

Charity Registration No. SC002061 (Scotland)

Company Registration No. SC081620 (Scotland)

**THE JOHN MUIR TRUST**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

# THE JOHN MUIR TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Peter Pearson John Fox-Davies Jim Gibson Patricia Jordan Duncan MacNiven Chris Townsend Alan Dobie Derek Johnston Andrew Whitfield David Gibson Nigel Brisbane John Finney Philip Graves Alexander McDade	(Appointed 25 May 2019) (Appointed 25 May 2019) (Appointed 25 May 2019) (Appointed 25 May 2019)
<b>Secretary</b>	Kerry Ross	
<b>Charity number (Scotland)</b>	SC002061	
<b>Company number</b>	SC081620	
<b>Registered office</b>	Tower House Station Road Pitlochry United Kingdom PH16 5AN	
<b>Auditor</b>	Johnston Carmichael LLP 66 Tay Street Perth PH2 8RA	
<b>Bankers</b>	CAF Bank Limited 25 King Hills Avenue Kings Hill West Malling Kent ME19 4JQ	The Royal Bank of Scotland plc Edinburgh St Andrew Square 36 St Andrew Square Edinburgh EH2 2YB
<b>Solicitors</b>	Turcan Connell W.S. Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE	
<b>Investment advisors</b>	Brown Shipley & Co Ltd 2 Multrees Walk Edinburgh EH1 3DQ	

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# THE JOHN MUIR TRUST

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# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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The Trustees, who are also the Directors of the Company for the purposes of company law, present their report and the audited financial statements of the Company for the year ended 31 December 2019.

### **Objectives and activities**

The objects of the Trust are set out in the Memorandum of Association and are to conserve and protect wild places with their indigenous animals, plants and soils for the benefit of present and future generations, and in particular:

- to conserve wild places and their landscapes, both for their own sake and for the sustenance and the inspiration they give to humanity;
- to protect existing wild places so as to conserve their natural processes and their indigenous animals, plants and soils;
- to renew wild places, where they have been damaged, by encouraging natural processes;
- to work with local communities and to encourage them to live in harmony with wild places;
- to promote an awareness and understanding of wild places for their own sake and for the value to the benefit of humanity;
- to stimulate public support to help wild places;
- to encourage voluntary participation in the conservation and renewal of wild places.

The Trust's vision document and corporate strategy for 2019-2021, both available on the website, set out the priorities, aims and ambitions towards achieving their objectives. The corporate strategy document also details the monitoring and reporting framework and lists the success measures which are reported against.

The Trust's main activities are:

- **Managing wild land:** The Trust owns and manages 25,400 hectares of some of the finest wild land in the UK. We own land to protect it, repair damage and to keep it wild for future generations. Helping us do this are the passionate volunteers who contribute thousands of hours to our conservation parties each year. We work to restore native woodlands and other important habitats and encourage the return of native species and natural processes. We maintain over 120km of footpaths, from woodland walks to coastal trails and world famous mountain routes. We regularly monitor the growth of tree seedlings, the condition of habitats such as dwarf shrub heath and blanket bog and track the state of wildlife across our properties.

- **Protecting wild land:** The Trust raises awareness of the unique and irreplaceable benefits of wild land - clean air, water, flood prevention, protection of rare peatlands, and retention of carbon in the ground and health and well-being. We work hard to persuade governments and policy makers of the benefits of wild land, the value in protecting and restoring it, and that there is strong public support for better protection for wild land. Current policy areas include work to ensure the principles of the Wild Land Areas map are upheld, energy, land reform in Scotland, campaigning for planning democracy and working to increase understanding of rewilding and the need for stronger deer control.

- **The John Muir Award:** An environmental award scheme (non-competitive, inclusive and accessible) for people of all backgrounds – groups, families and individuals. It supports people to connect with, enjoy and care for nature, landscape and the natural environment. The John Muir Award promotes educational, social and personal development through engagement with wild places and involvement in conservation; encourages an active environmental approach within organisations and ensures that social circumstances do not exclude people from opportunities to experience wild places.

The Trust occasionally makes grants to other bodies or individuals for purposes in support of the Company's objectives.

Further details of the Trust's activities and performance during 2019 are detailed in the Trustees' Annual Report which is published separately. This is also published on the Trust's website ([www.johnmuirtrust.org](http://www.johnmuirtrust.org)).

# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **Achievements and performance**

In line with the corporate strategy priorities, the Trust identifies its work and key achievements under the following headings:-

**Repairing and rewilding:** Our work establishing partnerships and programmes for landscape restoration continued in 2019. This included celebrating the completion of the Sulven path restoration with Coigach-Assynt Living Landscape Partnership and a new easy access path through partnership land (including Schiehallion) in collaboration with the Heart of Scotland Forest Partnership. We also supported three community conservation projects in North Harris, West Sutherland and the Lake District.

Landscape restoration at Glenlude had a boost when a new three-year felling plan in the conifer plantation was embarked upon, using the smallest harvesting machinery possible.

Our Wild Ways programme continued to maintain some of our most popular paths. Five hundred metres of the main stalker's path on Quinag were repaired and reinforced and six kilometres of footpath were maintained and improved in Glen Nevis. Thanks to the generosity of everyone who responded to our Schiehallion path appeal, preparations were made to start work on the Fairy Hill's upland path.

**Protecting and conserving:** We renewed and strengthened our partnerships with community land trusts in the Western Isles, Knoydart and Assynt. We also forged a positive working relationship with other community landowners and with the umbrella body Community Land Scotland.

We re-joined Scottish Environment LINK (LINK) and pulled together a coalition of organisations to jointly work on a review of deer management. We supported the call for a Scottish Environment Act alongside LINK's Fight for Nature campaign and campaigned with LINK members for changes to planning regulations including pressing for amendments to the Scottish Government's Planning Bill. The Trust and nine other expert organisations wrote to Scotland's First Minister to suggest natural solutions to meet climate targets such as woodland expansion, peatland and habitat restoration.

We continued to submit responses to a wide range of national and local government consultations. In our casework, we carefully monitored 57 planning applications and submitted nine objections, based on assessment of potential damage to Scotland's wild landscapes and nature.

We also joined partners to seek views on 'Our Common Cause: Our Upland Commons' in four of England's most significant landscapes: Dartmoor, Shropshire Hills, Yorkshire Dales and the Lake District. We published an Upland Commons Resource Guide and a case study, Commons for All to assist John Muir Award providers and demonstrate activity on upland commons.

**Inspiring and connecting:** We maintained John Muir Award activity with organisations across the UK encouraging people from all backgrounds to value and care for wild places in a variety of settings. Thanks to them, 416,296 Awards have been achieved since the launch in 1997 including an 11% increase in participants in the current year alone. 28% of those taking part this year experienced some level of disadvantage, whether that be prisoners, ex-offenders, at-risk families or those with addictions. Gender and age ratios remain consistent with prior years.

Reflecting the ever-growing awareness of climate change, John Muir Award participants contributed at least 363,280 hours of practical conservation and environmental social action through their Award activity, valued at £1.56m. This continued success of the Award helps us influence decision makers to recognise that wild places can contribute to social, economic, educational, health and environmental progress.

We engaged with the local and wider communities by helping to produce materials including the High Quality Outdoor Learning Guide for use in Wales and commissioned 4 films which reflect young people's connection with nature and the outdoors.

# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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**Wild Space and online merchandising:** There was a solid year of operational activity, and we developed partnerships in the local business community designed to generate footfall, local goodwill and to maximise visitor engagement with the work of the Trust. The visitor centre itself was re-painted and had new signage including a striking new mural of John Muir.

**Volunteering:** In 2019 our volunteers took part in 19 work parties on the land we help look after, as well as with our partners (Coigach and Assynt Living Landscape Partnership, Knoydart Foundation, North and West Harris estates and Corrou). During the year 135 volunteers donated 503 days during which they helped maintain and repair paths, remove rubbish from mountains and beaches, plant trees, rebuild drystone walls and clear invasive species. We also remain well supported by our Wild Space volunteer also who dedicates one day a week throughout the year to engage with visitors at our base in Pitlochry. Our heartfelt thanks to all our volunteers.

