

Annual Accounts 2013 / 14

DRAFT



Contents	Page
Strategic Report	2
Directors' Report	9
National Park Authority Members	11
Remuneration Report	15
Statement of Accountable Officer's Responsibilities	19
Governance Statement	21
Independent Auditor's Report	24
Annual Accounts	
Statement of Comprehensive Net Expenditure	26
Statement of Financial Position	27
Statement of Cash Flows	28
Statement of Changes in Taxpayers' Equity	29
Notes to the Accounts	30
Accounts Direction	46

STRATEGIC REPORT

Introduction

Loch Lomond & The Trossachs National Park was created in July 2002 under the National Parks (Scotland) Act 2000 to safeguard an area of outstanding and diverse landscapes, habitats and communities, parts of which were coming under severe visitor and recreational pressures.

The National Parks (Scotland) Act 2000 sets out four National Park aims, to:

- Conserve and enhance the natural and cultural heritage of the area
- Promote sustainable use of the natural resources of the area
- Promote understanding and enjoyment (including enjoyment in the form of recreation) of the special qualities of the area by the public
- Promote sustainable social and economic development of the area's communities.

Loch Lomond & The Trossachs National Park Authority ("the Authority") presents this Statement of Accounts for the year from 1 April 2013 to 31 March 2014 in a format directed by Scottish Ministers in accordance with the National Parks (Scotland) Act 2000. A copy of the accounts direction is reproduced at page 46.

Board Members and Management Team

Full details of the Board Members are noted on pages 11 to 14. During the financial year 2013/14, day-to-day management of the Authority was undertaken by the Executive Team comprising:

- Chief Executive – Fiona Logan
- Director of Operations – Gordon Watson
- Director of Corporate Services – Jaki Carnegie

This organisation structure was implemented on 30 May 2013 and Jaki Carnegie was appointed as Director of Corporate Services on 6 May 2013.

Notification of interests

The Authority has detailed policies governing situations where personal or business interests may arise in the activities and decisions of the organisation. In such situations, Board Members and staff are required to disclose the nature of the interest and exclude themselves from any part of the discussion or decisions relating to that matter. Board Members interests are a matter of public record and are published on the Authority's website.

Financial performance

The results for the year to 31 March 2014 are set out on pages 26 to 45.

The Authority receives the majority of its funding through its Grant in Aid (GIA) award from the Scottish Government with additional funding being received from partner agencies and other sources, mainly to jointly fund projects. The Authority is expected to manage its budget in accordance with its Financial Memorandum and the Scottish Public Finance Manual.

The Authority is expected to ensure that, taking one year with another, income from Grant in Aid and other income equals expenditure.

The Authority, with prior agreement from Scottish Government, has some discretion in how it uses its revenue resource and transfers revenue budget to capital budget during the year to further Conservation, Visitor Experience and Rural Development objectives.

The Scottish Government provides a total resource budget and cash allocation for each financial year, which originates from the spending review and its subsequent approval in the Budget Bill. During the year revisions are agreed with Scottish Government in the Spring and Autumn budget.

In 2013/14 the Park Authority received additional capital funding during the year which enabled greater investment in key infrastructure such as the construction and installation of a pontoon at Drumkinnon Bay, Balloch, pilot projects as part of the Scottish Scenic Routes initiative, upland paths, the Loch Lubnaig camping and picnic sites, National Park village signage and new engines for the waterborne ranger patrol boat.

The Authority's gross expenditure for 2013/14 was £10,471k (2012/13 - £9,825k). The 2013/14 expenditure includes an impairment in relation to the quinquennial asset revaluation of £1,930k.

After £8,450k of total Grant in Aid received, other income of £801k and interest received of £2k, the 2013/14 financial statements show a deficit of £1,218k (2012/13 - £296k surplus, having been restated by £105k in relation to pensions costs to account for the requirements of IAS19).

Summary of Deficit for the Year	£'000
Gross Expenditure	10,471
Grant in Aid	(8,450)
Other Income	(801)
Interest Receivable	(2)
Deficit	1,218

Included within the deficit figure above are some significant non-cash items and Grant in Aid that is attributable to the addition of non-current assets. After excluding these items, see the table below, the financial result for 2013/14 is a net expenditure position of £49k (2012/13 - £104k net expenditure position).

	£'000
Deficit	1,218
Exclude Grant in Aid transferred for capital expenditure	1,393
Exclude non-cash items	
Depreciation	(404)
Impairment of non-current assets	(1,930)
Deficit on pension assets	(81)
Other pensions costs	(105)
Net book value of asset disposal	(42)
Net Expenditure	49

The Resource Accounting Budget (Depreciation) was contained within budget.

The table below shows how the resources available to the Authority have been utilised during the year and how the results have been reported, in accordance with the relevant reporting guidelines, to our sponsoring department of Scottish Government, The Scottish Government Rural Directorate.

Expenditure financed by GIA	GIA award (£000)	Outturn (£000)	Variance (£000)
Resource Departmental Expenditure Limit (DEL)	6,498	6,503	(5)
Capital DEL	1,952	1,947	5
Total Grant in Aid	8,450	8,450	0
Non-cash DEL (depreciation)	774	435	339
Expenditure classed as Annually Managed Expenditure (AME)	0	2,468	(2,468)

Expenditure financed by other income	Income (£000)	Expenditure (£000)	Variance (£000)
Operating expenditure	954	1,053	(99)

The accounts have been prepared on a going concern basis as the Board and Accountable Officer believe that future liabilities will be met from a combination of Grant in Aid from the Scottish Government, future grants from partner agencies, and income from chargeable activities.

Performance against targets

The Authority achieved its efficiency plan target for 2013/14 as defined in the Grant in Aid award letter. The Authority sets its targets on an annual basis by reference to the overriding strategy set out in the Corporate Plan. The delivery targets for 2013/14 were expressed in an annual business plan which was finalised and agreed in March 2013. Performance against these targets was monitored by the Executive Team and reported to Board Members at the end of each calendar quarter. Details of the achievements under each of the Authority's themes and Scottish Government Strategic Outcomes are highlighted in the preceding sections of this annual report. For 2013/14, the targets were aligned with the following ten National Outcome Targets set by the Scottish Government National Performance Framework for all public agencies:

- We realise our full economic potential with more and better employment opportunities for our people
- Our young people are successful learners, confident individuals, effective contributors and responsible citizens
- We live longer, healthier lives
- We live our lives safe from crime, disorder and danger
- We live in well designed, sustainable places where we are able to access the amenities and services we need
- We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others
- We value and enjoy our natural and built environment and protect it and enhance it for future generations
- We take pride in a strong, fair and inclusive national identity
- We reduce the local and global environmental impact of our consumption and production

- Our public services are high quality, continually improving, efficient and responsive to local people's needs.

Environmental management

The Authority has a comprehensive approach to monitoring our environmental performance. In 2013/14 we continued to monitor the levels of CO₂ generated by our buildings and vehicles (the main sources of our CO₂ emissions). We have replaced a number of our vehicle fleet with more efficient models which will have an ongoing impact on reducing our overall CO₂ emissions.

We also began work to improve our system of recording waste generated from our Headquarters building, which included participation in European Week for Waste Reduction in November 2013 and a staff awareness-raising event featuring speakers from Zero Waste Scotland and MITIE. In addition, we continued to abide by our sustainable procurement strategy during the year.

The Authority continues to monitor the status of the projects identified within our Carbon Management Plan and updates are provided to the Delivery Group on a quarterly basis.

Changes in non-current assets

Movements in non-current assets are shown in note 9 to the accounts.

The Authority actively manages its non-current assets, covering estates owned by the Authority and leasehold properties.

During the year, the Authority continued with its agreed strategy of delivery through fewer but more focussed locations, with a number of properties owned by the Authority now subject to lease in the open market.

The lease negotiations with Scottish Enterprise in relation to the Gateway Orientation Area, including the Gateway Centre building, at Loch Lomond Shores were concluded during the year and the Authority now has a long lease until 2150 on the Gateway Orientation Area. In prior years the Gateway Centre building was included in the accounts at its open market value, now that the lease has been signed it is more appropriate to value this building at its depreciated replacement cost to be consistent with all other specialised properties held by the Authority.

In addition, during the year, the Authority undertook its scheduled quinquennial valuations of all land and buildings which resulted in an increase in their net book value of £813k. Included within this increase in net book value is an impairment of £1,930k to the value of the headquarters building in Balloch and the asset at Loch Lubnaig.

Gifts and charitable donations

Gifts totalling £154 were made in the year (2012/13 £75). There were charitable donations totalling £54 made in the year (2012/13 nil).

Losses, special payments and write offs

There were no write offs made in the year (2012/13 £30). There were no losses or special payments made in the year.

Post balance sheet events

The Authority has 17 Board Members and of these the five locally elected members will stand for re-election in July 2014 and the appointment term of the six members appointed by Scottish Government ends in September 2014.

Supplier payment performance

The Authority observes the Better Payment Practice Code and seeks to pay suppliers within 10 days of receipt of valid invoice in accordance with Scottish Government targets set for measurement from 1 December 2008. During the year ended 31 March 2014, the Authority paid 99% (2012/13 – 99%) of all its invoices within the terms of this payment policy. Against the contracted payment terms of 30 days, the Authority paid 100% (2012/13 – 100%) against this target.

The Authority will continue to work towards maintaining this strong payment performance.

Collaboration with Cairngorms National Park Authority

During the year the Authority continued to work in collaboration with Cairngorms National Park Authority as recommended by the strategic review of the two National Park Authorities in Scotland, published in November 2008. Shared services are in place for a number of back office and procured services and systems. Both Authorities also take advantage of sharing and learning from good practice in policy and initiatives development.

