

Company number: 4458492

The Ramblers' Association
Annual report and financial
statements
Year to 30 September 2014



The Ramblers' Association annual report 2013-2014
Trustees' annual report
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Trustees' annual report

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Ramblers' Facts

	<u>2013-2014</u>	<u>2012-2013</u>
membership numbers at 30 September	107,584	107,015
income		
total income	£8.9 m	£8.1 m
<u>includes</u>		
membership subscriptions	£2.7 m	£2.6 m
legacies	£1.4 m	£0.9 m
monies collected for social activities at local level including holidays	£1.9 m	£1.8 m
expenditure		
total expenditure	£8.3 m	£7.7 m
<u>includes</u>		
walking programmes – national	£3.5 m	£2.9 m
monies collected for social activities at local level including holidays	1.9 m	1.8 m
governance costs	£460,000	£425,000
employees		
total	69	68
national	58.3	56.5
Scotland	4.7	5.5
Wales	6.0	5.0
assets		
fixed assets	£333,000	£252,000
cash at bank and investments		
national	£3.6 m	£2.8 m
areas, groups and councils	£1.4 m	£1.3 m
funds		
total funds	£6.0 m	£5.4 m
designated	£488,000	£675,000
unrestricted reserves	£3.5 m	£2.5 m
% of funds held in cash	83%	76%
areas		
number of areas at September 2014	61	59
groups		
number of groups at September 2014	492	493
(m = millions)		

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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 2014 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

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 is 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.

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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.



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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 Kingfisher House Auld Mart Business Park Milnathort Kinross KY13 9DA
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	Jonathan Kipling
vice chair	Naseem Akhtar
honorary treasurer	Robert Peel Mike Church Moira Fraser (co-opted 7 December 2013) Des Garrahan Max Grant (until GC 30 March 2014) James Lawson Alex Mannings Richard May Gwyn Lewis, Welsh chair Paul Rhodes (appointed GC 30 March 2014) Andrew Rogers Christine O'Byrne (appointed GC 30 March 2014) David Thomson, Convener, Scotland Richard Trueman

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Reference and administrative details

Scottish Council executive committee (SCEC)*

president	Dr Andrew Murray
convenor	David Thomson
vice convenor	Jim Lawson
honorary treasurer	Alistair Cant
	John Andrews
	Ben Douglas
	Roy Keenan
	Elizabeth Lawie
	Alison Mitchell
	Vic Royce

Welsh Council executive committee (WCEC)*

president	Denis McAteer
chair	Gwyn Lewis
vice chair	Vernon Davies
vice chair	Chris Hodgson
honorary treasurer	John Cook
secretary	Diane Davies
	Max Grant
	Alan Norton (appointed 13 April 2014)
	Asta Smith
	Anthony Thomas (appointed 13 April 2014)
	Ron Williams
	Maria Golightly (co-opted 10 May 2014)
	Alan Austin (until 13 April 2014)
	Kay Davies (until 13 April 2014)

*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 services - Christine Grant
	director of Scotland - Dave Morris (until 30 September 2014)
	director of Scotland - Jess Dolan (appointed 9 February 2015)
	director of advocacy and engagement - Nicky Philpott

Those termed 'director' are not directors in accordance with company law.

company secretary	Christine Grant (appointed 7 December 2013)
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bankers	Unity Trust Bank PLC Nine Brindleyplace Birmingham B1 2HB
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investment managers	CCLA Investment Management Ltd 80 Cheap side London EC2V 6DZ
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auditors	Crowe Clark Whitehill LLP Chartered Accountants and Statutory Auditors St. Bride's House 10 Salisbury Square London EC4Y 8EH
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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 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.

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Trustees' annual report

Structure, governance and management

At local level, activities for members and volunteers are organised through 492 groups and 61 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
- the vice-chair elected from within the board
- 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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees from active members at 30 September 2014 was 25,335 (2013: 25,710). All the trustees are members.

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 £44,000 (2013: £21,000), which was donated to the Ramblers through Gift Aid.



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Trustee's 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 and uncertainties

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 2014-2016 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 need to maintain our stable membership and financial position.** We must capitalise on our stability. 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 window of opportunity in which we need to move from managing and mitigating decline to managing expansion. Failure to do so will jeopardise our recovery.
- **Diversification of income streams.** Membership remains the single most important source of income for the organisation. Failure to identify and capture other sources from supporters or commercial partners reduces protection from membership decline in future.
- **Failure to update our processes for staff, IT, vision and governance.** We have made a large ongoing investment to understand the ways we need to change and have made significant progress in making those changes during the last business plan. Failure to finish these projects will prevent Ramblers fully benefiting from this work. These projects are reflected in the new business plan for 2014-2016.
- **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.
- **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.