#### Financial review

The Group began 2019 with a budgeted deficit of £496k but is delighted to report that the year has ended with a surplus of £1,011k. The key reasons for this movement are as follows:-

- Unrealised gains on investments in 2019 equate to £430k. Due to the inherent volatility of investments, these are not included in the Trust's budgeting process;
- Legacy income for 2019 was £728k against a budget of £300k. Whilst the Trust does adopt a budgeting methodology, legacies are hugely difficult to predict in both their timing and value. The Trust gratefully received two large legacies this year (£200k and £243k) which contributed significantly to the total;
- Included in 2019's results is approximately £300k of income against which the costs will be incurred in 2020 or beyond. This is predominantly caused by multi year funding arrangements;
- From a cost perspective, the budget was aspirational. It saw the Trust embark on some large capital projects, many of which involved planning consent etc and partnership working. There has been a slip in the timing of activities such that around £280k will be spent in 2020 although budgeted in 2019;
- The Trust, like many organisations, had vacant positions for part of the year. This, when aggregated with delayed recruitment, resulted in a cost saving of approximately £200k.

Total income in 2019 was £3 million compared to £2.3 million in 2018. The major components of this were the aforementioned increase in legacies (£728k compared with £372k) and the £300k income relating to future costs. The Trust income in 2019 has been outstanding, increasing from £341k in 2018 to £658k in 2019, and spanning the whole spectrum of the Trust's work including employment and training, England and Wales development, and acknowledging the importance of natural climate solutions with support for the Trust's Wild Woods campaign, to name but a few.

This demonstrates that the Trust remains exceptionally well supported by its members and other funders and for that remain very grateful, particularly in these more unpredictable financial climates.

Significant constituents of 2019 income were:

- A grant of £86k (2018: £96k) from Scottish Natural Heritage to support our work with the John Muir Award in Scotland;
- Legacy income of £728k (2018: £372k) from 33 (2018: 29) individuals;
- Membership subscriptions of £347k (2018: £342k);
- £264k recognised in the year for multiple employment and training schemes in partnership with the ALA Green Charitable Trust (2018: £85k);
- £149k from the Esmee Fairbairn Foundation;
- £66k from the Rural Tourism Infrastructure Fund for works at Bla Bheinn, Skye to alleviate Tourism pressures;
- £69k from Agri-Environment Climate Scheme for the creation of an easy access path at Schiehallion;
- £196k towards Wild Woods campaign;
- £302k towards John Muir Award activity across the UK, capitalising on excellent relationships with strategic partners.

# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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Total expenditure in 2019 was £2.5 million equalling that of 2018. £2m of that expenditure (including allocated overheads) (2018: £2.1m) is spent directly on our charitable activities.

The JMT Trading Company made a loss of £16k (2018: £13k profit) which comprised trading income of £99k (2018: £122k) offset by merchandising costs and the recharge of certain salary costs from the Trust. Timber harvesting income has declined by £32k in the year.

We have ended 2019 with general reserves of just over £2.5 million, which equates to 10.8 months of the budgeted expenditure for 2020. This is significantly higher than the Trust's policy of holding general reserves amounting to between four to six months (at the top end equal to £1.4m) of budgeted expenditure and is due to the following reasons:-

- The increased legacies and unrealised gains (aggregate £858k against budget) contribute by far the largest portion of the increase above reserves policy level. Indeed, removing the unrealised gains alone, reduces the reserves ratio to 9.0. Considering the volatility currently in the stock market (over which the Trustees have little control) and the propensity for this position to change quickly in either direction, this seems a more appropriate number to reference.
- The Trust continues to work hard to utilise restricted funds thus, in the short term at least, creating additional capacity in the general reserves. In 2019 60% of costs (capital and revenue) utilised restricted or designated funds compared to 42% in 2018.

The Trustees welcomed the new CEO, David Balharry, to the Trust on 3rd February 2020. In the short period of time that David has been here and supported by the wider management team and Trustees, he has identified a number of areas in which the Trust could invest these additional unrestricted funds. These include contingency planning to mitigate potential single points of failure in the staffing, increased activity to optimise land management, resources to establish a baseline for the Trust's carbon footprint and planning our "descent trajectory" to net zero and investment in business planning including a review of opportunities to promote the John Muir Trust brand and capture income on our properties.

The budget for 2020 shows income of £2.4m against expenditure of £2.8 million including almost £200k of woodland work as a natural climate solution, significant footpath activity of £138k, investment in new technologies and in the Trust's development in England and Wales. Staff costs are budgeted to increase as we fill some of the gaps leftover in 2019 and also invest in some staffing areas.

The Trust is immensely grateful for every legacy it receives and is aware dependence on this source of income leads to unpredictability and reluctance to invest in unfunded increases to the support functions for fear that legacies do not materialise. To manage the unavoidable unpredictability of both legacy income and the new initiatives, we have again been prudent and have budgeted for total income of £2.4 million in 2020. On this basis the 2020 budget shows an anticipated deficit of just over £418k, which would be covered by funds already raised in reserves.

# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### Reserves

The Group works to a three year business plan, with budgets prepared on a rolling basis.

A Trust's reserves are made up of unrestricted and restricted funds. Restricted funds are those received with conditions imposed by the donor as to their use (for example a donation to a specific appeal or place). Unrestricted funds are those received with no conditions attached. Trustees may earmark part of the Trust's unrestricted funds to be used for particular purposes in the future. These are called designated funds and are accounted for separately within unrestricted funds. The Trustees have the power to re-designate such funds within unrestricted funds. General reserves are those funds within unrestricted funds which have not been designated.

Total reserves of the Group are £9.4m (2018: £8.3m). These include: Restricted £2.9m (2018: £2.7m), Designated (excluding heritage properties) £1.3m (2018: £1.4m) and General £2.5m (2018: £1.6m).

The purpose of general reserves is to absorb peaks and troughs in income and expenditure over the course of a year. The Group's policy is that general reserves should be held at a level equivalent of 4-6 months' total budgeted expenditure for the coming year.

Heritage Properties (land holdings) and fixed assets (including buildings, motor vehicles and equipment) are designated and are therefore not taken into account into the calculation of general reserves.

<b>General reserves</b>	<b>2019</b>	<b>2018</b>
Total budgeted expenditure for the coming year	£2,816,000	£2,958,000
<b>GENERAL RESERVES POLICY</b>		
Lower limit (4 months)	£939,000	£986,000
Upper limit (6 months)	£1,408,000	£1,479,000
ACTUAL GENERAL RESERVES HELD at 31 December	£2,536,000	£1,632,000
Number of months' budgeted expenditure for the coming year:	10.8 months	6.6 months

The trustees have committed to review the reserves policy in 2020 and in the meantime are satisfied that the general reserves held as at the year-end are sufficient to meet the on-going requirements of the Group.

Further details of the Trust's funds are given in notes 23 and 24 to the accounts.



# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### Investment policy and performance

The overall objective is to hold investments to generate income and provide long-term capital growth. During the year income generated has been reinvested. The Investment Managers, Brown Shipley, are instructed to maximise the return on the Company's investments, consistent with an acceptable level of risk whilst maintaining the real value of the portfolio over time. The investment powers of the Trust are general ones conferred by the Company's Memorandum of Association, having regard to such social and ethical issues as the trustees consider to be appropriate. In particular, the Trustees wish to avoid investment in pooled funds as they do not provide transparency as to underlying investments. The Trust operates an ethical investment policy which prohibits shareholdings in armaments, tobacco, oil and gas, utilities, and pornography.

