nd September 2005, when the rules came into force, the organisation would be liable to pay a share of any deficit in the scheme calculated on a full buy-out basis.

This liability is not provided for in the accounts. The fact that the ongoing contributions to staff are now no longer being accumulated into the Pension Trust Growth Plan does not remove the responsibility of the Ramblers for its share of the scheme, or indicate an intention to withdraw from the scheme by paying their share of debt. Therefore there is no probable liability at the balance sheet date.

The Ramblers' Association annual report 2014-2015
Notes to the financial statements
For the year ended 30 September 2015

23. Pension scheme-commitments (continued)

The last completed actuarial valuation of the Growth Plan in total was in respect of the assets and liabilities of the scheme as at 30 September 2014. Those values and their comparison to the previous triennial valuation as at September 2011 were as follows:

	30-Sep 2014 £mil	30-Sep 2011 £mil
Assets	793.40	780.30
Present value of liabilities	(969.90)	(927.90)
Deficit	<u>(176.50)</u>	<u>(147.60)</u>

The assumptions that had the most significant effect on the valuation were as follows:

	30-Sep 2014	30-Sep 2011
Financial assumptions		
Market Implied Inflation	3.4%	3.30%
Long term gilt yield	3.0%	3.50%
Corporate Bond Yield	4.0%	5.10%
Discount rates		
Pre-retirement rate	4.2%	4.90%
Post retirement rate	3.3%	4.20%
Inflation		
RPI	3.1%	2.90%
CPI	2.2%	2.40%

The deficit of £176.5 million represents a funding level of 81.8%. As a result of this the Pension Trust Trustees have put in place a revised recovery plan with the aim of eliminating this deficit via a combination of additional contributions from employers and investment returns over a period of 9.5 years from 1 April 2016 to 30 September 2025.

The Ramblers' contributions under this recovery plan will commenced in April 2016 and amount to £78,414 per annum for 9.5 years. Contributions will increase by 3% per annum from April 2017.

The charity paid £73,827 (2014: £71,677) towards the Growth Plan deficit during the year. These payments were made under the recovery plan commencing 1 April 2013. £6,243 (2014: £6,061) was payable to the fund at the year end and included in creditors.

The triennial valuation carried out at 30th September 2011 gave an estimated employer debt on withdrawal liability for The Ramblers' Association of £915,452.

Pensions Trust have provided a valuation of the estimated employer debt on withdrawal liability for The Ramblers' Association of £1,194,073 as at 30 September 2014. This is a firmer estimate than confirmed during the audit for 2013-2014. Estimated employer debt on withdrawal values at 30 September 2015 have not been issued by Pension Trust to date following the completion of the 2014 triennial review. Pension Trust have confirmed that £1,194,073 should be disclosed as the best estimate of the value of employer debt at 30 September 2015.

24. Capital commitments

At the balance sheet date the Ramblers' Association had £nil commitments to capital expenditure (2014: £nil).