

Charity Registration No. SC002061 (Scotland)

Company Registration No. SC081620 (Scotland)

**GROUP AND THE JOHN MUIR TRUST**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE JOHN MUIR TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	David Gibson - Chair Jim Gibson Patricia Jordan Chris Townsend Gair Brisbane John Finney Philip Graves Alexander McDade Raymond Simpson (Appointed 27 June 2020) Christopher Loynes (Appointed 27 June 2020) Emily Henderson (Appointed 27 June 2020) Dr Jane Smallman (Appointed 27 June 2020) Andrew Whitfield (Appointed 27 June 2020) Alan Dobie (Appointed 27 June 2020)	
<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 EH1 3DQ Edinburgh United Kingdom	

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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 2020

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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 Group and Company for the year ended 31 December 2020.

#### Objectives and activities

The objects of the John Muir Trust (hereafter referred to as either the Trust or the Company) 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 conserving and protecting wild places with their indigenous animals, plants, and soils for the benefit of present and future generations. 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, 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 Company occasionally makes grants to other bodies or individuals for purposes in support of the Company's objectives.

Further details of the Company's activities during 2020, together with details of the Company's achievements and performance and its future plans are detailed in the 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 2020

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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:-

**Repair and rewild:** Despite restrictions and lockdowns, local contractors were able to maintain, repair and rebuild kilometres of footpaths, from the Lake District to Sutherland, and from Perthshire to Skye. In total the Trust invested nearly £250k in this vital work during the year - all raised with the generosity of members, supporters, Trusts and foundations.

The need for this huge effort became even more apparent with the surge in hillwalkers in the summer as the first lockdown eased. Our people counter at Schiehallion recorded double the usual number of visitors in July.

Meanwhile, our aim to rewild by enriching biodiversity and working with others to achieve landscape-scale restoration was boosted by several new collaborations. The Yearnstone team are working with the local community and landowners to plant trees and restore the Clyde Muirshiel Regional Park's badly degraded peatlands and increase its biodiversity.

While the south of Scotland's largest community buyout, led by the Langholm Initiative, managed to secure over 5,000 acres paving the way for the creation of a huge new nature reserve with the financial support of the Trust, work continued on restoring the land we manage. At Glenlude and Skye the team is transforming conifer plantations into native broadleaved woodland and on Skye we have made a start on restoring our peatlands there.

In the Lakes, the team has been reintroducing and restocking several species of Alpine plants and montane willow grown by the local community around Glenridding Common. The Trust was offered an extension to its lease for a year to allow further discussions on the future management of the land.

**Protect and Conserve:** In our aim to protect and conserve wild places across Britain, the Trust collaborates with other organisations to influence the priorities of all UK decision makers. We are now a member of Wales Environment Link and the UK-wide Wildlife and Countryside Link (as well as Scottish Environment Link) which will enable us to increase our influence at the Senedd and Westminster to match the work we undertake with Scottish Government.

We also advocate for the protection and repair of wild places as a member of alliances including: Alliance for Scotland's Rainforest and the Montane Scrub Action Group.

Our 2020 report *Managing Deer for Climate, Communities and Conservation* set out 10 benefits of a modernised deer management system that would help meet the needs of the next decade. Its publication supported the findings of the long-awaited independent Deer Working Group's report, which called for root and branch reform of deer management laws and systems.

The Scottish Government also looked at the Werritty Review into the management of driven grouse moors. This proposes the introduction of a licencing system in 2024 if there is no marked improvement in ecological sustainability and persecution of raptors. The Trust joined the RSPB's call urging them not to wait, but to introduce a full licencing scheme for grouse moors without delay.

We continued to submit responses to a range of national and local government consultations and planning applications. We responded to the Scottish Government's consultation on ranger services and its National Planning Framework (NPF4) and backed LINK's call for the establishment of a national Nature Network in order to better manage land use for "the long-term public interest", namely working towards a healthier planet and a society that lives within its means.

# THE JOHN MUIR TRUST

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

### FOR THE YEAR ENDED 31 DECEMBER 2020

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In our casework, we carefully monitored proposals for two industrial-scale wind farms in the Monadhliath mountains: we attended a public local inquiry into Glenshero the 39-turbine development and submitted a holding objection into Cloiche – a further development of 36 turbines adjacent to the operational Stronelaig wind farm.

We kept watch on a potential revised application for Glencassley wind farm in Sutherland and commented on plans for a fish farm expansion in Loch Hourn, and wind farm developments in Orkney and Shetland.