The portfolio ended the year with a market value of £3.3m (2018: £2.7 million) which includes a net gain on investments over the year of £453k (2018: net loss £102k). This is in line with general stock market movements during the year. The Trustees recognise that the stock market continues to be exceedingly volatile and that gains in one year may be cancelled out by losses the next year. As noted above, the overall objective is to generate income and provide long term capital growth, and discussions with the investment managers are focussed on this objective. The Trustees will shortly be undertaking a review of the Trust's investment policy. During the year investment income of £79k (2018: £78k) was reinvested. As at 29th February 2020, the portfolio value was £2.9m reflecting how quickly these unrealised gains can disappear in difficult market conditions.

### Risk

An assessment of all risks is undertaken on a bi-annual basis. Risks are analysed, quantified and prioritised and actions and responsibilities identified to minimise or mitigate these risks. This results in the production of the annual risk register. Trustees and staff are informed of these risks and the actions identified to minimise or mitigate them.

Routine monitoring and evaluation of all risks is undertaken on a quarterly basis by the Management Team, and annually by trustees. Any risks that are deemed to be outside a pre-defined level of acceptable risk are subject to a quarterly review by trustees. If, at any time through continuous financial monitoring and forecasting, staff become aware that the risks are likely to exceed the parameters set out in the Company's general reserves policy, trustees are alerted immediately.

Trustees approve the revised risk management policy, process and register each March.

The principal risks and uncertainties facing the Trust (those where the impact would be considerable and the probability is modest, medium or high), and the plans and strategies to manage them are as follows:

- Recession or downturn in the economy including the impact of the Coronavirus. The Trust has strong financial reserves and a robust fundraising strategy where the fundraising focus can be adjusted if required.
- Lack of capacity in some key business areas – leading to significant stress and poor performance. Targeted recruitment is planned to fill gaps, both short and medium term. The Trust recruited a land operations manager in 2019 to try and alleviate part of the pressure in that area. The expectation is that additional resources to provide contingency cover will be put in place in 2020 (utilising unrestricted funds as required).
- Ongoing uncertainty around Scottish Independence and Brexit could undermine the Trust's UK business model and ability to receive donations/legacies. The Trust operates across the UK, including significant work with the John Muir Award in England in Wales. The Trust's management lease of the area at Glenridding will help to promote the message that it is a UK-wide organisation. The Trust also recruited an England and Wales Development Manager to further explore opportunities. In relation to Brexit, the Trustees remain vigilant to developments in the process and the potential impact on the Trust's funding and activities.

# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### Future plans

The Trust is now working to the 2019-2021 corporate strategy. This involves continuing to urge better protection of wild land, responding to specific development threats, campaigning for appropriate legislative change, continuing to work to restore ecosystems and natural systems in degraded wild land, bringing increasing numbers of people together with wild places through the John Muir Award and highlighting the value of wild places and key environmental issues through our visitor centre, online engagement and our work with volunteers, partners and communities.

Our strategic objectives are:

- . to inspire people to seek protection for the wildest places across the United Kingdom;
- . to engage people through the John Muir Award, campaigns and membership and to enhance wild places for people and nature;
- . to campaign for public policy support for protection of wild places;
- . to repair and rewild land in our care and through partnerships;
- . to be a modern well governed, open and sustainable organisation.

Priorities for 2020 include:

- . Securing a new long-term relationship with the land at Glenridding Common.
- . Announcing at least one other innovative land partnership this next year.
- . Concentrating on our own environmental credentials taking the work we've done to date to reduce our carbon emissions and mapping the Trust's descent trajectory to net zero.
- . Investing in the interpretation we have across the properties we manage to make sure visitors know why they matter and how they can support us to make them wilder.
- . Continuing to advocate for reform of deer management and practice in Scotland.
- . Completing a review of the John Muir Award and implementing a fresh engagement plan for the Trust.
- . Engaging with the National Planning Framework (Scotland) Bill – looking to secure protections for wild land in planning.
- . New research and mapping for Wild Land Areas in Scotland and wild places in England and Wales.
- . Defending Wild Land Areas that come under threat from inappropriate developments.
- . Launching a major new fundraising campaign called #JourneyforWildness.
- . Undertaking a membership consultation on the Trust's governance.
- . Scoping out a 30-year strategic development plan for the Trust.

### Structure, governance and management

The John Muir Trust is a private charitable company registered in Scotland. It is limited by guarantee and incorporated under the Companies Act. Its governing document is the Memorandum and Articles of Association, the current version of which was adopted at the Annual General Meeting in 1997. The Articles were modified following resolutions in August 2002, May 2012, May 2013 and May 2018. The Company's main activity is the conservation of wild areas of the United Kingdom for nature and people.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Peter Pearson	
David Broom	(Resigned 25 May 2019)
Peter Foulkes	(Resigned 25 May 2019)
John Fox-Davies	
Jim Gibson	
Patricia Jordan	
Duncan MacNiven	
Jo Moulin	(Resigned 25 May 2019)
Chris Townsend	
Douglas Wynn	(Resigned 25 May 2019)

# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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Alan Dobie	
Derek Johnston	
Andrew Whitfield	
Richard Williams	(Resigned 14 March 2019)
David Gibson	
Nigel Brisbane	(Appointed 25 May 2019)
John Finney	(Appointed 25 May 2019)
Philip Graves	(Appointed 25 May 2019)
Alexander McDade	(Appointed 25 May 2019)

Day to day management is delegated to the Chief Executive, in which he is assisted by members of the Management Team (listed below) and other employees:

Andrew Bachell	Chief Executive (left September 2019)
David Balharry	Chief Executive (started February 2020)
Kerry Ross	Director of Finance & Resources
Mike Daniels	Head of Land Management and, from April 2019, Acting Head of Policy
Kevin Lelland	Head of Development & Communications
Helen McDade	Head of Policy (left March 2019)
Emma Reed	John Muir Award & Engagement Manager (started July 2019)

The Company Secretary is Kerry Ross.

The Trust is governed by trustees who delegate day to day operational business to the CEO and the senior management team.

The Trustees are elected by the Trust members by ballot. The Chair is appointed by the Trustees out of the trustee body. Trustees are offered induction and training which is appropriate to them given their personal qualifications and experience and the particular role they are to play within the Trust. The Trustees are responsible for policy setting and strategic decisions, and the duties imposed by statute.

The remuneration of the CEO and key management is set by reference to external equivalent roles. Periodic benchmarking is carried out. Any annual salary increases are recommended by the finance committee to the HR committee and are then incorporated into the annual budget which is approved by the whole board.

The Group consists of the following entities:

- The John Muir Trust (the Parent Company) and
- JMT Trading Company Limited – its wholly owned trading subsidiary. To protect the charitable status of the Parent Company, this trading subsidiary was established on 1 February 1995 to carry on the agriculture and forestry activities and also the merchandising activities of the Company.

The results of the trading subsidiary have been consolidated with the Trust results in line with the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Auditor

In accordance with the company's articles, a resolution proposing that Johnston Carmichael LLP be reappointed as auditor of the company will be put at a General Meeting.

# THE JOHN MUIR TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

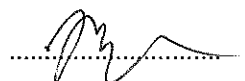
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### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Trustees' report was approved by the Board of Trustees.