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Strategic report

Achievements and performance

Our plan 2012-2014

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 2013-2014, and
- during the business planning period 2012-2014

The 2012-2014 business plan set out five priorities for the entire Ramblers organisation – volunteers, trustees, staff, areas, groups, Ramblers Cymru and Ramblers Scotland – and is in keeping with our strategy and charitable objectives. These priorities are designed to maximise the ability of the Ramblers to deliver its mission:

- **Vision:** To work with our members, supporters and others with outdoor recreational interests to develop a GB-wide vision for the Ramblers, which will increase awareness and respect amongst present and future supporters.
- **Mission:** Create a framework that will enable us to deliver all aspects of our mission, everywhere, through supporting groups and integrating the different ways we deliver our mission, increasing our influence as a result.
- **Stability:** Maintain stability and strength by engaging in activities which help to secure membership numbers and promote growth in times of external economic stress.
- **Supporters and volunteers:** To develop a framework for our work based on a culture of participation and partnership in order to increase and diversify the people who support our work, including the numbers of volunteers engaged on all parts of our mission.
- **Communication:** Boost our ability to campaign by ensuring we have a strong IT and communications infrastructure and, by doing so, enabling ourselves to campaign proactively and reactively across Great Britain.

2012-2014–Key achievements

Despite the plan being wide ranging in ambition, and challenged by the resources available to achieve delivery, only six percent of activities were not initiated at all.

The 2012-2014 business plan has yielded a number of key achievements in the delivery of the strategic priorities identified above.

- Stabilisation of membership decline
- Expansion of Walking for Health programme
- Protection of the England Coastal Path
- Expansion of web technology in mission delivery
- Increase in cross-organisational dialogue

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Overview of achievements by priority 2012-2014

Vision

- **Under the name GoAllOut** we continued to identify the views of the walking community about what Ramblers should aim to achieve in the next ten years. A new vision and ten year strategic framework is due to be presented for endorsement at the annual meeting in 2015.
- **The transparency of decision making** continued with Board minutes being published and regular meetings being held between members and volunteers and the chief executive and the chair of the Board. A group of volunteers has been reviewing the governance of the organisation. This has included seeking external advice and eliciting views from members.

Mission

- **Guardians of the footpath network**-we continued to safeguard paths, access land and green spaces with our volunteers working in every part of the country. We published reports on the extent of cuts to budgets across England and Wales, saved, created or maintained 1,500 paths, supported over 20 pieces of casework and lobbied to ensure bills and consultations work for walkers. Our footpath maintenance teams donated over one million pounds' worth of time.
- **More places to walk**-we successfully campaigned to ensure continued funding for the England coastal path, which has resulted in a commitment by the Government for it to be completed by 2020 and include the Isle of Wight. Ramblers received a Great Outdoors Award for the best campaign of 2013.
- **Walking for Health**-after successful delivery to over 600 health walk schemes, we have extended our partnership with Macmillan Cancer Support to at least 2018. During 2013-2014, 174 cascade

trainers trained, delivering 423 sessions to 2,635 walk leaders. Ramblers is now the key deliverer of health walk schemes in England and Wales having secured an extension to Let's Walk Cymru as well.

- **Health walk progression**-We've begun fostering closer links between health walk schemes and Ramblers groups to encourage joint working. This is helping people to progress to longer more challenging walks as they become fitter and other people to step down to shorter more local walks. Dedicated publicity materials and a 30% "health walker discount" have been prepared, with Ramblers groups being encouraged to offer more shorter, 3-5 mile walks.
- **We have created Ramblers' Routes**-to engage with and inspire walkers who are not Ramblers members. Over 2,000 routes are available on the Ramblers website. Working with YHA we have developed a series of routes from their hostels in England and Wales.
- **Young people and families**-Ramblers Cymru has piloted activities to increase family walking opportunities and challenges for teenagers. We launched 'SCRAMBLERS', a new youth image for Wales.
- **Medal Routes-in Scotland**, our project, which was inspired by the Olympic and Commonwealth Games, develops short circular walking routes to encourage people to be more active. By September 2014, we had established over 120 Medal Routes hubs and launched a new Medal Routes app.