Recognising the importance of Wild Land Areas within Scottish National Planning to safeguard areas, we wrote to a Welsh Parliament Committee and asked them to exempt wild land from the target zones for new large-scale renewable energy development.

**Inspiring and connecting:** The Covid-19 pandemic had a significant impact on the organisations we work with to engage John Muir Award participants resulting in a 75 per cent UK-wide drop in participation from 2019. That said, the Award proved to be a flexible, adaptable, robust (and much needed) tool to support educators, families and communities to inspire positive health and wellbeing, continue vital educational input and to provide a vehicle to take action for nature.

During 2020, we supported 356 organisations to engage 11,454 Award participants from all backgrounds and ages to connect with wild places and the John Muir Trust.

The Trust recognised that an alternative approach to engagement was required in order to ensure people remained connected to wild places, whilst not allowed to travel far from home. We delivered online training and development courses for Award stakeholders – educators, leaders and families. We launched the Wild Inside newsletter, held our first online AGM and produced wild films – all to keep people engaged, safely, from home.

#### **Financial review**

The Trust began 2020 with a budgeted deficit of £417k but is delighted to report that the year has ended with a surplus of £1,062k. In what has been an unprecedented year, the support shown by all the Trust's supporters has been overwhelming and is so deeply appreciated particularly in these difficult times. The key reasons for the large movement against budget are as follows:-

- Legacy income for 2020 was £1,625k against a budget of £300k. The Trust adopts a prudent budgeting methodology recognising that legacies are hugely difficult to predict in both their timing and value. The Trust gratefully received 28 legacies this year including two above £340k which greatly contributed to the total.

- Income from Grants and Charitable Trusts are £342k less than that budgeted. This is because Covid-19 had impacted on the Trust's on the ground delivery, hence fundraising for those activities was inhibited.

- Included in 2020s results are approximately £212k of income against which the costs will be incurred in 2021 or beyond. This is predominantly caused by multi-year funding arrangements or donations;

- From a cost perspective, the Covid-19 pandemic and the resulting restrictions on our work has meant that £400k of costs have been carried into 2021 rather than being incurred in 2020, when the work should have been carried out.

- Gains on investments in 2020 equate to £141k. Due to the inherent volatility of investments, these are not included in the Trust's budgeting process.

Total income in 2020 was £3.4m compared to £3m in 2019. The major components of this were the increase in legacies (£1,625k compared with £728k) offset by the reduction in Grants and Charitable Trusts noted above.

# THE JOHN MUIR TRUST

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

### FOR THE YEAR ENDED 31 DECEMBER 2020

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Significant constituents' of 2020 income were:

- A grant of £82k (2019: £86k) from NatureScot to support our work with the John Muir Award in Scotland.
- Legacy income of £1,625k (2019: £728k) from 28 (2019: 33) individuals.
- Membership subscriptions of £359k (2019: £347k).
- Monies received under the Coronavirus Job Retention Scheme from the UK government of £71k (2019: nil)
- £137k towards our appeals (2019: £139k).
- Donations of £551k (2019:408k) including a significant donation of £150k from one individual towards our work at Strathaird, Skye.
- Investment income of £67k (2019: 85k).
- £67k from the ALA Green Charitable Trust toward supporting employment and training of young people (2019: £264k).

Total expenditure in 2020 was £2.5m, matching that of 2019. £2.2m of that expenditure (including allocated overheads) (2019: £2.1m) is spent directly on our charitable activities.

The JMT Trading Company made a profit of £5k (2019: £16k loss) which comprised trading income of £55k (2019: £100k) offset by merchandising costs and the recharge of certain salary costs from the Trust. Timber harvesting income has declined by £10k in the year. Wild Space sales have fallen by £35k in the year due to mandatory closure related to the pandemic.

#### **Budget – 2021**

The budget for 2021 shows expenditure of £3.7m compared to actual spend in 2020 of £2.6m. The increased expenditure from 2020 relates to additional expenditure on woodlands (£438k), Peatland restoration as part of the Trust's carbon programme (£138k) and £200k increase in staff costs across all departments partly for full year impact of staff recruited in 2019 but also additional resources in policy, engagement, and communications. This increase also includes a significant contribution towards training and development costs across the full staff compliment. There is also £100k for the Trust's pledge towards the Langholm Initiative and a further £97k to support the Trust's larger carbon agenda. There are further increases in our engagement work, visitor management and infrastructure.