Delivery Group

The Delivery Group, a sub group of the Board, continued to provide input and support to the Authority on monitoring performance in all areas, including human resources. During the year, the Authority recorded an average loss of 7.17 days per employee due to sickness absence (2012/13 – 10.83 days). The Authority continues to closely monitor sickness absence and provides support through our Occupational Health providers and Employee Assistance programme. There were no reported losses of personal data in the year (2012/2013 – nil).

Health & Safety

The Health & Safety Committee met regularly throughout the year. The Authority is continuing to focus on creating a Health & Safety culture and this has involved a review of our Health & Safety policies and procedures, regular Health & Safety audits and a number of Health & Safety projects such as the review of Risk Assessments. In addition to this all employees were offered Health & Safety refresher training during the year and this will take place annually in future. These actions will embed Health & Safety within the organisation and continue to ensure a safe working environment for all employees.

Pension

The Park Authority is a member of the Strathclyde Pension Fund, details of the contributions to and movements in the fund in the year are stated in notes 17 to 20.

Auditors

The accounts of the Park Authority are audited by an auditor appointed by the Auditor General for Scotland in accordance with paragraph 25(2) of the National Parks (Scotland) Act 2000. His audit report is on page 24 and details of the auditors' remuneration are given in note 8.

Strategy and business model

The National Park Partnership Plan (NPPP) sets out the strategy for the National Park for the five years from 2012-2017. It provides guidance and focus for all public bodies operating within the National Park and

outlines the significant outcomes which can be achieved for the National Park area through the collaboration of the public, private and voluntary sectors as well as Park communities and local businesses.

The Corporate Plan for 2012-17 describes the objectives which the Authority aims to achieve in order to deliver the broader National Park outcomes. The annual business plan and team operational plans set out the detailed resource plans for the Authority, showing the allocation of financial and staff resources against the key priority areas, including the specific projects which will be delivered on an annual basis. This plan is prepared based on the Scottish Government's grant funding to the Authority and also takes account of additional income anticipated throughout the year, for example funding from other public bodies for joint projects.

The NPPP is updated annually and is published so that progress against key priorities can be reviewed. The Strategy & Policy Group meets quarterly to ensure that there is effective corporate planning within the Authority, to advise the Board on strategic development, to oversee the design and implementation of significant change and to advise the Board of strategic risk. The Delivery Group monitors performance against business and operational plans on a quarterly basis.

The Annual Report presented along with these accounts highlights the progress and key achievements in delivery against the Corporate Plan.

Risk

A strategic risk register is in place, overseen by the Executive Team and Audit Committee and approved by the Board, to manage any risks in the delivery of the Authority's Corporate Plan and National Park Partnership Plan objectives. Using categorisations of impact and likelihood, nine risks have been categorised as "high" which include: reductions in funding, inadequate engagement with stakeholders, staff and Board members, non-delivery of high profile projects, changes to the political landscape, national policies and priorities.

Social, community and human rights

The Authority engages widely with local communities and individuals as part of its work to maintain and build a diverse and vibrant economy. Extensive participation arises in a series of initiatives throughout the year with Local Development Trusts, Community Councils and other groups including Board representation on various groups, such as the Loch Lomond & The Trossachs National Park Community Partnership.

These groups engage in a series of initiatives which include quarterly Area Network Meetings, an annual Gathering and project-specific engagement. In addition, the Authority is a member of all Community Planning Partnership groups covered by the Park.

During 2013/14, specific and extensive community consultation exercises were undertaken as part of drafting two major pieces of strategic guidance:

- The Outdoor Recreation Plan (ORP) was launched in June 2013. This was the culmination of two years of stakeholder engagement on outdoor recreation provision and potential projects. The ORP is an Action Plan that outlines commitments and intentions held by all stakeholders to enhance outdoor recreation opportunities across Loch Lomond & The Trossachs National Park over the next five years.
- A programme of engagement on updating our Local Plan, promoted as 'Your Community Your Say' took place throughout the Park's area including charrette events, community briefings, workshops and discussions with landowners and partner organisations. This has informed the Main Issues Report which the Board approved for consultation at its March 2014 meeting.

The Board also has five directly elected Members representing specific geographic areas of the Park in addition to local representation brought by the Local Authority Members.

The Directors' Report sets out detail of the ongoing work in relation to developing equalities within the National Park and within the Authority. In terms of the internal staffing structure, the Authority's gender split of staffing at the end of the financial year was:

Headcount at 31 March 2014	Female	Male
Directors	2	1
Senior Managers	2	3
Employees	74	50

Disclosure

As Accountable Officer, as far as I am aware there is no relevant audit information of which the Park Authority's auditors are unaware and I have taken all reasonable steps that ought to have been taken to make myself aware of any relevant audit information and to establish that the Park Authority's auditors are aware of the information.

Looking ahead

Loch Lomond & The Trossachs National Park Authority has enjoyed another successful year despite the challenging economic situation and delivered considerable outputs both directly and through extensive partnership working with a wide range of public, private and Non Governmental Organisations and local communities. The Authority's structure delivers its business through the key operational themes of Conservation, Visitor Experience and Rural Development, supported by Corporate Services all of which align closely with the Government's strategic objectives of: Wealthier and Fairer, Healthier, Safer & Stronger, Smarter and Greener Scotland.

The Authority continued to contribute to the delivery of the National Park Partnership Plan 2012/17 priorities as set out in our Corporate Plan for 2012/17.

These plans directly link to both specific outcomes set out in the plans and ten of the key Scottish Government Strategic Outcome Targets and include significant planned investments in a number of visitor infrastructure projects following the award of additional capital resources to 31 March 2015.

Signed on behalf of Loch Lomond & The Trossachs National Park Authority

Fiona Logan
Chief Executive and Accountable Officer
24 June 2014

DIRECTORS' REPORT

The directors' report sets out the key aspects of the internal organisational change and development within the Authority during the year to 31 March 2014.

Employment policies, consultation

The Authority has a Joint Negotiating and Partnership Forum (JNPF) in place, through which it ensures effective two-way communications with UNISON Trade Union representatives in resolving any issues arising and consulting on new initiatives.

During 2013/14 key matters on which employees were consulted through the JNPF were:

- pay remit process for 2013/14 concluded and awards made to staff in December 2013
- pay remit proposals for 2014/16
- participation in the Best Companies Employee Engagement survey
- development of an Organisational Development strategy
- development and implementation of a policy review process
- implementation of a revised Performance Review process

The response rate to the Best Companies staff engagement survey in September 2013 was good (over 80%). Employees throughout the organisation were involved in developing action plans following the survey results and this will set the employee engagement agenda for the forthcoming year. A significant part of this will be the implementation of a revised Performance Review process which will focus on employee behaviour as well as delivery of results.

Equality & Diversity

In April 2013 the Authority published a report demonstrating how work on equalities has been embedded into standard, day to day operations.

This report included a set of five equalities outcomes which provide a framework to promote equality within the work of the Authority, and in the work it undertakes to deliver the National Park Partnership Plan.

The five Equalities Outcomes are:

- A greater diversity of people, including young people and those who have a real or perceived barrier to accessing the Park, will learn about and help to conserve and enhance the Park.
- All people will be able to access more barrier-free paths in the Park.
- A greater diversity of people, including young people and those who have a real or perceived barrier to accessing the Park, will be aware of and able to access information about the Park, including its recreation opportunities.
- A greater diversity of people are able to access more opportunities within the Park and are able to actively participate in decision making.
- The Authority will be better informed of equality and diversity characteristics of staff so that any barriers may be addressed and general working conditions improved for all staff.

The Authority has worked towards these outcomes during 2013/14 and the first progress report will be published in April 2015 demonstrating the commitment as an employer and as a provider of public services to an extensive range of stakeholders and customers.

The Authority's on-going work on equalities and creating 'A Park for All' is overseen by an internal working group comprising staff drawn from across the organisation and is chaired by a Head of Service. The Authority is accredited with the 'Positive About Disabled People' symbol.

Information & Data Security

Significant attention has been given to security of information and data within the public sector over the course of 2013/14. The Authority has had no instances of loss of data or personal information over the course of the year. The Governance Statement included in these Annual Accounts sets out more information on the Authority's range of internal controls and the review mechanisms to ensure data security.

Signed on behalf of Loch Lomond & The Trossachs National Park Authority

Fiona Logan
Chief Executive and Accountable Officer
24 June 2014

NATIONAL PARK AUTHORITY MEMBERS 2013-14

Loch Lomond & The Trossachs National Park Authority's Board comprised up to 17 Members in the year. The Scottish Government appoints six Members directly; appoints a further six following Council nominations by the four councils in the Park area (Argyll & Bute, West Dunbartonshire, Stirling, and Perth & Kinross) and five are elected locally. The Members serve between two and four years.

The Members' periods of office and attendance at Board and Committee meetings is noted below.