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Stability

- **Membership numbers**-We have improved the way that we engage with members at the point of membership renewal. Routine procedures to engage individuals has helped to stabilise our numbers. Retention is now consistently 90%. (2013: 85.6%). As a result the membership decline of recent years has now ceased and income from membership is stable.
- During the year, we recruited a total of 10,895 new members and lost 10,326 resulting in 107,584 members at September 2014. This is an increase of 569 compared to 2013.

Membership is located as follows:

- England = 94,936
- Scotland = 6,369
- Wales = 5,983
- Overseas = 296
- **Data integrity**-A major data cleaning exercise took place of over 250,000 membership records, facilitating improvements in the use of the data within supporter journey activities.
- **Restructure of management teams.** The management structure across GB has been gradually revised to improve our capacity to deliver our mission.

Volunteers and supporters

- **Interaction with volunteers**-in 2013 we have developed a new approach to the way volunteering is supported across the organisation. Our approach to volunteering outlines the 4 key principles that underpin Ramblers volunteering.
- **We established the Volunteer Sounding Board**, an advisory board made up of volunteers, which helps us improve our support of volunteers. We also set up the Web Advisory Panel.

- **A volunteer welcome booklet and volunteer development days.** The booklet was introduced for all new and prospective volunteers. Nearly 300 volunteers attended volunteer days and learned more about the part they play in delivering our mission as well as sharing ideas and good practice to help them carry out their vital volunteering work.

Detailed information on volunteer support is available on the Volunteer Zone-
www.ramblers.org.uk/volunteer.

Communications

- **Our online presence**-our new website launched in 2012. This allowed us to integrate our campaigning, microsites and social media presence, and gave members the ability to update details online.
- **Group walk and events finder**- This year we successfully completed a major project to overhaul and improve the way we deal with geographically-based information online. As a result it's now much easier for members and the public to find out about our local groups and their walks, and helping groups themselves better manage and publicise their walks programmes. Hosted web pages provide a consistent web presence for all constituent areas and the walking groups within them.

For further information, visit
www.ramblers.org.uk/about-us

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2014-2016 business plan

The 2014-2016 business plan is based on the following strategic priorities. They do not represent a significant shift from the previous two years. They reflect the successes of the 2012-2014 and recognise the increased resilience of Ramblers. However we still need to continue to adapt what we do to continue to grow, while retaining our values and a continuing sense of who we are.

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 framework¹ 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>**



¹ A structure that sets out the underlying principles, assumptions and parameters for activities.

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Key Activities to be undertaken in 2014-16

Renew and revitalise

Governance

- Complete the ongoing governance and visions projects to establish new frameworks for decision making.

Giving people an opportunity to support the Ramblers

- Define more clearly the supporter journey with the Ramblers so that we can maximize the effectiveness of our relationship with them.

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

- Volunteer plans will be developed, recognising different stages of the volunteer journey.
- A volunteer complaints and disputes policy will be introduced.
- Creation of a framework where volunteer training and development is cascaded through a network of volunteers.

Deliver our mission

Sofa to summit pathway

- Closer relationships will be created between health walk schemes and Ramblers groups. The accreditation of WfH schemes will be completed.

Information & inspiration

- It will become easier to find walks and routes on the Ramblers website.

Practical improvements

- Our network of volunteer path teams will grow.

Guardians of the footpath network

- We will continue to monitor the state of the footpath network and create new paths for everyone to enjoy.

Expand access to the countryside

- Implement a new rights of way and access strategy.

Protect the landscapes we love

- Produce national policy positions and volunteer guidance.

Ensure decision makers know walking is the solution to many challenges.

- Ramblers is best placed to deliver some of the solutions.

Stabilise and grow

Leadership of organisation

- Development of events programme for members, areas, groups, staff and partners.

Coordination and management

- Implement a framework of support for areas to assist mission delivery.
- Finalise staff restructures and complete a job evaluation project.
- Develop project tools to manage change.

Management of resources

- Update of IT infrastructure to enable an integrated platform for delivery.
- Manage the efficient use of legacy income in organisational growth.
- Review all property to ensure maximum contribution to mission.

Members

- Strive to maintain and increase members from all backgrounds.

Fundraising

- Diversify our income base by expanding individual giving, corporate partnerships and trust and statutory fundraising.

Financial review

2013-2014 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 £617,000 (2013: £471,000), including an unrestricted surplus of £792,000 and central unrestricted reserves (general funds) of £3 million (2013: £2.5 million). This surplus was generated after the receipt of £1.4 million in legacy income.