The income budget for 2021 is £3m compared to a 2020 result of £3.4m. The latter of course contained an unprecedented level of legacies which it would be imprudent to budget to be repeated into 2021. The legacies target in 2021 is therefore reduced down to £1m based partly on notifications received up until the year end. The 2021 budget expectation is that the Trust will attract a level of Charitable Trust and Grant income similar to that in previous years, particularly with the relevance of the Trust's work on carbon, peatland, woodland restoration and green recovery. The Trust continues to explore new income streams in a bid to create a more diverse income profile and reduce dependency on volatile legacies.

The Trust's budget was approved in early December whilst the country remained hopeful that the turn of the year would see a dramatic change in the impact of Covid-19. As it is, at the time of writing this report, the country remains gripped by the pandemic and so whilst the Board remains confident that a strong performance can still be achieved in 2021, they are certainly very aware of the impact that the pandemic and resulting restrictions can have on the Trust's ability to generate income and incur expenditure.

#### **Reserves**

We have ended 2020 with general reserves of just over £2.7m. This is significantly higher than the Trust's policy of holding general reserves amounting to between £1.2m and £1.8m and is due to the following reasons:-

- The impact of the Covid-19 pandemic on an individual's propensity to donate is uncertain. The Trustees believe it is prudent to hold additional reserves at this time acknowledging that there could be a prolonged and significant impact on the Trust's ability to raise funds.
- The increased unrestricted legacies and unrealised gains (aggregate £1482k) contribute by far the largest portion of the increase above reserves policy level. Indeed, removing the unrealised gains and reducing the legacies down to budget level would take the general reserves back in line with the reserves policy. £490k of the legacies total has been received in 2021 but taken back into 2020 under the SORP accounting estimates rules.

# THE JOHN MUIR TRUST

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

### FOR THE YEAR ENDED 31 DECEMBER 2020

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- The Trustees have designated £554k of reserves towards strategic projects in 2021. The Trustees and the Executive are working towards the next corporate strategy (commencing 2022) which will identify further strategic projects which will utilise more of these general funds.

A charity'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 specific 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 Company are £10.4m (2019: £9.4m). These include: Restricted £3.3m (2019: £2.9m), Designated (excluding heritage properties) £1.8m (2019: £1.3m) and General £2.7m (2019: £2.5m).

The purpose of general reserves is to absorb peaks and troughs in income and expenditure over the course of a year. The Trust revised its reserves policy during the year such that the new policy requires the Trust to ordinarily hold £1.2m-£1.8m in general reserves. These are of course extraordinary times with uncertain political, social and economic factors which warrant holding reserves above policy at this time

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>2020</b>	<b>2019</b>
<b>GENERAL RESERVES POLICY</b>		
Lower limit	£1.2m	£1.2m
Upper limit	£1.8m	£1.8m
ACTUAL GENERAL RESERVES HELD at 31 December	£2.7m	£2.5m

Further details of the Company's funds are given in notes 22 and 24 to the accounts.

#### **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 Company 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. A fuller version of the Trust's investment policy is available on the Trust's website.

The portfolio ended the year with a market value of £4.7m (2019: £3.2m) which includes a net gain on investments over the year of £142k (2019: net gain £453k). 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. During the year investment income of £67k (2019: £85k) was reinvested. As at 25th February 2021, the portfolio value was £4.6m.

# THE JOHN MUIR TRUST

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

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Risk**

An assessment of all risks is undertaken on a bi-annual basis with an exception report produced at each board meeting. 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 bi-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 charity, and the plans and strategies to manage them are as follows:

- Recession or downturn in the economy including the impact of Covid-19. The Trust has strong financial reserves and a robust fundraising strategy where the fundraising focus can be adjusted if required.
- Covid-19 and the resulting restrictions inhibit the Trust's ability to achieve the objectives of the 2021 annual plan and work priorities.
- Pressure on certain parts of the business due to skills gaps. This is being addressed by a new appraisal and development programme rolled out throughout the Trust.
- Trust growth is quicker than the development of its internal and financial controls. This has already been addressed by the development of an enhanced financial diligence process with training being given to budget holders in the next month. A review and update of operational controls will also take place during 2021.
- Ongoing uncertainty around Scottish Independence and Brexit could undermine the Trust's UK business model and ability to receive donations/legacies. The Trust remains aware and is monitoring progress around Scottish Independence. The impact of Brexit has been reviewed in terms of the Trust's business.