Name	Nature of appointment	Date of most recent appointment	End of term	Committee membership	NPA Board attendance %	Statutory committee attendance (Planning & Access and Audit) %
David McCowan	(a)	01/07/2010	30/06/2014	A, PI	83	86
Owen McKee	(a)	01/07/2010	30/06/2014	PI, S	100	100
David McKenzie	(a)	01/07/2010	30/06/2014	A, PI	100	71
Willie Nisbet	(a)	01/07/2010	30/06/2014	D, PI	100	90
David Warnock	(a)	01/07/2010	30/06/2014	D, PI	67	90
Angus Allan	(b)	15/03/2011	30/09/2014	A	100	100
Colin Bayes	(b)	02/10/2010	30/09/2014	D, PI, S	100	80
Petra Biberbach	(b)	02/10/2010	30/09/2014	D, PI	67	30
Linda McKay	(b)	02/10/2010	30/09/2014	S	100	n/a
Lindsay Morrison	(b)	02/10/2010	30/09/2014	A, S	100	100
Kate Sankey	(b)	02/10/2010	30/09/2014	PI	100	80
Fergus Wood	(c)	01/10/2012	30/09/2017	PI	100	60
Bob Ellis	(c)	01/10/2012	30/09/2017	D	67	n/a
Martin Earl	(c)	01/10/2012	30/09/2017	D	67	n/a
James Robb	(c)	01/10/2012	30/09/2017	A	100	100
George Freeman	(c)	01/10/2012	30/09/2017	PI	100	90
Hazel Sorrell	(c)	01/10/2012	30/09/2017	A	33	75

Notes

Nature of appointment:

(a) Locally elected (b) Appointed by Scottish Government (c) Local Authority nominee

Committee membership (at present):

(PI) - Planning and Access, (A) – Audit, (D) – Delivery, (S) – Strategy

The membership of all committees is kept under review and amendments made as required.

Board and Committee attendance:

Board and Committee attendance is stated as a percentage of the meetings that Members could attend whilst being Members of each group.

Summary of Board Members 2013-14

Elected by local residents through postal ballot

David McCowan was elected to Ward 5 (West Loch Lomond and Balloch) on 1 July 2010 for four years to June 2014. He was born in Arden and has lived most of his life there. He is director of a financial services company based in the National Park and also has interests in self catering property. David is a member of Helensburgh tennis and golf clubs and Dunbartonshire Chamber of Commerce.

Owen McKee (Depute Convenor) was elected in July 2010 for a further four year term to 3 July 2014. Formerly a specialist in taxation he now runs the Village Shop in Lochearnhead. He is Vice Chair of Rural Stirling Housing Association and Vice Chair of the Rural and Islands Housing Forum. His community involvements include acting as an Independent Examiner to a number of local charities, directorships with Loch Lomond & The Trossachs Community Partnership, Balquhidder, Lochearnhead and Strathyre Community Development Trust and Venachar Ltd.

David McKenzie is a resident of Blairmore in Argyll. David is a native of Glasgow and spent the first part of his business life working in the ICT industry, living for extended periods in Europe, England and the USA. Having reached a senior executive position in the ICT business, David took early retirement and he and his wife Patricia decided to move to Argyll in 2006. David is passionately interested in local history and heritage. He is Secretary and Director of the Benmore & Kilmun Community Development Trust and Secretary and Trustee of Historic Kilmun / Argyll Mausoleum Limited, a community initiative to uncover the 1500 year history of Kilmun, including the restoration of the 18th century Argyll Mausoleum. David is also a Director of the Blairmore Village Trust.

Willie Nisbet was re-elected to ward 4 (East Loch Lomond and Port of Menteith) on 1 July 2010 for a further period of four years to June 2014. He has farmed on the banks of Loch Lomond for the last 30 years, and has worked to bring together the competing demands of farming, the environment and public access. He is a Director of RHET (Royal Highland Education Trust) Dumbarton, Lomond and Renfrew Initiative.

David Warnock was elected to Ward 3 (Callander) on 1 July 2010 for a period of four years to June 2014. He has lived in Callander since 1986 and operates a small consultancy business working mainly in rural development, recreation, outdoor access and cultural and natural interpretation. He previously worked as Development Officer on the award winning Trossachs Trail Tourism Management Programme and as Senior Countryside Ranger with Stirling District Council. He has a degree in Business Studies with Environmental Education. David has been involved in numerous conservation schemes including 'Operation Osprey' at Loch Garten and is an active member of various local and national conservation groups. He also has over 20 years' mountain rescue experience.

Appointed by Scottish Ministers

Angus Allan was appointed on 15 March 2011. He holds an Honours degree in Agriculture and a Masters degree in Business Management. He is Depute Principal at South Lanarkshire College, East Kilbride. Angus brings to the Board a background in agriculture and conservation, strong ICT skills, experience of delivering challenging projects on time and within budget, sector-leading experience in low-energy, low-carbon initiatives and strong business management skills from his work with partners in industry and overseas. His appointment runs to 30 September 2014.

Colin Bayes is a Chartered Environmentalist with an extensive career dealing with environmental issues, latterly as Director of Environmental Protection and Improvement for the Scottish Environment Protection Agency, a post he retired from in May 2010. He is former chair of the National Advisory Group for river basin management planning, the Sustainable Urban Drainage Scottish Working Party and the Pollution Prevention and Control industrials' forum. He was a member of the Metropolitan Glasgow Strategic Drainage Partnership Board and is now a Board Member of Keep Scotland Beautiful. Colin lives in Stirling. Colin was appointed to the Board commencing 2 October 2010 until 30 September 2014.

Petra Biberbach is Chief Executive of PAS, a post which she has held since June 2005. With a career spanning the public, private and third sector, Petra brings a wealth of expertise to the post in the fields of planning, sustainable development, renewable energy, and community engagement. Petra is a Board member of the ACOSVO and has recently been appointed to the Historic Environment Strategic Board For Scotland. Petra has lived and worked in continental Europe (Germany & Switzerland) and most recently helped to develop a sustainable tourism business in the Harz National Park in rural Germany. While working for the Campaign to Protect Rural England (CPRE) she gained considerable experience of land use management and an in-depth understanding of the uniqueness of National Parks. Petra was appointed to the Board commencing 2 October 2010 until 30 September 2014.

Linda McKay (Convener) has recently been elected for a second term as Convener of Loch Lomond & The Trossachs National Park. She lives in the Trossachs and has a long association with the National Park through her professional role as Principal of Forth Valley College and her role as Board member with the Enterprise Network. Linda's other governance roles have been in the education sector as Chair of the SQA's Qualifications Committee and Advisory Council and with the Scottish Police as a member of the Police Advisory Board for Scotland and a Governor of the Scottish Police College. She was awarded an MBE for services to the Police in 2000. Linda is currently vice chair of the Wood Commission looking at the development and support of Scotland's young workforce. She has also recently been appointed as a Non-Executive Director with the Scottish Government where she serves on the Strategy Board.

Lindsay Morrison has extensive business experience with 25 years in the aerospace and telecommunications industries, in engineering, operations and human resources, and is currently responsible for international employee benefits. During this time Lindsay has managed a large UK pension scheme, and served as a trustee for over eight years, which has provided experience in the design, operation and management of formal committee structures. Lindsay's skills are in business management, recognising the critical importance of strong leadership, clear direction and measurable progress and achievement. Lindsay was appointed to the Board commencing 2 October 2010 until 30 September 2014.

Kate Sankey has a background in environmental and conservation science, education and community-based learning. She lives in Stirlingshire where she runs an organic farm and learning centre on the edge of Flanders Moss National Nature Reserve. She is Vice Chair of Loch Lomond and the Trossachs Community Partnership; an elected member of the Scottish Sustainable Development Forum steering group and Chair of Forth Environment Link. Kate has been a member of the board since 2002 and her latest term of office runs until 30 September 2014.

Appointed by Scottish Ministers on the Nomination by the Local Authorities

Councillor Martin Earl was elected to Stirling Council in May 2012, representing the Trossachs and Teith Ward. At the Council Martin sits on the Education, Community Planning and Environment & Housing Committees and is Convener of the Public Safety Committee. Martin has lived and worked in the National Park since its creation. Effective communication with and involvement of the communities within the Park is one of his main priorities. He was appointed to the Board on 1 October 2012 for a period of five years. Martin also sits on the Boards of Active Stirling and Rural Stirling Housing Association.

Councillor Fergus Wood is a member of Stirling Council for Trossachs and Teith ward and was Provost of Stirling 2008 -2012. He is a farmer and tourism operator in the Trossachs. He has had a long association with the military and was awarded the Territorial Decoration (TD) in 1978. His hobby, which is now a profession, is Celtic music. He was re-appointed to the Board on 1 October 2012 for a further five years.

Councillor James Robb is a Chartered Engineer and Investment Professional with a career that has spanned project management in the North Sea oil construction industry to investment banking in the Far East. First elected a councillor in 2007 he is a former Leader of Argyll & Bute Council. He was appointed to the Board on 1 October 2012 for a period of five years and hopes his skills and wide experience can contribute to delivering a successful future for the National Park.

Councillor George Freeman is originally from South Queensferry, just outside Edinburgh, although he has now lived in Garelochhead for over 33 years. He has served as an elected councillor within Argyll & Bute since 1999 where he has held a number of senior positions. He represents the National Park on the Argyll & Bute Strategic Housing Forum. A large section of his Lomond North ward is within the National Park boundary. He was a civil servant having worked in the logistics field for 30 years prior to taking early retirement in 1999. George is also a former Chairman of Garelochhead Community Council. He was appointed to the Board on 1 October 2012 for a period of five years.

Councillor Hazel Sorrell. Before being elected as Councillor for West Dunbartonshire Council (Lomond Ward), Hazel worked with disabled adults. She decided to stand for election to better represent vulnerable people. She has lived her entire life on the doorstep of the National Park and has good local knowledge of the surrounding area. Hazel has two grown up children and lives with her husband Alan in Haldane. One of Hazel's main areas of focus will be to make sure local people in Balloch, Alexandria and Haldane have a better understanding of the work of the National Park Authority and find ways to maximise the economic benefits National Park status can bring to the area. She was appointed to the Board on 1 October 2012 for a period of five years.