Total funds amounted to £6.0 million (2013: £5.4 million) of which £500,000 (2013: 675,000) were restricted.

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 to £8.9 million (2013: £8.1 million), largely due to an increase in voluntary income. This increase came from an increase in membership income of £109,000 to £2.7 million and an increase in legacy income of £485,000 to £1.4 million.

Expenditure

Charitable expenditure increased to £7.3 million from £6.6 million.

Of the four charitable activities, promoting walking was the largest area of expenditure at £5.4 million (2013: £4.7 million). This was due almost 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 (2013: £1.9 million).

Fundraising costs reduced by £106,000 to £553,000 (2013: £659,000).

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 £1.9 million, and expenditure £1.9 million.

Capital expenditure

£180,000 was incurred on the development of software to enhance the functionality of the Ramblers website

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Strategic report

Surplus

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

	£
Core GB activities - surplus without area and group funding	106,000
Areas and groups – net allocation	(417,000)
Holidays/social activities in areas and groups–net cash in arrears	(6,000)
Project deficit – expenditure in advance of delivery	(143,000)
Legacies received	1,350,000
Investment expenditure	(273,000)

Net movement in funds-increase	617,000
	=====

Reserves

The surplus arising in 2013-2014 and the increased reserves have allowed us to utilise accumulated reserves in the pursuit of growth and the management of risks.

- The trustees have approved the allocation of an extra £300,000 to the designated pension fund. This fund now stands at £650,000. This fund is intended to help meet the Ramblers' share of the shortfall in the assets of the multi-employer staff pension scheme against its long-term liabilities in the event that its share of the shortfall is repaid in full. The last triennial actuarial valuation of the scheme was finalised at 30 September 2011 and a funding plan agreed. The trustees have committed to pay £71,000 per annum for 10 years commencing April 2013 to address the scheme shortfall. This is paid from unrestricted reserves. The trustees will continue to review the adequacy of the funding plan and designation levels annually. The level of the allocation will not, in the opinion of the trustees unduly reduce the ability of the organisation to expand operationally.
- The legal fund stands at £226,000 (2013: £250,000). Continuing action on strategic legal cases depleted the funding during 2014, but the trustees have replenished the fund by £50,000 to ensure that enough financial resources are set aside to continue to finance legal cases and to participate in public enquiries throughout Great Britain. 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 trustees confirm that, given the improved financial position and performance and stabilisation of membership numbers, the Ramblers remains a going concern for the foreseeable future. However stability is not enough to ensure our long-term ability to achieve our ambitions so we need to increase income and manage our resources even more efficiently.

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.

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 Ramblers has a target to achieve free (central unrestricted) reserves, excluding tangible fixed assets, of £1.7 million to meet these requirements. At the year end, the Ramblers had free reserves £3 million (2013: £2.5 million). Expenditure for 2014-2015 includes plans to spend £1,127,000 on capacity building projects with targeted outcomes.

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 **24 February 2015** including approving in their capacity as company directors the strategic report contained therein and is signed as authorised on its behalf by:

Jonathan Kipling
chair

Robert Peel
honorary treasurer



The Ramblers' Association annual report 2013-2014
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 2014 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 2014 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 2013-2014
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: 25 February 2015

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 2013-2014
Statement of financial activities *(incorporating an income and expenditure account)*
For the year ended 30 September 2014

	Note	Restricted £000	Unrestricted £000	2014 Total £000	2013 Total £000
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	30	4,777	4,807	4,215
Activities for generating funds	3	5	720	725	742
Investment income	4	1	60	61	48
Incoming resources from charitable activities					
Area and group walking activities	5	-	1,939	1,939	1,823
Walking for Health	5	710	-	710	578
Funded projects - mission delivery	5	640	24	664	714
Total incoming resources		1,386	7,520	8,906	8,120
Resources expended					
Costs of generating funds	6	-	553	553	659
Charitable expenditure					
Costs of charitable activities					
Rights of way	6	14	807	821	905
Countryside protection	6	8	465	473	456
Freedom to roam	6	20	560	580	542
Promoting walking					
- Area and group walking activities	6	-	1,914	1,914	1,788
- Programmes and promotion	6	1,585	1,907	3,492	2,875
Total charitable expenditure		1,627	5,653	7,280	6,566
Governance costs	6	-	460	460	425
Total resources expended		1,627	6,666	8,293	7,650
Net incoming/(outgoing) resources before transfers	7	(241)	854	613	470
Transfers between funds	18	64	(64)	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		(177)	790	613	470
Unrealised gains on investments	11	2	2	4	1
Net movement in funds		(175)	792	617	471
Reconciliation of funds					
Funds at the start of the year	18	675	4,730	5,405	4,934
Funds at the end of the year	18	500	5,522	6,022	5,405