#### **Future plans**

The Trust is in the final year of the 2019-2021 corporate strategy and is in the process of developing the corporate strategy for the next 4 years. 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 to 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.

# THE JOHN MUIR TRUST

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

### FOR THE YEAR ENDED 31 DECEMBER 2020

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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 2021 include:

- Complete the engagement review and fully costed plan to inform the new Corporate Strategy.
- Continue to demonstrate the benefits and opportunities for people to protect and connect with Wild Places through the John Muir Award, rebuilding the level of participation by Providers and participants as restrictions reduce.
- Implement the Junior Rangers project, Covid-19 dependent.
- Develop internal processes for recruiting and managing volunteers.
- Develop and implement a road map to make the Trust carbon credible internally and in its advocacy.
- Develop and cost management plans for the Trust's landholdings to make them exemplary.
- Advocate for protection and celebration of Scotland's Wild Land Areas in public policy.
- Push for statutory reform of deer management to ensure it delivers for public benefits e.g. carbon and biodiversity.
- Develop a world class visitor interpretation experience on Trust land.

#### 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, May 2018 and May 2019. 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:

David Gibson - Chair

Peter Pearson (Retired 27 May 2020)

John Fox-Davies (Retires 27 May 2020)

Jim Gibson

Patricia Jordan

Duncan MacNiven (Retired 27 May 2020)

Chris Townsend

Alan Dobie (Retired 27 May 2020 and re-appointed 27 June 2020)

Derek Johnston (Retired 27 May 2020)

Andrew Whitfield (Retired 27 May 2020 and re-appointed 27 June 2020)

Gair Brisbane

John Finney

Philip Graves

Alexander McDade

John Town (Appointed 27 June 2020 and resigned 15 September 2020)

Raymond Simpson (Appointed 27 June 2020)

Christopher Loynes (Appointed 27 June 2020)

Emily Henderson (Appointed 27 June 2020)

Dr Jane Smallman (Appointed 27 June 2020)

# THE JOHN MUIR TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2020

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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:

David Balharry	Chief Executive (Joined February 2020)
Kerry Ross	Director of Finance & Resources
Emma Reed	John Muir Award and Engagement Manager
Mike Daniels	Head of Land Management and Policy
Kevin Lelland	Head of Development & Communications

The Company Secretary is Kerry Ross.

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

The trustees are elected by the Company 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 Company. The trustees are responsible for policy setting and strategic decisions, and the duties imposed by statute. Trustees retire when they come to the end of their appointed period.

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 and the HR policy committee before being 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 Company 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.

### 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.

  
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David Gibson - Chair

Trustee

Dated: *22 March 2021*

# THE JOHN MUIR TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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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 2020 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 2020, 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**

In auditing the financial statements, we have concluded that the trustee's use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statement are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **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. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# THE JOHN MUIR TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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#### **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, included within the trustees' annual 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 9, the trustees (who are also the directors of the parent 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 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 (continued)**

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 the 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 parent 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 (ie. gives a true and fair view).
- 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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#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charitable company, we determined that the principal risks of non-compliance with laws and regulations related to UK charity legislation, specifically the Charity and Trustee Investment (Scotland) Act 2005, and UK employment legislation (including health and safety in the workplace). We have considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements. We have also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006.

All engagement team members were briefed on relevant laws and regulations and potential fraud risks at the planning stage of the audit. However, the primary responsibility for the prevention and detection of fraud rest with the trustees.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the timing of recognition of grant and/or legacy income, as well as any restrictions on the purpose of that income which might affect recognition. We also considered the risk of the posting inappropriate journal entries in respect of the manipulation of income or expenditure.

Audit procedures performed by the engagement team included:

- Evaluation of the design and implementation of the controls established by management and the trustees to prevent and detect irregularities.
- Enquiry of management and the trustees in respect of actual and potential litigation and claims.
- Inspection of minutes from meetings held by management and trustees for any reference to breaches of laws and regulations.
- Inspection of legal fees incurred in the year under audit.
- Obtaining an understanding and inspecting evidence for the assumptions and judgements made by management in the timing of recognition of grant and legacy income.
- Identifying and testing journal entries, including those relating to income and expenditure, with a focus on manual journal entries above our performance materiality assessment as well as journals meeting other predefined criteria such as journals containing round sum amounts that could be an indicator of management override.
- Inspection of the financial statement disclosures for compliance with applicable charity and company law and the financial reporting framework.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

# 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.



**Keith Macpherson (Senior Statutory Auditor)**  
for and on behalf of Johnston Carmichael LLP

20 / 04 / 2021  
**Dated** .....