Councillor Bob Ellis. Bob, a councillor for 19 years, is a member of Perth and Kinross Council, where he sits on their Environment Committee. He is a Trustee of Perth and Kinross Countryside Trust, is Convenor of Sport & Active Recreation, represents Perth & Kinross Council on the CoSLA Culture & Sport Working Group and is Chairman of the Scottish Association of Local Sports Councils (SALSC). He is the Chairman of Blairgowrie & East Perthshire Tourist Association, the Chairman of Blairgowrie & Rattray Highland Games and the founder of the CATERAN Trail.

REMUNERATION REPORT PART 1 UNAUDITED

Introduction

The Chief Executive's remuneration and the Board Members' fees are directly governed by the Scottish Government via their Senior Salaries Review Body. This body also sets, each year, the award for the Chief Executive and Board Members. Salary levels for staff are reviewed by the Delivery Group. However, the overall annual pay remit is subject to approval by the Authority's Sponsoring Body and Pay Policy Unit at the Scottish Government and agreement with Unions. In 2013/14 the Board Members unanimously voted against the implementation of the 1% pay award available to Board Members. The Authority has in place a Delivery Group consisting of up to six Board Members, chaired by Colin Bayes. The group members are Petra Biberbach, Councillor Martin Earl, Councillor Bob Ellis, William Nisbet, and David Warnock.

The group's remit includes: advice to the Board on annual pay awards; and oversight and monitoring on behalf of the Board the human resources systems in place for the National Park Authority as part of the overall review of performance of the organisation.

For the purposes of this report, persons in senior positions having authority or responsibility for directing or controlling the major activities of the Authority are taken to comprise the Chief Executive, Directors and Board Members.

Service Contracts

The Chief Executive's contract is on a permanent basis with a three month period of notice. Performance Pay is calculated by reference to the extent to which predetermined objectives have been achieved, with a maximum value of 10% of basic pay for the Chief Executive. The level of bonus is determined by the Convener and Depute Convener / Chair of the Delivery Group supported by the Human Resources Manager. The amount paid in 2013/14 is noted below as other emoluments.

PART 2 AUDITED

Disclosure of Remuneration – Chief Executive and Directors

Year ended 31 March 2014	Basic salary band	Other emoluments – performance related pay	Pension Benefits	Total
	£'000	£'000	£'000	£'000
Chief Executive Fiona Logan	75-80	0	15	90-100
Directors Gordon Watson	60-65	0	12	70-80
Jaki Carnegie	45-50	0	9	50-60
David Cameron	Note	Note	Note	Note

Year ended 31 March 2013	Basic salary band	Other emoluments – performance related pay	Pension Benefits	Total
	£'000	£'000	£'000	£'000
Chief Executive Fiona Logan	75-80	0	15	85-95
Directors Gordon Watson	55-60	0	11	65-75
Grant Moir	50-55	0	10	55-65
David Cameron	Note	Note	Note	Note

The median total remuneration of all staff was £26,971. The pay multiple between the mid-point of the highest paid director's banding and the median total remuneration of all staff was 2.87.

Year ended 31 March 2014	Real increase (decrease) in pension value and related lump sum		Total accrued pension at age 60 and related lump sum at 31 March 2014		Cash equivalent transfer value at 31 March 2014	Real increase in cash equivalent transfer value
	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive Fiona Logan	0-2.5	(0-2.5)	5-10	0-5	144	22
Directors Gordon Watson	0-2.5	(0-2.5)	20-25	50-55	486	12
Jaki Carnegie	0-2.5	0-2.5	0-5	0-5	16	16
David Cameron	Note	Note	Note	Note	Note	Note

Year ended 31 March 2013	Real increase (decrease) in pension value and related lump sum		Total accrued pension at age 60 and related lump sum at 31 March 2013		Cash equivalent transfer value at 31 March 2013	Real increase in cash equivalent transfer value
	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive Fiona Logan	0-2.5	(0-2.5)	5-10	0-5	58	12
Directors Gordon Watson	2.5-5	(0-2.5)	20-25	50-55	280	10
Grant Moir	0-2.5	0-2.5	5-10	15-20	83	4
David Cameron	Note	Note	Note	Note	Note	Note

Note: David Cameron is an employee of Cairngorms National Park Authority (CNPA) and is a member of the Civil Service Pension Scheme. The details of his remuneration are noted in the CNPA's Annual report. Fiona Logan, Gordon Watson and Jaki Carnegie are ordinary members of the Strathclyde Pension Fund. David Cameron left the organisation in May 2013.

Local Government Pension Scheme

Pension benefits are provided through the Strathclyde Pension Fund which provides final salary defined benefit schemes to all staff.

Further details about the pension scheme are contained within notes 17 to 20.

Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in the value of the CETV reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Analysis of Board Members' Fees and Expenses

Board member	2013/14 Fees £	2013/14 Expenses* £	2012/13 Fees £	2012/13 Expenses* £
Convener - Linda McKay	19,137	1,187	19,137	1,104
Depute Convener (from 11 March 2013) - Owen McKee	14,352	1,959	14,353	2,917
Depute Convener (to 30 September 2012) - Craig Mclaughlin	0	0	7,157	0
Angus Allan	7,177	153	7,177	497
Colin Bayes	9,568	664	9,569	836
Petra Biberbach	7,177	559	7,177	1,084
Robert Ellis	7,177	307	7,177	882
Anthony Ffinch (to 30 September 2012)	0	0	3,579	0
David McCowan	7,177	0	7,177	0
David McKenzie	7,177	1,094	7,177	1,414
Lindsay Morrison	9,568	0	9,569	0
Willie Nisbet	7,177	624	7,177	351
William Petrie (to 30 September 2012)	0	0	3,579	0
Kate Sankey	7,177	311	7,177	954
Ron Simon (to 30 September 2012)	0	0	3,579	0
David Warnock	7,177	0	7,177	0
Fergus Wood	7,177	541	7,177	308
Martin Earl (from 1 October 2012)	7,177	0	3,597	0
James Robb (from 1 October 2012)	7,177	0	3,597	0
George Freeman (from 1 October 2012)	7,177	0	3,597	0
Hazel Sorrell (from 1 October 2012)	7,177	0	3,597	0
	145,926	7,399	149,503	10,347

* Note – Board Members' expenses do not form part of the Remuneration Report subject to audit but are disclosed here for information purposes.

Signed on behalf of Loch Lomond & The Trossachs National Park Authority

Fiona Logan
Chief Executive and Accountable Officer
24 June 2014

STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

Under Section 25(1) of the National Parks (Scotland) Act 2000, Loch Lomond & The Trossachs National Park Authority ("the Authority") is required to prepare financial statements for each financial year in the form and on the basis determined by the Scottish Minister, with the consent of the Treasury.

The financial statements are prepared on an accruals basis and must show a true and fair view of the state of the affairs as at the end of the financial year and of the income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

The Authority's Management Statement and Financial Memorandum, sets out the roles and responsibilities of Scottish Ministers, the sponsoring team in the department, the Board, the Convener and the Chief Executive as Accountable Officer. It includes the following:

The Board

Board Members have corporate responsibility for ensuring that the Authority complies with any statutory or administrative requirements for the use of public funds and the aims and objectives set by Scottish Ministers.

The Convener

The Convener of the Authority is personally responsible to the Scottish Ministers for ensuring that the Authority's policies are compatible with those of the Scottish Ministers and that there is probity in the conduct of the Authority's affairs.

The Accountable Officer / Chief Executive

In accordance with section 15 of the Public Finance and Accountability (Scotland) Act 2000, the Permanent Secretary as the Principal Accountable Officer for the Scottish Administration, has designated me, as Chief Executive of Loch Lomond & The Trossachs National Park Authority, Accountable Officer for the Authority.

My responsibilities as Accountable Officer for the Authority, including responsibility for propriety and regularity of the finances and for keeping proper records are set out in my Memorandum of Accountable Officer responsibilities issued by the Principal Accountable Officer on my appointment. This includes requirement to comply with the guidance set out in the Scottish Public Finance Manual.

In preparing those financial statements, I am required to:

- observe the financial statements direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in operation.

In addition, I have a general responsibility for taking such steps as are reasonably open to safeguard the assets of the Authority and to prevent and detect fraud and other irregularities.

Signed on behalf of Loch Lomond & The Trossachs National Park Authority

Fiona Logan

Chief Executive and Accountable Officer

24 June 2014

GOVERNANCE STATEMENT

For the period ended 31 March 2014

Governance Framework

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Loch Lomond & The Trossachs National Park Authority's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in the Management Statement for Loch Lomond & the Trossachs National Park Authority. In discharging this responsibility I am held accountable by the Authority's Board, and by Scottish Ministers. In particular, the Authority's Board has Committees in place to manage strategy, delivery and for Audit, each of which has remits to ensure elements of the Authority's financial management and internal control systems, including risk management systems, are in place and function effectively.

The Scottish Public Finance Manual (SPFM) is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling of public funds. It sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for economy, efficiency and effectiveness, and promotes good practice and high standards of propriety. An element of my responsibility as Accountable Officer is to ensure the Authority's internal control systems comply with the requirements of the SPFM.

The Operation of the Board and Sub Committees

The Board and Committees met on the following basis during the year:

- The full Board held six formal meetings which were open to the public. These meetings were supplemented by a number of business sessions to deliver training to Board members and to discuss matters of policy and organisational development.
- The Delivery Group met four times to conduct a detailed review of performance against Corporate Plan targets.
- The Audit Committee met four times to review the work of internal and external auditors. The committee also attended a training session on audit committee roles and responsibilities during the year which was facilitated by KPMG.
- The Strategy Committee met four times to review the strategy of the organisation and the budget for the following financial year.