Trustee JAMES N GIBSON

Dated: 16 March 2020

# THE JOHN MUIR TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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The Trustees, who are also the directors of The John Muir Trust for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# THE JOHN MUIR TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS AND TRUSTEES OF THE JOHN MUIR TRUST

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#### Opinion

We have audited the financial statements of The John Muir Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2019 which comprise the Consolidated and Parent Company Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2019, and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# THE JOHN MUIR TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF THE JOHN MUIR TRUST

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#### **Other information (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

# THE JOHN MUIR TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF THE JOHN MUIR TRUST

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#### **Auditor's responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



# THE JOHN MUIR TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF THE JOHN MUIR TRUST

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#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Jean Main (Senior Statutory Auditor)**

**for and on behalf of Johnston Carmichael LLP**

**Dated** ...16/3/2020.....

**Chartered Accountants  
Statutory Auditor**

66 Tay Street  
Perth  
PH2 8RA

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# THE JOHN MUIR TRUST

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2019 £	2018 £
<b>Income from:</b>						
Donations and legacies	3	1,466,036	8,749	836,483	2,311,268	1,610,828
Charitable activities	4	45,761	29,739	422,653	498,153	465,149
Other trading activities	5	131,952	-	143	132,095	149,881
Investments	6	85,448	-	-	85,448	81,348
Other income	7	10,743	2,380	-	13,123	14,516
<b>Total income</b>		<b>1,739,940</b>	<b>40,868</b>	<b>1,259,279</b>	<b>3,040,087</b>	<b>2,321,722</b>
<b>Expenditure on:</b>						
Raising funds	8	390,596	20,317	19,682	430,595	407,610
Charitable activities	9	864,041	204,169	983,675	2,051,885	2,098,700
<b>Total expenditure</b>		<b>1,254,637</b>	<b>224,486</b>	<b>1,003,357</b>	<b>2,482,480</b>	<b>2,506,310</b>
<b>Net gains/(losses) on investments</b>	16	<b>453,084</b>	<b>-</b>	<b>-</b>	<b>453,084</b>	<b>(102,205)</b>
<b>Net income/(expenditure)</b>		<b>938,387</b>	<b>(183,618)</b>	<b>255,922</b>	<b>1,010,691</b>	<b>(286,793)</b>
Transfers between funds	23&24	(33,625)	94,010	(60,385)	-	-
<b>Net movement in funds</b>		<b>904,762</b>	<b>(89,608)</b>	<b>195,537</b>	<b>1,010,691</b>	<b>(286,793)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward						
Heritage properties		-	2,573,442	-	2,573,442	2,573,442
Other funds		1,631,517	1,412,780	2,727,394	5,771,691	6,058,484
<b>Total funds carried forward</b>		<b>2,536,279</b>	<b>3,896,614</b>	<b>2,922,931</b>	<b>9,355,824</b>	<b>8,345,133</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE JOHN MUIR TRUST

## PARENT COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2019 £	2018 £
<b>Income from:</b>						
Donations and legacies	3	1,466,036	8,749	836,483	2,311,268	1,610,828
Charitable activities	4	45,761	29,739	422,653	498,153	465,149
Other trading activities	5	32,464	-	143	32,607	27,659
Investments	6	85,342	-	-	85,342	81,300
Other	7	10,743	2,380	-	13,123	14,516
<b>Total income</b>		<b>1,640,346</b>	<b>40,868</b>	<b>1,259,279</b>	<b>2,940,493</b>	<b>2,199,452</b>
<b>Expenditure on:</b>						
Raising funds	8	274,712	20,317	19,682	314,711	298,684
Charitable activities	9	864,041	204,169	983,675	2,051,885	2,098,700
<b>Total expenditure</b>		<b>1,138,753</b>	<b>224,486</b>	<b>1,003,357</b>	<b>2,366,596</b>	<b>2,397,384</b>
Net gains/(losses) on investments	16	453,084	-	-	453,084	(102,205)
<b>Net income/(expenditure)</b>		<b>954,677</b>	<b>(183,618)</b>	<b>255,922</b>	<b>1,026,981</b>	<b>(300,137)</b>
Transfers between funds	23&24	(33,625)	94,010	(60,385)	-	-
<b>Net movements in funds</b>		<b>921,052</b>	<b>(89,608)</b>	<b>195,537</b>	<b>1,026,981</b>	<b>(300,137)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward						
Heritage properties		-	2,573,442	-	2,573,442	2,573,442
Other funds		1,566,676	1,412,780	2,727,394	5,706,850	6,006,987
<b>Total funds carried forward</b>		<b>2,487,728</b>	<b>3,896,614</b>	<b>2,922,931</b>	<b>9,307,273</b>	<b>8,280,292</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE JOHN MUIR TRUST


## CONSOLIDATED AND PARENT COMPANY BALANCE SHEETS

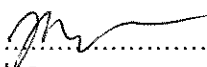
AS AT 31 DECEMBER 2019

	Notes	Group		Company	
		2019	2018	2019	2018
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14	505,238	476,066	504,846	472,585
Heritage properties	15	2,573,442	2,573,442	2,573,442	2,573,442
Investments	16	3,273,661	2,718,331	3,297,090	2,741,761
		<u>6,352,341</u>	<u>5,767,839</u>	<u>6,375,378</u>	<u>5,787,788</u>
<b>Current assets</b>					
Stocks	18	12,990	13,126	-	-
Debtors: amounts falling due within one year	19	719,073	530,661	769,184	587,633
Cash at bank and in hand		2,444,851	2,179,174	2,320,277	2,036,141
		<u>3,176,914</u>	<u>2,722,961</u>	<u>3,089,461</u>	<u>2,623,774</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(173,431)</u>	<u>(145,667)</u>	<u>(157,566)</u>	<u>(131,270)</u>
<b>Net current assets</b>		<u>3,003,483</u>	<u>2,577,294</u>	<u>2,931,895</u>	<u>2,492,504</u>
<b>Total net assets</b>		<u>9,355,824</u>	<u>8,345,133</u>	<u>9,307,273</u>	<u>8,280,292</u>
<b>The funds of the charity</b>					
Restricted Funds	23	2,922,931	2,727,394	2,922,931	2,727,394
Unrestricted funds - designated	24	3,896,614	3,986,222	3,896,614	3,986,222
Unrestricted funds - general		2,536,279	1,631,517	2,487,728	1,566,676
<b>Total Charity Funds</b>		<u>9,355,824</u>	<u>8,345,133</u>	<u>9,307,273</u>	<u>8,280,292</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of trustees on 16 March 2020.

  
 .....  
 Trustee **DUNCAN MACNIVEN**

  
 .....  
 Trustee **JAMES NGIBSON**

Company Registration No. SC081620

# THE JOHN MUIR TRUST

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities		364,317	6,066
<b>Cash flows from investing activities</b>			
Investment income		85,448	81,348
Purchase of tangible fixed assets		(84,222)	(36,131)
Proceeds from sale of investments		256,981	365,500
Proceeds from sale fixed assets		2,380	600
Movement in investment cash account		(92,615)	29,905
Purchase of investments		(266,612)	(453,369)
<b>Net cash used in investing activities</b>		<u>(98,640)</u>	<u>(12,147)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	28	265,677	(6,081)
Cash and cash equivalents at beginning of year		2,179,174	2,185,255
<b>Cash and cash equivalents at end of year</b>		<u>2,444,851</u>	<u>2,179,174</u>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		<u>2,444,851</u>	<u>2,179,174</u>
		<u>2,444,851</u>	<u>2,179,174</u>
<b>Notes to statement of cash flow</b>			
<b><u>Reconciliation of net cash provided by (used in) operating activities</u></b>			
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		1,010,691	(286,793)
Investment income		(85,448)	(81,348)
Depreciation of fixed assets		55,050	47,490
(Gains)/losses on investments		(453,084)	102,205
(Gains) on fixed assets		(2,380)	(600)
Decrease in stock		136	3,619
(Increase)/decrease in debtors		(188,412)	212,202
Increase in creditors		<u>27,764</u>	<u>9,291</u>
Net cash inflow from operating activities		<u>364,317</u>	<u>6,066</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies

##### Company information

The John Muir Trust is a charitable company limited by guarantee incorporated in Scotland. The registered office is Tower House, Station Road, Pitlochry, PH16 5AN, United Kingdom.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") including the provisions of Section 1A applicable to Small Entities, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The charity is a Public Benefit Entity as defined by FRS 102.

The charity has availed itself of S396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

The charity has taken advantage of the relevant exemptions available to qualifying entities within the Reduced Disclosure Framework of FRS 102 from the requirement to disclose certain information in relation to the individual parent charity, namely the requirement to include a statement of cash flows and key management personnel remuneration. The consolidated group financial statements present this information for the group only.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company and group have adequate resources to continue in operational existence for at least the next twelve months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Basis of consolidation

The consolidated statement of financial activities and balance sheet includes the financial statements of the charitable company and its subsidiary undertakings made up to 31 December 2019. Intra-group income, expenditure, debtors and creditors have been eliminated fully on consolidation.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees.