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 2013-2014
Balance sheet
As at 30 September 2014

	Note	2014 £000	2013 £000
Fixed assets			
Tangible fixed assets	10	333	252
Investments	11	<u>1,158</u>	<u>1,149</u>
		1,491	1,401
Current assets			
Stock	12	52	65
Debtors	13	1,412	1,337
Cash at bank & in hand : central		2,418	1,610
Cash at bank & in hand : areas, groups and councils		<u>1,352</u>	<u>1,349</u>
		5,234	4,361
Creditors: amounts falling due within 1 year	14	<u>623</u>	<u>277</u>
Net current assets		4,611	4,084
Provisions for liabilities and charges	15	<u>80</u>	<u>80</u>
Net assets	17	<u><u>6,022</u></u>	<u><u>5,405</u></u>
Funds			
Unrestricted funds	18		
General funds		2,969	2,542
Designated funds		2,553	2,188
Restricted funds		<u>500</u>	<u>675</u>
Total funds		<u><u>6,022</u></u>	<u><u>5,405</u></u>

Approved and authorised for issue by the trustees on 24 February 2015 and signed on their behalf by:

Jonathan Kipling
chair

Robert Peel
honorary treasurer

The Ramblers' Association annual report 2013-2014
Cashflow statement
For the year ended 30 September 2014

	Note	2014 £000	2013 £000
Net cash flow from operating activities		935	205
Returns on investments			
Dividends and interest received	4	61	48
Capital expenditure and financial investment			
Purchase of tangible fixed assets	10	(180)	(86)
Sale of investments	11	-	5
Financing			
Purchase of investments	11	(5)	(6)
Increase in cash		811	166

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

		2014 £000	2013 £000
Net incoming resources		613	470
Depreciation	10	99	58
Investment income	4	(61)	(48)
Decrease in stock	12	13	13
Increase in debtors	13	(75)	(176)
Increase/(decrease) in creditors	14	346	(112)
Net cash flow from operating activities		935	205

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

	At 1 October 2013 £000	Cash flow £000	At 30 September 2014 £000
Cash: central	1,610	808	2,418
Cash: areas, groups and councils	1,349	3	1,352
Net funds (cash at bank & in hand)	<u>2,959</u>	<u>811</u>	<u>3,770</u>

The Ramblers' Association annual report 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

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.

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 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

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.

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 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

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) Money purchase pension scheme - Pension Trust

The charity operates a money purchase pension scheme with some guaranteed benefits. 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 has closed to new entrants.

ii) Defined contribution pension scheme - Pension Trust

Pension contributions into this scheme are charged to the SOFA when due. The scheme was closed to new entrants on 30 June 2014.

iii) 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.

The Ramblers' Association annual report 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

	Areas, groups and councils		central		2014 Total £000	2013 Total £000
	Restricted £000	Unrestricted £000	Restricted £000	Unrestricted £000		
2. Voluntary income						
Membership subscriptions	-	-	-	2,693	2,693	2,584
Legacies	-	4	2	1,344	1,350	865
Donations	14	36	-	198	248	275
Gift Aid	-	-	-	502	502	491
Intangible income - services in kind	-	-	14	-	14	-
	<u>14</u>	<u>40</u>	<u>16</u>	<u>4,737</u>	<u>4,807</u>	<u>4,215</u>
3. Activities for generating funds						
Publishing and book sales	-	62	-	383	445	456
Fundraising - raffles	-	-	-	181	181	174
Commissions	-	-	-	7	7	20
Rental income	-	-	-	32	32	29
Miscellaneous	5	36	-	19	60	63
	<u>5</u>	<u>98</u>	<u>-</u>	<u>622</u>	<u>725</u>	<u>742</u>
4. Investment income						
Deposit interest earned	-	1	-	11	12	12
Dividends and other investment income	1	4	-	44	49	36
	<u>1</u>	<u>5</u>	<u>-</u>	<u>55</u>	<u>61</u>	<u>48</u>
5. Incoming resources from charitable activities						
Promoting Walking						
Area and group walking activities		1,939	-	-	1,939	1,823
Walking for Health			710		710	578
Funded projects - mission delivery	13	19	627	5	664	714
	<u>13</u>	<u>1,958</u>	<u>1,337</u>	<u>5</u>	<u>3,313</u>	<u>3,115</u>
Total incoming resources	33	2,101	1,353	5,419	8,906	8,120