Full papers are issued to these meetings between 7 and 10 days in advance to allow the members to fully consider the matters for discussion. Recommendations from independent internal and external auditors form a key and essential element in informing my review of the effectiveness of the systems of internal control within the Authority. The Board's Audit Committee also plays a vital role in this regard, through its review of audit recommendations arising from reviews of internal control systems and its consideration of proposed management action. In particular, the Audit Committee is tasked with monitoring the operation of the internal control function and bringing any material matters to the attention of the full Board. Detailed findings of all audit reviews are made available to both management and the Audit Committee. The Audit Committee reports quarterly to the Board on the adequacy and effectiveness of the Authority's internal controls.

The internal audit function is an integral element of the Authority's internal control systems. KPMG LLP was appointed as the Authority's internal auditors in 2011 and has undertaken a comprehensive review of key internal control systems since their appointment.

Over the course of the year to 31 March 2014, the internal auditors have reported to the Audit Committee on their independent reviews of planning processes and systems, carbon management and internal sustainability reporting, and regulatory compliance. The contract for internal audit services with KPMG LLP came to an end in 2014 and the expectation is that the initial contract will be extended for a further year.

In addition, the external auditors have reviewed key systems including a positive review of the Internal Auditors' documentation, standards and reporting procedures, to form a view on the effectiveness of control arrangements and support their audit opinion on the financial statements. Recommendations made as part of this process have been taken on board and actions taken where appropriate.

Risk Management

All bodies to which the SPFM is directly applicable must operate a risk management strategy in accordance with the relevant guidance issued by Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

The Board recognises the importance of risk management in the activities of the organisation. Through adoption of risk-based monitoring reports for delivery of Corporate and Business Plan objectives, National Park Plan delivery, and for wider assessment of organisational performance, the Board has provided leadership on the importance of risk management at the highest level within the organisation.

The Board's Audit Committee and Executive Team are involved in leading on embedding risk management processes throughout the organisation. Both these groups consider the management of strategic risk and seek to ensure that the required actions to manage risk at a strategic level are appropriately reflected and incorporated in operational delivery plans. The Authority's strategic risk management process is based on a schedule of key risks and risk management strategy. The strategy and schedule of key strategic risks was maintained and subject to review by both managers and Executive Team and an audit trail was maintained through recording of actions taken. The risk register was updated and refreshed in 2013 and the new risk register was presented to the Audit Committee in November 2013 for discussion.

The Audit Committee presented the draft risk register to the Board Business session in December 2013 for further discussion. The process agreed is that the Executive will review the Risk Register on a quarterly basis, with a report being submitted annually to the Audit Committee. In the event of any risk being increased to a "high" status, this would be escalated to the Committee at the earliest opportunity.

The Authority has also adopted a risk based approach to the management and monitoring of its Operational and Corporate Plan delivery, and key aspects of organisational performance, whereby any increased risk to achievement of targets is assessed, reported to the Executive Team, and, where required, remedial action determined and implemented. Risk management is also a core element of project appraisal and approval processes.

Data Security

Steps are being taken to ensure that information is being managed in accordance with legislation. The Authority's policy is to maintain the highest level possible of data security in its operations. During the year the Authority maintained its systems including:

- Maintenance of Cisco ASA 5500 Adaptive Security appliance (Firewall)
- Off site data back up by Commvault
- Password protected laptops and desktop computers
- Designated remote access routes through Cisco VPN

In terms of information management and security, a requirement to maintain close scrutiny on the Authority's IT and data management functionality is highlighted within the strategic risk register and is therefore reviewed by the Executive Team and Audit Committee.

Conclusion

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- the Executive managers within the organisation who have responsibility for the development and maintenance of the internal control framework, feedback from whom is obtained through weekly meetings of the Executive and Managers teams;
- the work of the internal auditors, who submit to the organisation's Audit Committee regular reports which includes independent and objective opinion on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement;
- comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review by both the Board and its Audit Committee and a plan is in place to address weaknesses and ensure continuous improvement of the systems.

The internal auditors have concluded that the controls tested were found, on the whole, to be strong with suggestions for only minor improvements being made. Appropriate action is in place to address any weaknesses identified and to ensure continuous improvement of the system.

The internal auditor's annual report for 2013/14 states that, based on the work undertaken over the course of the year, the Authority's systems provide a reasonable basis for maintaining control and that the control framework provides reasonable assurance regarding the effective and efficient achievement of strategic objectives.

Fiona Logan
Chief Executive and Accountable Officer
24 June 2014

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of Loch Lomond & The Trossachs National Park Authority, the Auditor General for Scotland and the Scottish Parliament

I have audited the financial statements of Loch Lomond & The Trossachs National Park Authority for the year ended 31 March 2014 under the National Parks (Scotland) Act 2000. The financial statements comprise of the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2013/14 Government Financial Reporting Manual (the 2013/14 FReM).

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of Accountable Officer and Auditor

As explained more fully in the Statement of the Accountable Officer's Responsibilities the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and is also responsible for ensuring the regularity of expenditure and income. My 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) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors. I am also responsible for giving an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

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 body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accountable Officer; and the overall presentation of the financial statements. It also involves obtaining evidence about the regularity of expenditure and income. In addition, I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements, irregularities, or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2014 and of its net operating cost for the year then ended;

- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2013/14 FReM; and
- have been prepared in accordance with the requirements of the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Opinion on other prescribed matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I am required to report by exception

I am required to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- the Governance Statement does not comply with guidance from the Scottish Ministers.

I have nothing to report in respect of these matters.

Asif A Haseeb
Audit Scotland
8 Nelson Mandela Place
Glasgow G2 1BT
24 June 2014

STATEMENT OF COMPREHENSIVE NET EXPENDITURE
Year ended 31 March 2014

	Note	2014 £	Restated 2013 £
Expenditure			
Board Members and Staff Costs	7	4,720,633	4,971,548
Other Operating Costs	8	1,524,990	1,638,940
Programme Expenditure	4	14,205	19,089
Business Plan Expenditure	5	1,877,597	2,910,801
Depreciation	9	403,793	284,492
Provision for impairment of assets	1/9	1,929,631	0
		<u>10,470,849</u>	<u>9,824,870</u>
Income			
Planning Fees	3	292,262	198,298
Programme Income	4	14,205	19,089
Business Plan Income	6	268,455	69,926
Other Income	6	257,283	321,240
Loss on disposal of fixed asset		<u>(31,454)</u>	<u>0</u>
Total Income		<u>800,751</u>	<u>608,553</u>
Net Expenditure		9,670,098	9,216,317
Less: Interest Receivable		<u>(2,223)</u>	<u>(790)</u>
Net Expenditure For Year		<u><u>9,667,875</u></u>	<u><u>9,215,527</u></u>

No activities were discontinued during the year.

The Net Expenditure after Interest Receivable but before Impairment represents the activities funded by Scottish Government through its Grant in Aid to the National Park Authority. In accordance with the Government Financial Reporting Manual (FReM) the cash Grant in Aid is taken directly to the Statement of Taxpayers' Equity (note 2 refers).

Changes to IAS19 came into effect for the financial year ended 31 March 2014. This has required the prior year figures to be restated by £105,000.

The notes on pages 30 to 45 form part of these Accounts.

STATEMENT OF FINANCIAL POSITION
As at 31 March 2014

	Note	2014 £	2013 £
Non-current Assets			
Property, plant and equipment	9	9,121,555	7,252,483
Intangible Assets	9	18,102	7,149
Total non-current assets		<u>9,139,657</u>	<u>7,259,632</u>
Current Assets			
Inventories	10	9,425	11,133
Trade and other receivables	11	396,942	249,773
Cash and cash equivalents	12	831,472	814,546
Total Current Assets		<u>1,237,839</u>	<u>1,075,452</u>
Total Assets		10,377,496	8,335,084
Current liabilities			
Trade and other payables < 1 Year	13	1,538,681	1,326,621
Total Current Liabilities		<u>1,538,681</u>	<u>1,326,621</u>
Non-current assets less net current liabilities		8,838,815	7,008,463
Non-current liabilities			
Pension fund liability	18	2,868,000	1,741,000
Total noncurrent liabilities		<u>2,868,000</u>	<u>1,741,000</u>
Total Liabilities		4,406,681	3,067,621
Assets less liabilities		<u>5,970,815</u>	<u>5,267,463</u>
Taxpayers Equity			
General Reserve		2,171,315	2,629,516
Revaluation Reserve		6,661,500	4,375,063
Donated Asset Reserve		6,000	3,884
Pension Reserve		<u>(2,868,000)</u>	<u>(1,741,000)</u>
		<u>5,970,815</u>	<u>5,267,463</u>

Signed on behalf of the Loch Lomond & The Trossachs National Park Authority

Fiona Logan
Chief Executive & Accountable Officer
Authorised for issue on 24 June 2014

The notes on pages 30 to 45 form part of these Accounts.