**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 2020

	Notes	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2020 £	2019 £
<b>Income from:</b>						
Donations and legacies	3	2,114,209	2,976	896,451	3,013,636	2,311,268
Charitable activities	4	26,171	18,461	272,926	317,558	498,153
Other trading activities	5	84,366	-	-	84,366	132,095
Investments	6	66,579	-	-	66,579	85,448
Other income	7	8,576	-	-	8,576	13,123
<b>Total income</b>		<b>2,299,901</b>	<b>21,437</b>	<b>1,169,377</b>	<b>3,490,715</b>	<b>3,040,087</b>
<b>Expenditure on:</b>						
Raising funds	8	376,330	1,541	3,932	381,803	430,595
Charitable activities	9	1,313,811	124,259	744,751	2,182,821	2,051,885
<b>Total expenditure</b>		<b>1,690,141</b>	<b>125,800</b>	<b>748,683</b>	<b>2,564,624</b>	<b>2,482,480</b>
<b>Net gains/(losses) on investments</b>	16	141,548	-	-	141,548	453,084
<b>Net income/(expenditure)</b>		<b>751,308</b>	<b>(104,363)</b>	<b>420,694</b>	<b>1,067,639</b>	<b>1,010,691</b>
Transfers between funds	22&23	(553,778)	552,928	850	-	-
<b>Net movement in funds</b>		<b>197,530</b>	<b>448,565</b>	<b>421,544</b>	<b>1,067,639</b>	<b>1,010,691</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward						
Heritage properties		-	2,573,442	-	2,573,442	2,573,442
Other funds		2,536,279	1,323,172	2,922,931	6,782,382	5,771,691
<b>Total funds carried forward</b>		<b>2,733,809</b>	<b>4,345,179</b>	<b>3,344,475</b>	<b>10,423,463</b>	<b>9,355,824</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 2020

	Notes	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	2020 £	2019 £
<b>Income from:</b>						
Donations and legacies	3	2,114,209	2,976	896,451	3,013,636	2,311,268
Charitable activities	4	26,171	18,461	272,926	317,558	498,153
Other trading activities	5	29,196	-	-	29,196	32,607
Investments	6	66,505	-	-	66,505	85,342
Other	7	8,576	-	-	8,576	13,123
<b>Total income</b>		<b>2,244,657</b>	<b>21,437</b>	<b>1,169,377</b>	<b>3,435,471</b>	<b>2,940,493</b>
<b>Expenditure on:</b>						
Raising funds	8	325,914	1,541	3,932	331,387	314,711
Charitable activities	9	1,313,811	124,259	744,751	2,182,821	2,051,885
<b>Total expenditure</b>		<b>1,639,725</b>	<b>125,800</b>	<b>748,683</b>	<b>2,514,208</b>	<b>2,366,596</b>
Net gains/(losses) on investments	16	141,548	-	-	141,548	453,084
<b>Net income/(expenditure)</b>		<b>746,480</b>	<b>(104,363)</b>	<b>420,694</b>	<b>1,062,811</b>	<b>1,026,981</b>
Transfers between funds	22&23	(553,778)	552,928	850	-	-
<b>Net movements in funds</b>		<b>192,702</b>	<b>448,565</b>	<b>421,544</b>	<b>1,062,811</b>	<b>1,026,981</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward						
Heritage properties		-	2,573,442	-	2,573,442	2,573,442
Other funds		2,487,728	1,323,172	2,922,931	6,733,831	5,706,850
<b>Total funds carried forward</b>		<b>2,680,430</b>	<b>4,345,179</b>	<b>3,344,475</b>	<b>10,370,084</b>	<b>9,307,273</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

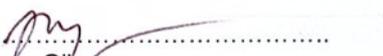
## CONSOLIDATED AND PARENT COMPANY BALANCE SHEETS