The Ramblers' Association annual report 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

6. Total resources expended

Summary	<u>Areas, groups and councils</u>		<u>central</u>		Total 2014	Total 2013
	<u>Restricted</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Unrestricted</u>		
	£000	£000	£000	£000	£000	£000
Costs of generating funds	-	-	-	553	553	659
Costs of charitable activities:						
Rights of way	14	49	-	758	821	905
Countryside protection	8	7	-	458	473	456
Freedom to roam	20	7	-	553	580	542
Promoting walking						
- Area and group walking activities	-	1,914	-	-	1,914	1,788
- Programmes and promotion	10	396	1,575	1,511	3,492	2,875
Governance costs	-	130	-	330	460	425
Total 2014	<u>52</u>	<u>2,503</u>	<u>1,575</u>	<u>4,163</u>	<u>8,293</u>	<u>7,650</u>
Total 2013	44	2,329	1,156	4,121	7,650	

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 £5,739,000 (2013: £5,277,000), 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 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

6. Total resources expended (continued)

Analysis of central costs

a) Central direct costs

	Staff costs		Other costs		Total 2014 £000	Total 2013 £000
	Restricted £000	Unrestricted £000	Restricted £000	Unrestricted £000		
Costs of generating funds	-	131	-	316	447	515
Costs of charitable activities:						
Rights of way	-	236	-	338	574	605
Countryside protection	-	150	-	195	345	355
Freedom to roam	-	197	-	209	406	406
Promoting walking	893	283	618	269	2,063	1,697
Governance costs	-	141	-	135	276	259
Total direct costs	893	1,138	618	1,462	4,111	3,837

b) Allocated central support costs

	Staff costs		Other costs		Total 2014 £000	Total 2013 £000
	Restricted £000	Unrestricted £000	Restricted £000	Unrestricted £000		
Costs of generating funds	-	50	-	56	106	144
Costs of charitable activities:						
Rights of way	-	89	-	95	184	240
Countryside protection	-	57	-	56	113	89
Freedom to roam	-	74	-	73	147	125
Promoting walking	-	515	64	444	1,023	796
Governance costs	-	29	-	25	54	46
Total support costs	-	814	64	749	1,627	1,440
Grand total	893	1,952	682	2,211	5,738	5,277

The Ramblers' Association annual report 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

6. Total resources expended (continued)

c) Central support costs

Central office support costs comprise the following:

	2014	2013
	£000	£000
Management, including the chief executive's office	130	186
Finance, administration and human resources	893	749
Information technology	251	206
Membership servicing and development	308	258
Welsh office administration	20	19
Scottish office administration	25	22
	<u>1,627</u>	<u>1,440</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 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

7. Net incoming resources for the year

This is stated after charging:	2014	2013
	£000	£000
Auditors' remuneration		
♦ Audit	25	25
♦ Under/(over) accrued in previous year	-	3
♦ Other external scrutiny	-	-
Operating lease rentals:		
♦ property	198	201
♦ other	6	9
Depreciation (note 10)	99	58

8. Staff costs and numbers

Staff costs were as follows:	2014	2013
	£000	£000
Gross salaries	2,228	2,183
Employer's national insurance	224	218
Employer's pension contributions	182	93
Other staff costs	165	88
Redundancy costs	47	33
Total staff costs	2,846	2,615

Two employees earned between £80,000 and £89,999 during the year (2013: One employee earned between £80,000 and £89,999 during the year). Pension contributions paid by the charity in respect of these employees during the year totalled £24,565 (2013: £Nil).

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

	2014	2013
	No.	No.
Direct core charitable activities	38	40
Direct funded charitable activities	25	20
Governance	3	3
Fundraising	3	5
	69	68

The Ramblers' Association annual report 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

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	481	16	548
Additions in year	-	180	-	180
Disposals in year	-	-	-	-
At the end of the year	51	661	16	728
Depreciation				
At the beginning of the year	33	247	16	296
Disposals in year	-	-	-	-
Charge for the year	6	93	-	99
At the end of the year	39	340	16	395
Net book value				
At the end of the year	12	321	-	333
At the beginning of the year	18	234	-	252

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 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