STATEMENT OF CASH FLOWS
For the Year ended 31 March 2014

	Note	2014 £	Restated 2013 £
Cash flows from operating activities			
Net expenditure before Interest		(9,670,098)	(9,216,317)
Adjustments for items not involving the movement of cash:			
Depreciation	9	403,793	284,492
Provision for impairment of assets	9	1,929,631	0
(Gain)/loss on sale of property, plant & equipment	9	31,454	(4,352)
Pension adjustments in Other Income	6	81,000	40,000
Pension adjustments in Staff Costs	7	105,000	(76,000)
Movements in working capital:			
(Increase) decrease in trade and other receivables		(147,169)	22,160
(Decrease) increase in trade and other payables		212,060	411,149
(Increase) decrease in inventories		1,708	2,830
Net Cash Outflow from Operating Activities		<u>(7,052,621)</u>	<u>(8,536,038)</u>
Cash flows from investing activities			
Bank Interest Received		2,223	790
Purchase of property, plant & equipment	9	(1,512,676)	(648,391)
Proceeds from property, plant & equipment		<u>10,000</u>	<u>6,834</u>
Net Cash (Outflow) / Inflow before Financing		(8,553,074)	(9,176,805)
Cash flows from financing activities			
Grant In Aid applied to Operating Costs	2	7,057,324	8,862,609
Grant In Aid applied to Capital Expenditure	2	1,392,676	648,391
Other Grants applied to Capital Expenditure		120,000	0
Net (decrease) increase in Cash and cash equivalents		<u>16,926</u>	<u>334,195</u>
Cash and cash equivalents at the beginning of the period	12	814,546	480,351
Cash and cash equivalents at the end of the period	12	<u><u>831,472</u></u>	<u><u>814,546</u></u>

The notes on pages 30 to 45 form part of these Accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
for the year ended 31 March 2014

	General Fund £	Revaluation Reserve £	Donated Asset £	Pension Fund £	Total £
Balance at 1 April 2012	2,370,043	4,375,063	3,884	(872,000)	5,876,990
Grant in Aid	9,511,000				9,511,000
Net Expenditure after interest	(9,215,527)				(9,215,527)
Pension fund actuarial (loss) gain				(908,000)	(908,000)
Other pension fund gains (losses)				3,000	3,000
Net return on pension assets	40,000			(40,000)	0
Transfer to net fund pension liabilities	(76,000)			76,000	0
Balance at 31 March 2013	2,629,516	4,375,063	3,884	(1,741,000)	5,267,463

	General Fund £	Revaluation Reserve £	Donated Asset £	Pension Fund £	Total £
Balance at 1 April 2013	2,629,516	4,375,063	3,884	(1,741,000)	5,267,463
Net gain on revaluation of Property, Plant & Equipment		2,739,227	3,000		2,742,227
Transfer depreciation on re-valued assets	453,674	(452,790)	(884)		0
Grant in Aid	8,450,000				8,450,000
Other grants	120,000				120,000
Net Expenditure after interest	(9,667,875)				(9,667,875)
Pension fund actuarial (loss) gain				(944,000)	(944,000)
Other pension fund gains (losses)				3,000	3,000
Net return on pension assets	81,000			(81,000)	0
Transfer to net fund pension liabilities	105,000			(105,000)	0
Balance at 31 March 2014	2,171,315	6,661,500	6,000	(2,868,000)	5,970,815

NOTES TO THE ACCOUNTS

For the Year Ended 31 March 2014

1. Accounting Policies

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 these accounts have been prepared in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual, which follows generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS) as adopted by the European Union and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The particular accounting policies adopted by Loch Lomond & The Trossachs National Park Authority are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The accounts are prepared using accounting policies, and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles, set out in International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors. Changes in accounting policies, which do not give rise to a prior year adjustment, are reported in the relevant note.

1.1 *Accounting Convention*

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, and, where material, current asset investments and inventories to fair value as determined by the relevant accounting standard.

1.2 *Accounting Period*

The accounting period commenced on 1 April 2013 and ended on 31 March 2014.

1.3 *Non-current assets - Property Plant & Equipment*

Recognition

All land and buildings are accounted for as non-current assets unless they are deemed to be held-for-sale.

Valuation

All land and buildings are restated to current value using professional valuations in accordance with IAS 16 every five years. The required quinquennial valuation was carried out in March 2014 and the relevant valuations incorporated into these Financial Statements. The valuations were carried out by Ryden LLP. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as those terms are consistent with the agreed requirements of HM Treasury.

All other non-current assets are stated at depreciated historical cost. Non-property assets values are not subject to indexation adjustments because their individual values and/or useful economic life are considered to be below the level at which the application of indexation is relevant.

Losses in value reflected in valuations are accounted for in accordance with IAS 36, Impairment of Assets. The consumption of economic benefits is taken to the revaluation reserve to the extent of any previous gain and any further loss is charged to the Statement of Comprehensive Net Expenditure.

Capitalisation

The minimum level for capitalisation of individual non-current assets within the Authority is £600.

1.4 *Non-current assets - Intangible Assets*

Copyrights and software licences are disclosed as intangible assets in accordance with FReM guidance and are amortised on a straight line basis over their expected useful lives.

1.5 *Depreciation*

Depreciation is provided on all fixed assets, other than land, on a straight line basis at rates calculated to write down the cost or valuation of each asset to its estimated residual value, as follows:

Freehold Buildings	50 Years or expected life as determined by valuer, if shorter.
Leasehold Buildings	50 Years or period of lease whichever is shorter
Computer Equipment	3 - 5 Years
Vehicles	5 Years
Vessels	10 to 25 Years
Machinery, Equipment, Furniture & Fittings	3 - 5 Years

1.6 *Inventories*

Inventories are stated at the lower of Cost and Net Realisable Value.

1.7 *Value added Tax*

Irrecoverable VAT is included with the relevant cost and charged to the Statement of Comprehensive Net Expenditure in the period in which it is incurred.

1.8 *Leases*

Operating lease rentals are charged to the Statement of Comprehensive Net Expenditure over the term of the lease.

1.9 *Grant in Aid*

The Authority receives Grant in Aid from the Scottish Ministers to finance its net expenditure. In accordance with financial reporting guidance, Grant in Aid is credited to the General Fund and net expenditure on activities funded by Grant in Aid is charged to this fund.

1.10 *Other grants and income*

The Authority receives other grants to finance its net expenditure. Other grants used to purchase fixed assets are credited to the General Reserve.

Operating income is income that relates directly to the operating activities of Loch Lomond & The Trossachs National Park Authority. It includes fees and charges for services provided to external customers.

1.11 Pension Costs

The Authority is a member of Strathclyde Pension Fund (administered by Glasgow City Council) which is a defined benefit scheme. The expected cost of providing staff pensions is recognised on a systematic basis over the expected average remaining life of members of the pension fund. Fund disclosures as required by IAS 19 are given in notes 17 to 20 of the Financial Statements.

1.12 Trade receivables

All material amounts due as at 31 March 2014 have been brought into the Statement of Comprehensive Net Expenditure irrespective of when actual payments were received.

1.13 Trade payables

All material amounts due as at 31 March 2014 have been brought into the Statement of Comprehensive Net Expenditure irrespective of when actual payments were made.

1.14 Financial Instruments

The Authority does not hold any complex financial instruments. The only financial instruments included in the accounts are Financial Assets in the form of cash, trade receivables and accrued income, and Financial Liabilities in the form of trade payables and accruals. Financial instruments are recognised in accordance with IAS 37, IAS 39, and IFRS 7 as interpreted and adapted by the FReM, initially at fair value less provision for impairment. A provision for impairment is made when there is evidence that the Authority will be unable to collect an amount due in accordance with agreed terms

1.15 Segmental reporting

IFRS 8 Segmental Reporting requires operating segments to be identified on the basis of internal reports about components of Loch Lomond & The Trossachs National Park Authority that are regularly used by the Chief Operating decision makers in order to allocate resources and assess their performance. Loch Lomond & The Trossachs National Park Authority reports on three segments (operational objectives) of Visitor Experience, Conservation and Rural Development. (See note 5).

2. Grant in Aid	2014	2013
	£	£
Grant in Aid allocated to meet operational expenditure	6,514,000	7,030,000
Grant in Aid allocated to meet capital expenditure	1,267,000	967,000
Supplementary Grant in Aid received	685,000	1,530,000
	<hr/>	<hr/>
	8,466,000	9,527,000
Deduct:		
Amounts earmarked for Specific Projects	<hr/> (16,000)	<hr/> (16,000)
Total Grant in Aid received (resource and capital DEL)	8,450,000	9,511,000
Less:		
Amounts transferred for purchase of Fixed Assets	(1,392,676)	(648,391)
	<hr/>	<hr/>
	<u>7,057,324</u>	<u>8,862,609</u>

3. Planning Fees		2014	2013
		£	£
Statutory fees on Planning Applications		292,262	198,298
4. Programme Income & Expenditure	Income	Expenditure	Net
	£	£	£
West Highland Way	14,205	14,205	0
Total 2013/14	14,205	14,205	0
Total 2012/13	19,089	19,089	0

The Authority is a member of the West Highland Way Management Group and also manages the funds contributed by members. The programme income and expenditure in relation to the management of the West Highland Way is 'ring-fenced' by the Authority and only used for this specific purpose.