Designated funds comprise funds which have been set aside at the discretion of the trustees. In order to ensure that funds are available for specific projects, certain funds are set aside and designated by the trustees into separate funds.

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies (continued)

##### 1.4 Charitable funds (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund where applicable. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### 1.5 Recognition and allocation of income

Income is recognised when the charitable Company is entitled to it, after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received. Where practicable, income is related to the operating activities of the Company (e.g. Land, Awareness and Policy).

Where there are performance conditions attached to any grants and donations, income is recognised when the conditions have been met or when meeting the conditions is within the Company's control and there is sufficient evidence that they have been met or will be met. Where a grant condition allows for the recovery of any unexpected grant, a liability is recognised when repayment become probable.

Where there are terms placed on income that limit the Company's discretion over how that income can be used, that income is shown as restricted income in the accounts.

Legacies are recognised on receipt or otherwise if the charitable Company has been notified of an impending distribution, the amount is known, and receipt is expected.

Interest receivable is recognised using the effective interest rate applicable to the asset and dividend income is recognised when the right to receipt is established and is measured at fair value, generally the transaction value.

Subscriptions from members are credited in full as income in the period in which they are received.

Fundraising activities involve our members who, supported by the Company, generate income such as sponsorship.

Gift Aid is treated as part of the related gift unless the donor or terms of appeal have specified otherwise and is credited when receivable.

Other trading income results predominately from the merchandising of books, prints, Christmas cards, diaries, calendars and sundry items related to the outdoors, estate management consultancy services and timber sales.

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies (continued)

##### 1.6 Recognition and allocation of expenditure

Expenditure is recognised when the Company has entered into a legal or constructive obligation and related where practicable to the operating activities of the Company (e.g. Land, Awareness and Policy). Where possible, expenditure is attributed directly to the function to which it relates. Where this is not possible it is allocated on the basis of full time equivalent employees in each function.

Costs of raising funds comprise those costs which are associated with the generation of income from sources other than from undertaking charitable activities, and includes membership, fundraising, trading and investment management costs.

Charitable expenditure comprises those costs incurred by the Company in the delivery of its charitable activities and services.

Support costs include those costs required to ensure the effective and compliant operation of the organisation including support function salary costs, office overheads, health and safety and insurance.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Company and include the costs linked to the strategic management of the Company.

##### 1.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Tower House development (building)	50 years
Other buildings	10 years
Wild Space exhibition materials	5 years
Office, computer and field equipment	4 years
Motor vehicles & plant	4 years

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

##### 1.8 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

##### 1.9 Heritage assets

Heritage assets are recognised at cost less impairment. No depreciation is charged on the heritage properties which comprise freehold land considered by the trustees to have an indefinitely long useful life. These are regarded as heritage assets for the purposes of the charity SORP requirements as they are held for the purpose of conservation. Further details on heritage assets can be found in note 15.



# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies (continued)

##### 1.10 Fixed assets investments

Quoted investments are stated at fair value (being market value) at the reporting date. Gains and losses arising on revaluation are recognised in the Statement of Financial Activities in the period in which they arise. The wholly owned trading subsidiary of the Company is included in the financial statements at cost less impairment.

##### 1.11 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date an assessment is made for impairment.

##### 1.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

##### 1.13 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

##### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are measured at transaction price including transaction costs.

##### **Impairment of financial assets**

At each reporting date financial assets are assessed for impairment.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

##### **Derecognition of financial liabilities**

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

##### 1.14 Employee benefits

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

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

##### 1.15 Retirement benefits

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

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

#### 1.17 Taxation

The company is recognised as a charity with HMRC and as such the company is not liable to Corporation Tax on its charitable activities.

#### 1.18 VAT

The Trust is not registered for VAT and therefore expenditure is stated inclusive of VAT. The trading subsidiary is VAT registered.

## 2 Critical accounting estimates and judgements

In the application of the charitable Company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions with a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Legacy income is measured at fair value, but where part of a legacy left to the Company includes property or shares to be sold, judgement is used to estimate the amount receivable based on expert information obtained at the time of the notification which is updated throughout the process for completion of estate matters.

## 3 Donations and legacies

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>Group and Company</b>					
Donations and charitable trusts	391,343	8,749	836,483	1,236,575	896,611
Legacies receivable	727,971	-	-	727,971	371,918
Membership subscriptions	346,722	-	-	346,722	342,299
	<u>1,466,036</u>	<u>8,749</u>	<u>836,483</u>	<u>2,311,268</u>	<u>1,610,828</u>
<b>For the year ended 31 December 2018</b>					
Donations and charitable trusts	330,262	5,350	560,999		896,611
Legacies receivable	371,918	-	-		371,918
Membership subscriptions	342,299	-	-		342,299
	<u>1,044,479</u>	<u>5,350</u>	<u>560,999</u>		<u>1,610,828</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Charitable activities - income

	Land	Awareness	Total	Total
Group and company	£	£	2019	2018
			£	£
Charitable income	<u>260,609</u>	<u>237,544</u>	<u>498,153</u>	<u>465,149</u>
<b>Analysis by fund</b>				
Unrestricted funds - general	45,761	-	45,761	
Unrestricted funds - designated	15,457	14,282	29,739	
Restricted funds	<u>199,391</u>	<u>223,262</u>	<u>422,653</u>	
	<u>260,609</u>	<u>237,544</u>	<u>498,153</u>	
<b>For the year ended 31 December 2018</b>				
Unrestricted funds - general	22,602	-		22,602
Unrestricted funds - designated	12,075	15,424		27,499
Restricted funds	<u>179,502</u>	<u>235,546</u>		<u>415,048</u>
	<u>214,179</u>	<u>250,970</u>		<u>465,149</u>

#### Charitable income

The key charitable activities undertaken by the company are as follows:

- **Land** includes land management activities, scientific research and financial support provided to partnership organisations.
- **Awareness** includes the John Muir Award, the company's communications function and the Wild Space Development in Pitlochry.
- **Policy** includes policy and campaigning activities.

### 5 Other trading activities

	Unrestricted general funds	Unrestricted designated funds	Restricted funds	Total	Total
Group	£	£	£	2019	2018
				£	£
Members' fundraising	32,464	-	143	32,607	27,659
Trading subsidiary	<u>99,488</u>	<u>-</u>	<u>-</u>	<u>99,488</u>	<u>122,222</u>
	<u>131,952</u>	<u>-</u>	<u>143</u>	<u>132,095</u>	<u>149,881</u>
<b>For the year ended 31 December 2018</b>					
Members' fundraising	27,099	560	-		27,659
Trading subsidiary	<u>122,222</u>	<u>-</u>	<u>-</u>		<u>122,222</u>
	<u>149,321</u>	<u>560</u>	<u>-</u>		<u>149,881</u>
Company	£	£	£	2019	2018
Members' fundraising	<u>32,464</u>	<u>-</u>	<u>143</u>	<u>32,607</u>	<u>27,659</u>
<b>For the year ended 31 December 2018</b>					
Members' fundraising	<u>27,099</u>	<u>560</u>	<u>-</u>		<u>27,659</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 6 Investments

Group	Unrestricted general funds £	Total 2019 £	Total 2018 £
Income from listed investments	78,980	78,980	78,059
Other interest	6,468	6,468	3,289
	<u>85,448</u>	<u>85,448</u>	<u>81,348</u>
<b>For the year ended 31 December 2018</b>			
Income from listed investments	78,059		78,059
Other interest	3,289		3,289
	<u>81,348</u>		<u>81,348</u>

Company	Unrestricted general funds £	Total 2019 £	Total 2018 £
Income from listed investments	78,980	78,980	78,059
Other interest	6,362	6,362	3,241
	<u>85,342</u>	<u>85,342</u>	<u>81,300</u>
<b>For the year ended 31 December 2018</b>			
Income from listed investments	<u>81,300</u>		<u>81,300</u>