11. Investments

	2014	2013
	£000	£000
At the start of the year	1,149	1,142
Additions	5	6
Disposals	-	(5)
Gain/(loss) on revaluation at the end of the year	4	6
Valuation at the end of the year	<u>1,158</u>	<u>1,149</u>
Comprising:		
U.K. listed investments, at market value:		
♦ Held by areas and groups	69	65
U.K. non-listed investments, valued at cost:		
♦ Held centrally	3	3
♦ Held by areas and groups	66	65
Cash:		
♦ Held centrally	1,020	1,016
	<u>1,158</u>	<u>1,149</u>
Cost at the end of the year	<u>1,110</u>	<u>1,105</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:

	2014	2013
	£000	£000
COIF Charities Deposit Fund	1,020	1,016
COIF Charities Investment Fund	67	58
Greater Manchester Area - National Savings Investment Account	62	62

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

The Ramblers' Association annual report 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

12. Stock

	2014	2013
	£000	£000
Stocks held by areas and groups	52	65

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

13. Debtors

	2014	2013
	£000	£000
Grants - Macmillan	98	224
Income tax recoverable	-	128
Legacies	717	522
Sundry debtors	344	200
Staff loans	15	16
Prepayments	194	226
Amounts due from trading subsidiary	44	21
	1,412	1,337

14. Creditors : amounts falling due within one year

	2014	2013
	£000	£000
Income received in advance	31	6
Taxation and social security (PAYE and National Insurance)	211	71
Trade creditors	290	155
Accruals	91	45
	623	277

15. Provisions

	2014	2013
	£000	£000
Balance brought forward	80	80
Charge for the year - dilapidations	-	-
	80	80

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

The Ramblers' Association annual report 2013-2014
Notes to the financial statements
For the year ended 30 September 2014

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 commissions 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 2013/14, and financial position as at 30 September 2014 are provided below.

Profit and loss	2014	2013
	£000	£000
Turnover	49	22
Administrative costs	(5)	(1)
Profit before Gift Aid payment	44	21
Payment to the Ramblers' Association under Gift Aid	-	(21)
Retained profit for the year	44	-
Net assets	2014	2013
	£000	£000
Net assets brought forward	-	-
Retained profit	-	-
Net assets carried forward	-	-

17. Analysis of net assets between funds

	Restricted	Designated	General	2014	2013
	Funds	Funds	Funds	Total	Total
	£000	£000	£000	Funds	Funds
				£000	£000
Tangible fixed assets	-	1	332	333	252
Investments	103	32	1,023	1,158	1,149
Net current assets	397	2,520	1,694	4,611	4,084
Provisions	-	-	(80)	(80)	(80)
Net assets	500	2,553	2,969	6,022	5,405

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18. Movements in funds

	At 1 October 2013 £000	Incoming resources and gains £000	Less: Outgoing resources £000	Transfers £000	At 30 September 2014 £000
Restricted funds					
A: Areas, groups and councils	255	35	40	-	250
B: Get Walking Keep Walking	23	138	150	-	11
C: Path Watch	-	88	12	-	76
D: County Durham Get Walking	1	-	-	-	1
E: Medal Routes:					
Paths for All	1	17	16	-	2
Other Funders	3	35	38	-	-
F: Walking for Health	(3)	710	804	94	(3)
G: Group development investment	46	13	33	-	26
H: Increasing physical activity participation	-	24	22	-	2
I: Legacies	156	2	44	(30)	84
J: Other restricted funds	193	326	468	-	51
Total restricted funds	675	1,388	1,627	64	500
Unrestricted funds					
<i>Designated funds</i>					
A: Areas, groups and councils	1,290	2,103	2,503	400	1,290
K: Contracts	2	4	6	-	(0)
L: East Berks endowment	35	-	-	-	35
M: Appeal fund	10	127	117	-	20
N: Legal fund	250	14	88	50	226
O: Pension	350	-	-	300	650
P: Tangible fixed assets*	251	-	-	81	332
<i>Total designated funds</i>	2,188	2,248	2,714	831	2,553
General funds	2,542	5,274	3,952	(895)	2,969
Total unrestricted funds	4,730	7,522	6,666	(64)	5,522
Total funds	5,405	8,910	8,293	-	6,022

Incoming resources include net gains on investments.

* Relates only to assets held centrally.

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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 £405,000 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. Activity is being rebranded as Every Step Counts. Resources will be 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, 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.

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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 £93,000 relate to a contribution to project costs from general funds.

The negative fund balance at the year end is the result of expenditure incurred in September 2014 which was not due to be reimbursed until subsequent months.