5. Analysis of Net Expenditure by Segment

	Board members and staff costs	Other operating & programme costs	Business Plan Expenditure	Income	Net Segmental Expenditure
	£	£	£	£	£
Visitor Experience	2,782,000	1,021,199	1,177,486	(416,625)	4,564,060
Conservation	683,059	138,482	218,675	(20,735)	1,019,481
Rural Development & Planning	1,255,574	379,514	481,436	(444,391)	1,672,133
Total 2013/14	4,720,633	1,539,195	1,877,597	(881,751)	7,255,674

	Board members and staff costs	Other operating & programme costs	Business Plan Expenditure	Income	Net Segmental Expenditure
	£	£	£	£	£
Visitor Experience	2,186,895	988,713	2,273,995	(224,287)	5,225,316
Conservation	988,312	337,695	295,036	(109,659)	1,511,384
Rural Development & Planning	1,796,341	331,621	341,770	(314,607)	2,155,125
Total 2012/13	4,971,548	1,658,029	2,910,801	(648,553)	8,891,825

Reconciliation between Operating Segments and Statement of Comprehensive Net Expenditure

	£
Net segmental expenditure as above	7,255,674
Items not attributable to segmental activity:	
(Excess) deficit of return on pension assets over interest	81,000
Depreciation	403,793
Provision for impairment of assets	1,929,631
Interest receivable	(2,223)
Net Expenditure For Year	9,667,875

6. Business plan and Other Income		Restated		
		2014	2013	
		£	£	
Business plan income		268,455	69,926	
Other income:				
Agency Reimbursements		45,000	52,350	
Boat Registration Scheme		54,620	55,325	
Sale of Goods		7,350	9,647	
Property rental and recharges		125,805	182,151	
Excess (deficit) of return on pension assets over interest		(81,000)	(40,000)	
Miscellaneous		105,508	61,767	
		<u>257,283</u>	<u>321,240</u>	
7. Board Members and Staff Costs		Note	2014	2013
			£	£
<u>Board Members</u>				
Fees - see Remuneration Report			145,926	149,503
Social Security Costs			3,010	3,633
			<u>148,936</u>	<u>153,136</u>
<u>Staff</u>				
Salaries			3,622,700	3,920,059
Social Security Costs			262,667	266,065
Pension Costs		18	587,865	708,288
			<u>4,473,232</u>	<u>4,894,412</u>
Add secondments from related party			7,949	0
Deduct: Included in Programme and Business Plan figures			(14,484)	0
			<u>4,466,697</u>	<u>4,894,412</u>
<u>Adjustments for Pensions Reporting</u>				
Add: Current Service Costs		18	694,000	518,000
Less: Employers Contribution		18	(589,000)	(715,000)
Less: Past service losses (gains)		18	0	0
Less: Losses / (gains) on curtailment		18	0	121,000
			<u>4,571,697</u>	<u>4,818,412</u>
Total Costs			<u>4,720,633</u>	<u>4,971,548</u>

<u>Average Number of Employees during the Year</u>	2014 No.	2013 No.
Park Board Members	17	17
Staff (incl. Agency)	130	133

<u>Staff Numbers Analysis (Full Time Equivalents)</u>	2014 No.	2013 No.
Permanent	112	116
Fixed Term	8	9
Seasonal	10	7
Agency	0	1
	130	133

	2014 No.	2013 No.
Numbers of staff with salaries above £50,000 (including Chief Executive)		
£80,001 - £85,000	0	0
£75,001 - £80,000	1	1
£70,001 - £75,000	0	0
£65,001 - £70,000	0	0
£60,001 - £65,000	1	0
£55,001 - £60,000	0	1
£50,001 - £55,000	1	1

**Compensation for loss of office
Exit package cost band**

Number of VSS departures

	2014	2013
<£10,000	0	2
£10,000 - £25,000	0	5
£25,000 - £50,000	0	8
£50,000 - £75,000	0	1
Total number of exit packages	0	16
Total resource cost (£)	0	444,255

In 2012/13, the Authority introduced a Voluntary Severance Scheme (VSS) for which 18 employees applied and 16 were approved. The total costs of the scheme have been paid in accordance with the provisions of the Strathclyde Pension Fund. Exit costs were accounted for in full in the year of departure. Where the Authority has agreed early retirements, the additional costs are met by the Authority and not by the Strathclyde Pension Fund.

8. Other Operating Costs	2014	2013
	£	£
Agency Staff	29,615	33,801
Travel & Subsistence	21,231	33,841
Conferences, Courses & Training	54,980	64,404
Other Staff Costs	48,220	42,690
Property Rent & Rates	243,276	247,475
Energy Costs	64,370	78,425
Property Repairs & Development	161,985	221,998
Other Property Costs	212,681	216,886
Tools and Equipment Consumables	13,555	18,353
Transport Costs	143,518	144,942
Uniforms & Clothing	20,711	24,501
Catering & hospitality	21,353	19,868
Printing and Stationery	18,634	20,572
Published Materials	12,423	14,477
Telecommunications & Data	84,070	92,336
Legal & Professional Fees	90,307	70,387
Software and IT Supplies	188,732	203,486
Goods for Resale	2,953	6,913
Statutory Advertising	32,886	31,738
Other Administration Costs	32,361	24,887
Contributions to Other Bodies	4,677	4,138
Audit Fee - Internal	12,352	12,722
- External	10,100	10,100
	<hr/> <hr/>	<hr/> <hr/>
	1,524,990	1,638,940

9. Non-current assets

	Freehold Land & Buildings	Leasehold Land & Buildings	Assets under construction	Vehicles & Marine Vessels	Equipment Plant & Machinery	Office Furniture & Fittings	IT Hardware & Infrastructure	Total Tangible Assets	IT Systems & Software	Copyright	Total Intangible Assets	Total Assets
Cost or Valuation												
At 1 April 2013	5,520,552	1,387,249	517,896	898,717	221,663	678,644	1,350,369	10,575,090	383,191	17,625	400,816	10,975,906
Disposals at Cost				(57,575)				(57,575)			0	(57,575)
Additions at Cost			1,086,159	228,034	12,795	10,125	153,771	1,490,884	21,792		21,792	1,512,676
Transfer Asset into Use		1,254,270	(1,254,270)					0			0	0
Valuation Adjustments	(597,050)	637,480						40,430			0	40,430
At 31 March 2014	4,923,502	3,278,999	349,785	1,069,176	234,458	688,769	1,504,140	12,048,829	404,983	17,625	422,608	12,471,437
Accumulated Depreciation												
At 1 April 2013	439,424	138,472	0	570,125	206,223	658,990	1,309,373	3,322,607	376,042	17,625	393,667	3,716,274
Disposals				(16,121)				(16,121)				(16,121)
Charge for Year	109,856	84,414		91,719	17,307	14,927	74,731	392,954	10,839	0	10,839	403,793
Written back on revaluation	(549,280)	(222,886)						(772,166)				(772,166)
At 31 March 2014	0	0	0	645,723	223,530	673,917	1,384,104	2,927,274	386,881	17,625	404,506	3,331,780
Net Book Values												
31 March 2014	4,923,502	3,278,999	349,785	423,453	10,928	14,852	120,036	9,121,555	18,102	0	18,102	9,139,657
31 March 2013	5,081,128	1,248,777	517,896	328,592	15,440	19,654	40,996	7,252,483	7,149	0	7,149	7,259,632

Freehold Land and Buildings contain one piece of land that was donated to the Authority. The land is held at Kenmore Wood and is valued at £6,000 on an economic use value.

10. Inventories	2014	2013
	£	£
Visitor Centres	3,040	4,437
On line shop	1,639	2,159
West Highland Way Merchandise	4,746	4,537
	<u>9,425</u>	<u>11,133</u>
11. Trade receivables and other current assets	2014	2013
	£	£
Trade receivables	306,259	141,065
Other receivables	2,869	20,397
Prepayments and accrued income	87,814	88,311
	<u>396,942</u>	<u>249,773</u>
Intra-government balances included above:	£	£
Other NDPBs	311,324	80,578
Local Government	227	0
Central Government	0	489
	<u>311,551</u>	<u>81,067</u>
12. Cash and cash equivalents	2014	2013
	£	£
Bank Accounts	830,833	813,441
Imprest Accounts	639	1,105
	<u>831,472</u>	<u>814,546</u>

All balances were held at commercial banks and cash in hand (2013 - all)

13. Trade payables and other current liabilities	2014	2013
	£	£
Amounts payable within one year:		
Trade payables	670,633	670,285
Accruals and deferred income	830,776	573,601
Other payables	7,723	16,072
Funds held for third party organisations	29,549	66,663
	<u>1,538,681</u>	<u>1,326,621</u>
Intra-government balances included above:	£	£
Other NDPBs	127,266	20,504
Local Government	60,268	7,779
	<u>187,534</u>	<u>28,283</u>

14. Capital Commitments, Contingent Liabilities and Operating Lease Obligations

There was £265,681 committed but unspent capital expenditure at 31 March 2014 (2013 – nil).

There was £750,000 contingent liability at the Balance Sheet date (2013 - £750,000). During the year the Authority defended a claim for damages in the Court of Session. The claim arose from an incident in 2006 on a footpath adjacent to one of its properties which caused injury to a member of the public. The judgement from the Court of Session was released in February 2014 and the Court held that pursuers did not prove the case and in any event, the Authority would not have been liable if they had. In March 2014, a Notice of Intention to Appeal the judgement was lodged with the Court of Session. The pursuers have successfully applied for legal aid in relation to their Intention to Appeal. The claim amount is £750,000. During the year the Authority defended an employment claim for unfair dismissal at an Employment Tribunal. As at the balance sheet date the Authority is waiting on the ruling from the Employment Tribunal.

The Authority will hold contingent assets in respect of three monetary bonds totalling £1.332m. These bonds will be lodged by Scotgold Resources Limited as a planning condition for the development of a gold and silver mine in Cononish Glen. The bonds will only become receivable by the Authority if Scotgold Resources Limited fail to fully reinstate the development site at the end of the mining operating period of 10 years, in which case, the Authority would use the bond amounts to undertake the reinstatement works.

Obligations under non-cancellable Operating Leases are:

	Land & Buildings	
	2014	Restated 2013
Obligations under operating leases:	£	£
Within One Year	73,385	73,385
Two to Five Years	75,490	108,490
After Five Years	167,090	171,194

Rent receivable under non-cancellable Operating Leases are:

	Land & Buildings	
	2014	2013
Rent receivable under operating leases:	£	£
Within One Year	144,855	132,919
Two to Five Years	140,395	132,264
After Five Years	108,083	126,883

15. Related Party Transactions

The Authority is a Non Departmental Public Body of The Scottish Government. The Authority's sponsoring body is The Scottish Government Rural Directorate.