7 Other	Unrestricted general funds £	Unrestricted designated funds £	Total 2019 £	Total 2018 £
<b>Group and Company</b>				
Net gain on disposal of tangible fixed assets	-	2,380	2,380	600
Other income	10,743	-	10,743	13,916
	<u>10,743</u>	<u>2,380</u>	<u>13,123</u>	<u>14,516</u>
<b>For the year ended 31 December 2018</b>				
Other income	<u>14,516</u>	-	-	<u>14,516</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 8 Raising funds - expenditure

Group	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>Fundraising and membership support</b>					
Staff costs	205,354	-	-	205,354	193,311
Recruiting and retaining members	10,160	3,790	7,644	21,594	27,891
Raising other voluntary income	12,914	8,528	12,038	33,480	29,675
Depreciation and impairment	-	7,999	-	7,999	3,124
Trading subsidiary	115,884	-	-	115,884	108,926
Support costs	25,183	-	-	25,183	29,608
	<u>369,495</u>	<u>20,317</u>	<u>19,682</u>	<u>409,494</u>	<u>392,535</u>
Investment management	21,101	-	-	21,101	15,075
	<u>390,596</u>	<u>20,317</u>	<u>19,682</u>	<u>430,595</u>	<u>407,610</u>
<b>For year ended 31 December 2018</b>					
Fundraising and membership support	382,371	4,504	5,660		392,535
Investment management	15,075	-	-		15,075
	<u>397,446</u>	<u>4,504</u>	<u>5,660</u>		<u>407,610</u>
<b>Company</b>					
	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>Fundraising and membership support</b>					
Staff costs	205,354	-	-	205,354	193,311
Recruiting and retaining members	10,160	3,790	7,644	21,594	27,891
Raising other voluntary income	12,914	8,528	12,038	33,480	29,675
Depreciation and impairment	-	7,999	-	7,999	3,124
Support costs	25,183	-	-	25,183	29,608
	<u>253,611</u>	<u>20,317</u>	<u>19,682</u>	<u>293,610</u>	<u>283,609</u>
Investment management	21,101	-	-	21,101	15,075
	<u>274,712</u>	<u>20,317</u>	<u>19,682</u>	<u>314,711</u>	<u>298,684</u>
<b>For year ended 31 December 2018</b>					
Fundraising and membership support	273,445	4,504	5,660		283,609
Investment management	15,075	-	-		15,075
	<u>288,520</u>	<u>4,504</u>	<u>5,660</u>		<u>298,684</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 9 Charitable activities - expenditure

Group and Company	Land £	Awareness £	Policy £	Total 2019 £	Total 2018 £
Staff costs	511,689	607,591	91,628	1,210,908	1,125,976
Depreciation and Impairment	18,705	21,290	2,215	42,210	39,584
Land management activities	358,260	-	-	358,260	523,513
Awareness activities	-	191,024	-	191,024	166,474
Policy activities	-	-	10,818	10,818	26,663
	<u>888,654</u>	<u>819,905</u>	<u>104,661</u>	<u>1,813,220</u>	<u>1,882,210</u>
Share of support costs (see note 10)	73,342	75,072	6,518	154,932	150,265
Share of governance costs (see note 10)	37,106	42,233	4,394	83,733	66,225
	<u>999,102</u>	<u>937,210</u>	<u>115,573</u>	<u>2,051,885</u>	<u>2,098,700</u>
<b>Analysis by fund</b>					
Unrestricted funds - general	291,323	494,342	78,376	864,041	897,572
Unrestricted funds - designated	63,664	134,879	5,626	204,169	131,969
Restricted funds	644,115	307,989	31,571	983,675	1,069,159
	<u>999,102</u>	<u>937,210</u>	<u>115,573</u>	<u>2,051,885</u>	<u>2,098,700</u>
<b>For the year ended 31 December 2018</b>					
Staff costs	441,430	561,774	122,772		1,125,976
Depreciation and Impairment	15,143	21,056	3,385		39,584
Land management activities	523,513	-	-		523,513
Awareness activities	-	166,474	-		166,474
Policy activities	-	-	26,663		26,663
	<u>980,086</u>	<u>749,304</u>	<u>152,820</u>		<u>1,882,210</u>
Share of support costs (see note 10)	65,453	70,277	14,535		150,265
Share of governance costs (see note 10)	25,360	35,213	5,652		66,225
	<u>1,070,899</u>	<u>854,794</u>	<u>173,007</u>		<u>2,098,700</u>
<b>Analysis by fund</b>					
Unrestricted funds - general	347,883	380,490	169,199		897,572
Unrestricted funds - designated	51,847	76,713	3,409		131,969
Restricted funds	671,169	397,591	399		1,069,159
	<u>1,070,899</u>	<u>854,794</u>	<u>173,007</u>		<u>2,098,700</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 10 Support costs

Group and Company	Support Costs £	Governance Costs £	Total 2019 £	Total 2018 £
Staff costs	22,424	6,166	28,590	32,794
Depreciation	-	1,231	1,231	1,302
IT and office costs	111,382	-	111,382	101,802
Insurance	28,991	-	28,991	24,704
Sundry staff costs	15,463	-	15,463	27,293
Bank charges	239	-	239	-
Bad debts	1,616	-	1,616	-
Audit fees	-	21,140	21,140	13,500
Legal and professional	-	25,624	25,624	17,979
Annual Report	-	3,750	3,750	3,890
Trustees costs	-	8,970	8,970	18,230
Other costs attributed to governance	-	16,852	16,852	4,604
	<u>180,115</u>	<u>83,733</u>	<u>263,848</u>	<u>246,098</u>
Analysed between				
Fundraising	25,183	-	25,183	29,608
Charitable activities	154,932	83,733	238,665	216,490
	<u>180,115</u>	<u>83,733</u>	<u>263,848</u>	<u>246,098</u>

Support costs are allocated based on headcount.

### 11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	£	£
Audit of the annual accounts	<u>14,600</u>	<u>12,360</u>
<b>Non-audit services</b>		
Taxation compliance services	1,140	1,140
All other non-audit services	5,400	-
<b>Total non-audit fees</b>	<u>6,540</u>	<u>1,140</u>

### 12 Trustees

Trustees were not paid, nor did they receive any other benefits from employment with the Company or its subsidiary, nor did they receive payment for professional or other services supplied to the Company (2018 - £nil).

10 (2018 - 11) trustees reimbursed of meeting expenses totalling £4,534 (2018 - £6,871).

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 13 Employees

#### Group and Company

##### Number of employees

The average monthly number of employees during the year was:

	2019 number	2018 number
CEO, finance and administration	8	5
Policy	3	3
Land management	16	12
John Muir Award	12	10
Fundraising, membership, communications and trading	12	12
	<u>51</u>	<u>42</u>

##### Employment costs

	Group		Company	
	2019	2018	2019	2018
Wages and salaries	1,297,631	1,225,255	1,251,015	1,184,632
Social security costs	112,613	103,646	109,245	100,287
Employer's contribution to defined contribution pension scheme	86,895	69,195	84,592	67,164
	<u>1,497,139</u>	<u>1,398,096</u>	<u>1,444,852</u>	<u>1,352,083</u>

During the year there were no employees whose annual remuneration was £60,000 or more (2018 - one employee received emoluments between £60,000 and £70,000).

Included within staff costs are termination payments totalling £15,000 (2018 - £nil).



# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 14 Tangible fixed assets

Group	Property & Interpretation £	Office, computer and field equipment £	Motor vehicles and plant £	Total £
<b>Cost</b>				
At 1 January 2019	1,380,472	133,489	103,639	1,617,600
Additions	-	40,030	44,192	84,222
Disposals	-	(3,770)	(8,016)	(11,786)
<b>At 31 December 2019</b>	<b>1,380,472</b>	<b>169,749</b>	<b>139,815</b>	<b>1,690,036</b>
<b>Depreciation and impairment</b>				
At 1 January 2019	945,660	100,803	95,071	1,141,534
Charge for the period	15,141	26,005	13,904	55,050
Eliminated on disposals	-	(3,770)	(8,016)	(11,786)
<b>At 31 December 2019</b>	<b>960,801</b>	<b>123,038</b>	<b>100,959</b>	<b>1,184,798</b>
<b>Carrying amount</b>				
<b>At 31 December 2019</b>	<b>419,671</b>	<b>46,711</b>	<b>38,856</b>	<b>505,238</b>
At 31 December 2018	434,812	32,686	8,568	476,066

Company	Property & Interpretation £	Office, computer and field equipment £	Motor vehicles and plant £	Total £
<b>Cost</b>				
At 1 January 2019	1,380,472	119,568	103,639	1,603,679
Additions	-	39,507	44,193	83,700
Disposals	-	(3,770)	(8,016)	(11,786)
<b>At 31 December 2019</b>	<b>1,380,472</b>	<b>155,305</b>	<b>139,816</b>	<b>1,675,593</b>
<b>Depreciation and impairment</b>				
At 1 January 2019	945,660	90,363	95,071	1,131,094
Charge for the period	15,141	22,394	13,904	51,439
Eliminated on disposals	-	(3,770)	(8,016)	(11,786)
<b>At 31 December 2019</b>	<b>960,801</b>	<b>108,987</b>	<b>100,959</b>	<b>1,170,747</b>
<b>Carrying amount</b>				
<b>At 31 December 2019</b>	<b>419,671</b>	<b>46,318</b>	<b>38,857</b>	<b>504,846</b>
At 31 December 2018	434,812	29,205	8,568	472,585

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 15 Fixed assets - Heritage properties

Group and Company	Year of acquisition	2019	2018
Li and Coire Dhorrcail, Knoydart	1988	101,737	101,737
Torrin, Isle of Skye	1991	179,131	179,131
Sandwood, Sutherland	1993	104,646	104,646
Strathaird, Isle of Skye	1994/95	661,471	661,471
Sconser, Isle of Skye	1997	108,902	108,902
Strathaird Woodlands	1997	111,353	111,353
Schiehallion	1999	153,179	153,179
Ben Nevis	2000	460,264	460,264
Glenlude	2004	80,000	80,000
Quinag	2005	612,759	612,759
		<u>2,573,442</u>	<u>2,573,442</u>

The heritage properties were acquired by the Company for long term retention in furtherance of its objectives, so the trustees do not consider it either appropriate or cost effective to have the properties re-valued and therefore they are shown in these financial statements at cost. They also consider that conventional valuation approaches lack sufficient reliability in relation to the nature of the properties.

The Company's role in the conservation of wild land is to safeguard whole landscapes within it, areas sufficiently large – whole hill ranges or watersheds – that they retain or can be restored to their natural processes and biodiversity, and can provide the spiritual qualities for which humans value wild land: freedom, tranquillity and solitude. The Company's principles for acquiring property place particular emphasis on:

- the acquisition of key holdings within a landscape that will safeguard its finest features and that offers opportunities to influence its overall management; and
- the acquisition, or opportunities for co-operative management, that bring nearer the goal of unified management of a landscape.

Each property acquisition decision will involve assessment and consideration of a number of criteria, including but not limited to the property's condition, location, size, costs of both acquisition and ongoing management and threats.

As the principal aim of the Trust is to safeguard wild land for its long-term conservation, land will usually only be disposed of when there is a legal requirement to do so, if the land is not or no longer of conservation interest or when a more appropriate management structure presents itself. For all land disposals the Trust will endeavour to impose relevant conservation burdens.

The Company manages each property in line with its Property Management Plan and the Company's internal "Wild Land Management Standards". The extent and type of work undertaken on each property will vary from year to year according to availability of resources and priorities as set out in the Company's Corporate Strategy.

Company properties have always been and will continue to be open to all. Visitors are welcome and they are trusted to respect the wishes of the people who live and work on the properties. The Land Reform (Scotland) Act 2003 sets down in statute a presumption in favour of non-motorised responsible access over most areas of land and inland water for passage, recreation, education and commercial activities. Guidance on responsible access is given in the Scottish Outdoor Access Code which was published in February 2005 when Part 1 of the Act came into effect.

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 16 Fixed asset investments

Group	Listed investments £	Cash in portfolio £	Investment in subsidiaries £	Total £
<b>Cost or Valuation</b>				
At 1 January 2019	2,611,106	107,225	-	2,718,331
Additions	266,612	92,615	-	359,227
Valuation changes	429,737	-	-	429,737
Disposals	(233,634)	-	-	(233,634)
<b>At 31 December 2019</b>	<b>3,073,821</b>	<b>199,840</b>	<b>-</b>	<b>3,273,661</b>

Net gain/(losses) on investments as disclosed in the SOFA comprise of unrealised gains of £429,737 (2018 - unrealised losses - £115,591 and realised gains of £23,347 (2018: £13,386)).

Company	Listed investments £	Cash in portfolio £	Investment in subsidiaries £	Total £
<b>Cost or Valuation</b>				
At 1 January 2019	2,611,106	107,225	23,429	2,741,760
Additions	266,612	92,615	-	359,227
Valuation changes	429,737	-	-	429,737
Disposals	(233,634)	-	-	(233,634)
<b>At 31 December 2019</b>	<b>3,073,821</b>	<b>199,840</b>	<b>23,429</b>	<b>3,297,090</b>

Net gains/(losses) on investments as disclosed in the SOFA comprise of unrealised gains of £429,737 (2018 - unrealised losses - £115,591 and realised gains of £23,347 (2018: £13,386)).

### 17 Financial instruments

	Group		Company	
	2019	2018	2019	2018
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	3,122,260	2,678,275	3,047,797	2,592,214
Equity instruments measured at fair value	3,073,821	2,611,106	3,073,821	2,611,106
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	13,393	101,099	127,566	95,336

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

18 Stocks	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Stocks	<u>12,990</u>	<u>13,126</u>	<u>-</u>	<u>-</u>

19 Debtors	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	11,045	-	-	-
Amounts receivable relating to grants claimed	281,833	207,589	281,833	207,589
Amounts due from subsidiary undertakings	-	-	61,156	56,972
Other debtors	384,531	291,512	384,531	291,512
Prepayments and accrued income	41,664	31,560	41,664	31,560
	<u>719,073</u>	<u>530,661</u>	<u>769,184</u>	<u>587,633</u>

20 Creditors: amounts falling due within one year	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Other taxation and social security	39,500	36,151	29,999	27,517
Deferred income (note 21)	-	8,417	-	8,417
Trade creditors	27,359	18,500	25,418	16,149
Accruals and deferred income	106,572	82,599	102,149	79,187
	<u>173,431</u>	<u>145,667</u>	<u>157,566</u>	<u>131,270</u>

21 Deferred income	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Other deferred income	<u>-</u>	<u>8,417</u>	<u>-</u>	<u>8,417</u>

## 22 Retirement benefit scheme

### Defined contribution scheme

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to the statement of financial activities in respect of defined contribution schemes was £86,895 (2018 - £69,195).

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 23 Restricted funds

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

Group and company	Balance at 1	Movement in funds			Balance at
	January 2019 £	Income £	Expenditure £	Transfers £	31 December 2019 £
Property specific funds	297,658	106,431	(228,567)	(29,153)	146,369
Path fund	262,292	133,037	(116,517)	-	278,812
Land Fund	295,898	27,354	(6,462)	-	316,790
Land management fund	35,007	2,000	-	(26,260)	10,747
Land fund (Glenridding)	995,447	-	-	-	995,447
Glenridding management	266,814	5,564	(53,109)	(12,407)	206,862
Other funds	132,898	78,362	(104,926)	26,879	133,213
Education and training	22,963	263,618	(114,606)	(4,568)	167,407
England and Wales Development	-	148,881	(26,309)	(812)	121,760
Wild Woods	-	195,357	(21,981)	(4,574)	168,802
John Muir Award funds	249,421	295,444	(300,389)	(7,893)	236,583
Policy funds	92,933	3,231	(30,491)	(1,597)	64,076
Wild Space, Pitlochry	76,063	-	-	-	76,063
Balance carried forward	<u>2,727,394</u>	<u>1,259,279</u>	<u>(1,003,357)</u>	<u>(60,385)</u>	<u>2,922,931</u>

The restricted funds are:

#### Property specific funds

These funds arise from donations, legacies or grants given in respect of specific properties, and they are utilised for the purpose for which they were provided. The transfer relates to funds generated from an appeal which have been allocated here from other funds.