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 couple of restricted legacies during the financial year. £30,000 was transferred to our fixed assets fund representing the purchase of capital items per the terms of the will and in agreement with the executors.

J: Other restricted funds

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

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18. Movements in funds (continued)

K: Contracts

This relates to funds received on a contractual basis, for which designated funds have been established to enable the separate monitoring of income, expenditure and fund balances.

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.

Transfers of £50,000 relate to a top-up of the legal fund from general funds at the year end.

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.

The designated pension fund was increased by £300,000 during the year and stands at £650,000.

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 £81,000 relate to a top-up of this fund from general and legacy funds at the year end.

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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:

	2014	2013
	£000	£000
Unrestricted		
Funding to areas	386	390
Funding to councils	19	13
Donations from areas and councils to central reserves	(6)	(22)
	399	381
Net funding to areas and councils	399	381

20. Operating lease commitments

At 30 September 2014 the charity had annual commitments under operating leases expiring as follows:

	Equipment		Property	
	2014	2013	2014	2013
	£000	£000	£000	£000
Less than 1 year	5	8	-	-
Within 1-2 years	-	-	20	199
Within 2-5 years	-	-	200	-
Over 5 Years	-	-	22	-
	5	8	242	199

21. Trustees' expenses

Expenses as detailed below were reimbursed to a total of 11 (2013: 13) 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.

	2014	2013
	£000	£000
Travel and subsistence	8	6
Telephone, postage and miscellaneous	-	-
	8	6

There was no trustee remuneration in either year.

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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 £238 (2013: £462). At 30 September 2014 the balance owed to OSS was £148 (2013: £211).

23. Pension scheme - commitments

The Ramblers' Association participates in the Pensions Trust's Growth Plan. The assets are held separately from those of the Ramblers' Association in an independently administered fund. The Pensions Trust's Growth Plan is a multi-employer money purchase scheme with some guaranteed benefits. The scheme is funded and is not contracted out of the state scheme.

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. Accordingly the contributions have been accounted for as if they were defined contribution schemes.

From 1 July 2014 the Growth Plan was no longer available to Ramblers staff as a benefit. From 1 July 2014 all ongoing pension benefits have been provided by contributions to a group personal pension scheme with Legal & General. Contribution rates from employees and the employer remained unchanged as a result of changing pension provider. The change in provider was carried out following a review of providers on implementation of auto-enrolment.

Due to the nature of the scheme, the statement of financial activities charge for the period under FRS17 represents the employer contribution payable.

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. These amounted to £110,734 (2013: £58,138). Auto enrolment increased participation in the scheme from 35% to 95% of staff. Contributions totalling £61,445 were payable to the fund at the year end and are included in creditors (2013: £7,660)

The charity paid £71,677 (2013: 35,309) towards the Growth Plan deficit during the year. £6,061 (2013: 5,885) was payable to the fund at the year end and included in creditors.

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.

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.

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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 2011. Those values and their comparison to the previous triennial valuation as at September 2008 were as follows:

	30-Sep 2011 £mil	30-Sep 2008 £mil
Assets	780.30	742.00
Present value of liabilities	(927.90)	(770.60)
Deficit	<u>(147.60)</u>	<u>(28.60)</u>

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

	30-Sep 2011	30-Sep 2008
Financial assumptions		
Market Implied Inflation	3.30%	3.70%
Long term gilt yield	3.50%	4.60%
Corporate Bond Yield	5.10%	7.30%
Discount rates	4.90%	7.60%
Pre-retirement rate	4.20%	5.10%
Post retirement rate		
Inflation		
RPI	2.90%	3.20%
CPI	2.40%	n/a

The deficit of £147.6 million represents a funding level of 84.1%. 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 10 years from 1 April 2013.

The Ramblers's contributions commenced in April 2013 and amount to £70,618 per annum for 10 years. Contributions will increase by 3% per annum from April 2014.

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

The next valuation of the Growth Plan is due as at 30 September 2014. Pensions Trust have begun the valuation process with employers. Pensions Trust have provided a preliminary valuation of the estimated employer debt on withdrawal liability of for The Ramblers' Association £1,062,000 as at 30 September 2014, but this value is subject to further work and may change when the valuation is finalised. The outcome of this is due by 31 December 2015, and will form the basis of any recovery plan from April 2016.

24. Capital commitments

At the balance sheet date the Ramblers' Association had £nil commitments to capital expenditure (2013: £nil).