The Scottish Government and Scottish Government Rural Directorate are regarded as related parties with whom there have been various material transactions during the year in the normal course of business.

In addition, the Authority has had a number of material transactions with other Government Departments and other Non-Departmental Public Bodies.

None of the Board Members, Management Team, or other related parties has undertaken any material transactions with the Authority during the year. Material transactions cover payments made under contract for goods or services.

16. Financial Instruments - Exposure to Risks

The Authority's resources are met from the Scottish Government through Grant-in-Aid, from Business Plan income and from Planning Fees and other income. The Authority has no powers to borrow money or to invest surplus funds. Other than financial assets and liabilities which are generated by day-to-day operational activities, the Authority holds no financial instruments.

Liquidity Risk

The Park Authority's net revenue resource requirements are financed by Scottish Government, as is its capital expenditure. The Authority is not therefore exposed to material liquidity risks.

Credit Risk

The Park Authority's funders are mainly Scottish Government or European Union Departments, Executive Agencies or other Public Bodies. The Authority is therefore not exposed to any material credit risk.

Foreign Currency Risk

The Park Authority is not exposed to foreign currency risk.

17. Pensions - Revenue Account

In accordance with International Accounting Standard No 19 (IAS19), the Authority is required to disclose certain information concerning assets, liabilities, income and expenditure related to pension schemes for its employees. This is provided in notes 17 to 20.

In 2013/14, the Authority paid an employer's contribution of £587,865 (2012/13 - £708,288) representing 19.3% (2012/13 - 19.3%) of employees' pensionable pay into the Strathclyde Pension Fund, which is administered by Glasgow City Council. This fund provides members with defined benefits related to pay and service.

The employer's contribution rate is determined by the Fund's Actuary based on quadrennial actuarial valuations which determine whether employers are contributing sufficiently to maintain the Fund's solvency.

	2014	Restated 2013
	£000	£000
Amount Charged to Operating Profit:		
Current Service Cost	694	518
Actuarial (Gain) / Loss Recognised in SRIE	944	908
Curtailments and Settlements	0	121
Total Operating (Gain) Charge (A)	<u>1,638</u>	<u>1,547</u>
Amount Credited to Other Finance Income:	£000	£000
Expected return on Employer Assets	572	503
Interest Cost	(653)	(543)
Net Return (Deficit) (B)	<u>(81)</u>	<u>(40)</u>
Net Revenue Account Cost (A) - (B)	<u><u>1,719</u></u>	<u><u>1,587</u></u>

18. Pensions - Balance Sheet

The Authority's assets and liabilities amounted to:	2014	2013
	£000	£000
Fair Value of share of assets in the Strathclyde Pension Fund	13,895	12,404
Present Value of Funded Liabilities	(16,700)	(14,084)
Present Value of Unfunded Liabilities	(63)	(61)
Net Pension Liability	<u><u>(2,868)</u></u>	<u><u>(1,741)</u></u>

Fair value of employer assets

The asset values below are at bid value as required under IAS19.

Asset Category	31 March 2014				31 March 2013			
	Quoted Prices in Active Markets £'000	Prices not quoted in Active Markets £'000	Total £'000	%	Quoted Prices in Active Markets £'000	Prices not quoted in Active Markets £'000	Total £'000	%
Equity Securities								
Consumer	1,280	0	1,280	9%	1,082	1	1,083	9%
Manufacturing	1,114	10	1,124	8%	993	2	995	8%
Energy & Utilities	509	0	509	4%	506	0	506	4%
Financial Institutions	930	0	930	7%	849	1	850	7%
Health and Care	477	0	477	3%	450	0	450	4%
Information Technology	757	0	757	5%	621	0	621	5%
Private Equity								
All	0	1,310	1,310	9%	0	1,198	1,198	10%
Real Estate								
UK Property	0	973	973	7%	0	796	796	6%
Investment funds and unit trusts								
Equities	338	3,891	4,229	31%	330	3,448	3,778	30%
Bonds	0	1,612	1,612	12%	0	1,671	1,671	13%
Commodities	6	0	6	0%	8	0	8	0%
Infrastructure	0	20	20	0%	0	0	0	0%
Derivatives								
Other	3	0	3	0%	(2)	0	(2)	0%
Cash and cash equivalents								
All	0	665	665	5%	0	450	450	4%
Totals	5,414	8,481	13,895	100%	4,837	7,567	12,404	100%

Liabilities are valued on an actuarial basis using the projected unit method, which assesses the future liabilities of the fund discounted to their present value. They are based on a valuation as at 31 March 2008 updated for the remaining period to the end of the financial year, by the independent actuaries to the Strathclyde Pension Fund. The main assumptions used in the calculations are:

	2014	2013
	% pa	% pa
Inflation/ Pension Increase Rate	2.9%	2.8%
Salary Increase Rate	5.2%	5.1%
Discount Rate	4.3%	4.5%
Life Expectancy at age 65 -		
Current Pensioners Male	21.0 Yrs	21.0 Yrs
Current Pensioners Female	23.4 Yrs	23.4 Yrs
Future Pensioners Male	23.3 Yrs	23.3 Yrs
Future Pensioners Female	<u>25.3 Yrs</u>	<u>25.3 Yrs</u>

Movement in the Net Pension Deficit during the Year

	2014	2013
	£000	£000
Deficit at beginning of the year	<u>(1,741)</u>	<u>(872)</u>
Add (Deduct)		
Current Service Cost	(694)	(518)
Employers Contributions	589	715
Contributions in respect of unfunded benefit	3	3
Losses on curtailments	0	(121)
Net Return on Assets	<u>(81)</u>	<u>(40)</u>
	<u>(183)</u>	<u>39</u>
Actuarial (Losses) Gains	(944)	(908)
Deficit at End of Year	<u><u>(2,868)</u></u>	<u><u>(1,741)</u></u>

It should be noted that the pension deficit figure has been specifically produced for the purpose of meeting IAS 19 disclosure requirements. The actuarial valuations will take into account the appropriate employers rates and this together with revenues generated from the investments will be utilised to meet the Fund's commitments.

The Actuarial Losses can be further analysed as follows:

	2014	2013
	£000	£000
Experience (Losses) Gains on Fund Assets	284	1,049
Defined Benefit Gains (Losses)	(1,228)	(1,957)
	<u>(944)</u>	<u>(908)</u>

19. Pensions – Additional Disclosures

Sensitivity Analysis

IAS19 requires the disclosure of the sensitivity of the results to the methods and assumptions used. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below.

Change in assumptions as at 31 March 2014	Approximate % increase to Employer Liability	Approximate monetary amount (£'000)
0.5% decrease in Real Discount Rate	14%	2,266
1 year increase in member life expectancy	3%	503
0.5% increase in the Salary Increase Rate	5%	882
0.5% increase in the Pension Increase Rate	8%	1,323

Information about the Defined Benefit Obligation

	Liability split		Duration
	£'000	Percentage %	
Active members	11,109	66.5%	26.6
Deferred members	2,697	16.2%	23.9
Pensioner members	2,894	17.3%	14.1
Total	16,700	100.0%	24.0

The figures above are for funded obligations only and do not include any unfunded pensioner liabilities. The durations are effective as at the previous formal valuation (31 March 2011).

Projected defined benefit cost for the period to 31 March 2015

The table below shows an analysis of the projected amount to be charged to the Statement of Comprehensive Net Expenditure for the period to 31 March 2015.

Period ended 31 March 2015	Assets £'000	Obligations £'000	Net (liability) / asset	
			£'000	% of pay
Current service cost *		800	(800)	(27.4%)
Past service cost including curtailments				
Effect of settlements				
Total Service Cost	0	800	(800)	(27.4%)
Interest income on plan assets	610		610	20.9%
Interest cost on defined benefit obligations		739	(739)	(25.3%)
Total Net Interest Cost	610	739	(129)	(4.4%)
Total included in Statement of Comprehensive Net Expenditure	610	1,539	(929)	(31.8%)

* The service cost figures include an allowance for administrative expenses of 0.2% of payroll.

The contributions paid by the Employer are set by the Fund Actuary at each triennial actuarial valuation (the most recent being 31 March 2011), or at any other time as instructed to do so by the Administering Authority. The contributions payable over the period to 31 March 2015 are set out in the Rates and Adjustments certificate. For further details on the approach adopted to set contribution rates for the Employer please refer to the 2011 actuarial valuation report dated 30 March 2012. The estimate of Employer's contribution for the period to 31 March 2015 will be approximately £564,000.

20. Actuarial Gain (Loss) Recognised in Statement of Changes in Taxpayers Equity

	2009	2010	2011	2012	2013	2014
	£000	£000	£000	£000	£000	£000
Experience Gains (Losses) on Assets	(2,260)	1,877	62	(1,199)	1,049	284
Other Actuarial Gains (Losses)	1,291	(5,161)	1,447	695	(1,957)	(1,228)
Actuarial Gains and Losses	(969)	(3,284)	1,509	(504)	(908)	(944)
Cumulative Actuarial Gains/ (Losses)	590	(2,694)	(1,185)	(1,689)	(2,597)	(3,541)

The calculations made for the IAS 19 Report by the actuaries are based on the quadrennial valuation of March 2008. This marks a departure from previous years when they were based on roll-forward figures which did not include a number of experience factors now reflected. In addition, the valuation of the Scheme Assets at 31 March 2014 is based on estimated bid values in place of mid-market values.



LOCH LOMOND AND THE TROSSACHS NATIONAL PARK

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of The National Parks (Scotland) Act 2000, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 27 June 2003 is hereby revoked.

IR HOOPER
Head of Countryside and Natural Heritage Division

Signed by the authority of the Scottish Ministers
Dated: 12 January 2006