#### Path fund

This fund represents donations received in various path appeals including Sandwood Bay, Steall Gorge, Skye, Suilven, Schiehallion and the ongoing Wild Ways appeal.

#### Land fund

These funds were gifted to the Company to allow purchase of land, investigation of possible property purchases, or other expenditure on properties not owned by the Company.

#### Land management fund

This fund is the excess from the Glenlude appeal in 2011. The appeal stated that funds greater than £25,000 would be transferred to a fund for land management.

#### Land Fund (Glenridding)

This fund represents an anonymous donation from an individual couple which is restricted to any future purchase of Glenridding Common, failing which it will be applied to land acquisition in the North of Scotland.

#### Glenridding management

This fund relates to the management of Glenridding over the period of the lease including staff costs, capital items etc.

#### Other funds

An aggregate of funds relating to biodiversity, woodlands, employment training schemes and funds received in relation to land work not restricted to a region or activity. The transfer relates to funds generated from which have been transferred to property specific funds.

#### Education and training

Funding provided by ALA Green Charitable Trust to further education and training of young individuals.

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 23 Restricted funds (continued)

#### England and Wales Development

Monies received from Esmee Fairbairn Foundation to further the Trust's development in England and Wales.

#### Wild Woods

Monies received towards woodland restoration across the Trusts properties.

#### John Muir Award funds

These funds arise from grants (including an amount due from the Heritage Lottery Fund over a period up to March 2019) and donations given to fund the costs of delivering the John Muir Award in different parts of the UK and have been applied for those purposes. The transfer is to designated funds to represent a match funding grant.

#### Policy funds

Donations given to fund the cost of policy work.

#### Wild Space, Pitlochry

This fund represents donations received from the Reece Foundation and other funders to develop a public presence resulting in the development of the John Muir Trust Wild Space in Pitlochry. Remaining funds will be used for enhancement and upkeep.

#### For the year ended 31 December 2018

Group and company	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2018 £
Property specific funds	392,460	192,638	(312,440)	25,000	297,658
Path fund	186,305	237,126	(206,580)	45,441	262,292
Land Fund	246,012	52,351	(2,465)	-	295,898
Land management fund	60,007	-	-	(25,000)	35,007
Land fund (Glenridding)	995,447	-	-	-	995,447
Glenridding management	268,000	46,448	(47,634)	-	266,814
Other funds	158,817	152,635	(110,150)	(45,441)	155,861
John Muir Award funds	356,210	267,349	(379,309)	5,171	249,421
Policy funds	81,674	12,500	(1,241)	-	92,933
Wild Space, Pitlochry	76,063	-	-	-	76,063
Scotland Promotion		15,000	(15,000)		-
Balance carried forward	<u>2,820,995</u>	<u>976,047</u>	<u>(1,074,819)</u>	<u>5,171</u>	<u>2,727,394</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 24 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

Group and company	Movement in funds				Balance at 31 December 2019 £
	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	
Heritage properties	2,573,442	-	-	-	2,573,442
Operational assets	431,688	2,380	(51,440)	122,217	504,845
Land acquisition and management fund	633,264	-	-	-	633,264
Strategic project funds	326,094	10,867	(127,158)	(34,666)	175,137
Other funds	21,734	27,621	(45,888)	6,459	9,926
Balance carried forward	<u>3,986,222</u>	<u>40,868</u>	<u>(224,486)</u>	<u>94,010</u>	<u>3,896,614</u>

The designated funds are:

#### Operational assets

This fund represents the replacement value of property (including Tower House), vehicles and equipment held by the Company – see note 14. Depreciation is charged to this fund over the anticipated life of the associated assets.

#### Land acquisition and management fund

Initiated by a large donation in 2007 of £429k from Copley and increased by a legacy from which the Trust received funds beginning in 2011. The funds are designated to fund land purchases or other major land projects. Up to 5% pa of the Copley donation may be used for land management work.

#### Strategic project funds

This fund holds money earmarked for a number of projects that are being undertaken between 2011 and 2021.

#### Other funds

Made up of a Conservation Fund to support initiatives in support of conservation advancement and the income and expenditure from biodiversity management.

#### For the year ended 31 December 2018

Group and company	Movement in funds				Balance at 31 December 2018 £
	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers £	
Heritage properties	2,573,442	-	-	-	2,573,442
Operational assets	475,098	-	(43,410)	-	431,688
Land acquisition and management fund	633,264	-	-	-	633,264
Strategic project funds	72,179	10,822	(51,810)	294,903	326,094
Other funds	40,400	22,587	(41,253)	-	21,734
Balance carried forward	<u>3,794,383</u>	<u>33,409</u>	<u>(136,473)</u>	<u>294,903</u>	<u>3,986,222</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 25 Analysis of net assets between funds

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2019 £
<b>Group</b>				
Fund balances at 31 December 2019 are:				
Tangible assets	-	505,238	-	505,238
Heritage assets	-	2,573,442	-	2,573,442
Investments	-	494,564	2,779,097	3,273,661
Current assets/(liabilities)	2,536,279	323,370	143,834	3,003,483
	<u>2,536,279</u>	<u>3,896,614</u>	<u>2,922,931</u>	<u>9,355,824</u>

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2019 £
<b>Company</b>				
Fund balances at 31 December 2019 are:				
Tangible assets	-	504,846	-	504,846
Heritage assets	-	2,573,442	-	2,573,442
Investments	-	517,993	2,779,097	3,297,090
Current assets/(liabilities)	2,487,728	300,333	143,834	2,931,895
	<u>2,487,728</u>	<u>3,896,614</u>	<u>2,922,931</u>	<u>9,307,273</u>

#### For the year ended 31 December 2018

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2018 £
<b>Group</b>				
Fund balances at 31 December 2018 are:				
Tangible assets	-	476,066	-	476,066
Heritage assets	-	2,573,442	-	2,573,442
Investments	-	398,625	2,319,706	2,718,331
Current assets/(liabilities)	1,631,517	538,089	407,688	2,577,294
	<u>1,631,517</u>	<u>3,986,222</u>	<u>2,727,394</u>	<u>8,345,133</u>

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2018 £
<b>Company</b>				
Fund balances at 31 December 2018 are:				
Tangible assets	-	472,585	-	472,585
Heritage assets	-	2,573,442	-	2,573,442
Investments	-	422,055	2,319,706	2,741,761
Current assets/(liabilities)	1,566,676	518,140	407,688	2,492,504
	<u>1,566,676</u>	<u>3,986,222</u>	<u>2,727,394</u>	<u>8,280,292</u>



# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 26 Related party transactions

<b>Remuneration of key management personnel</b>	<b>2019</b>	<b>2018</b>
The remuneration of key management personnel is as follows:	£	£
Aggregate compensation	<u>298,374</u>	<u>298,537</u>

The key management personnel of the Group comprise the Chief Executive and the members of the Management Team: Director of Finance & Resources, John Muir Award and Engagement Manager, Head of Land Management, Head of Development & Communication, and Head of Policy.

#### 27 Subsidiaries

These financial statements are separate company financial statements for JMT Trading Limited.

Details of the charitable company's subsidiaries at 31 December 2019 are as follows:

<b>Name on undertaking</b>	<b>Registered office</b>	<b>Class of shares held</b>	<b>% Held - Direct</b>
JMT Trading Limited	Scotland	Ordinary	100%

#### 28 Analysis of changes in net debt

<b>Group</b>	<b>At 1 January 2019</b>	<b>Cash flows</b>	<b>At 31 December 2019</b>
Cash at bank and in hand	<u>2,179,174</u>	<u>265,677</u>	<u>2,444,851</u>