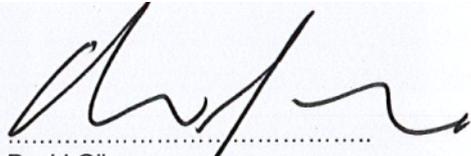
AS AT 31 DECEMBER 2020

	Notes	Group		Company	
		2020	2019	2020	2019
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14	492,540	505,238	492,540	504,846
Heritage properties	15	2,573,442	2,573,442	2,573,442	2,573,442
Investments	16	4,698,227	3,273,661	4,721,656	3,297,090
		<u>7,764,209</u>	<u>6,352,341</u>	<u>7,787,638</u>	<u>6,375,378</u>
<b>Current assets</b>					
Stocks	18	13,307	12,990	-	-
Debtors: amounts falling due within one year	19	820,923	719,073	842,970	769,184
Cash at bank and in hand		2,150,155	2,444,851	2,053,732	2,320,277
		<u>2,984,385</u>	<u>3,176,914</u>	<u>2,896,702</u>	<u>3,089,461</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(325,131)</u>	<u>(173,431)</u>	<u>(314,256)</u>	<u>(157,566)</u>
<b>Net current assets</b>		<u>2,659,254</u>	<u>3,003,483</u>	<u>2,582,446</u>	<u>2,931,895</u>
<b>Total net assets</b>		<u>10,423,463</u>	<u>9,355,824</u>	<u>10,370,084</u>	<u>9,307,273</u>
<b>The funds of the charity</b>					
Restricted Funds	22	3,344,475	2,922,931	3,344,475	2,922,931
Unrestricted funds - designated	23	4,345,179	3,896,614	4,345,179	3,896,614
Unrestricted funds - general		2,733,809	2,536,279	2,680,430	2,487,728
<b>Total Charity Funds</b>		<u>10,423,463</u>	<u>9,355,824</u>	<u>10,370,084</u>	<u>9,307,273</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

  
James Gibson  
Trustee

  
David Gibson  
Trustee  
22 March 2021

Company Registration No. SC081620

# THE JOHN MUIR TRUST

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities		<b>926,842</b>	364,317
<b>Cash flows from investing activities</b>			
Investment income		<b>66,579</b>	85,448
Purchase of tangible fixed assets		<b>(46,571)</b>	(84,222)
Proceeds from sale of investments		<b>543,178</b>	256,981
Proceeds from sale fixed assets		<b>2,640</b>	2,380
Movement in investment cash account		<b>(32,293)</b>	(92,615)
Purchase of investments		<b>(1,755,072)</b>	(266,612)
<b>Net cash used in investing activities</b>		<b>(1,221,538)</b>	(98,640)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>27</b>	<b>(294,696)</b>	265,677
Cash and cash equivalents at beginning of year		<b>2,444,851</b>	2,179,174
<b>Cash and cash equivalents at end of year</b>		<b><u>2,150,155</u></b>	<b><u>2,444,851</u></b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		<b><u>2,150,155</u></b>	<b><u>2,444,851</u></b>
		<b><u>2,150,155</u></b>	<b><u>2,444,851</u></b>
<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)		<b>1,067,639</b>	1,010,691
Investment income		<b>(66,579)</b>	(85,448)
Depreciation of fixed assets		<b>59,269</b>	55,050
Donated investments		<b>(38,831)</b>	-
(Gains) on investments		<b>(141,548)</b>	(453,084)
(Gains) on fixed assets		<b>(2,640)</b>	(2,380)
(Increase)/Decrease in stock		<b>(317)</b>	136
(Increase) in debtors		<b>(102,612)</b>	(188,412)
Increase in creditors		<b>152,461</b>	27,764
Net cash inflow from operating activities		<b><u>926,842</u></b>	<b><u>364,317</u></b>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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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, modified to include certain financial instruments at fair value. 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 and have not identified any material uncertainties regarding the ability of the charitable company to continue.

##### 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 2020. 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 2020

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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 becomes 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 2020

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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 2020

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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 2020

#### 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 2020 £	Total 2019 £
Group and Company					
Donations and charitable trusts	398,680	2,976	556,250	957,906	1,236,575
Legacies receivable	1,285,089	-	340,201	1,625,290	727,971
Government grant income	71,168	-	-	71,168	-
Membership subscriptions	359,272	-	-	359,272	346,722
	<u>2,114,209</u>	<u>2,976</u>	<u>896,451</u>	<u>3,013,636</u>	<u>2,311,268</u>
<b>For the year ended 31 December 2019</b>					
Donations and charitable trusts	391,343	8,749	836,483		1,236,575
Legacies receivable	727,971	-	-		727,971
Membership subscriptions	346,722	-	-		346,722
	<u>1,466,036</u>	<u>8,749</u>	<u>836,483</u>		<u>2,311,268</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 4 Charitable activities - income

	Land	Awareness	Total 2020	Total 2019
Group and company	£	£	£	£
Charitable income	<u>147,116</u>	<u>170,442</u>	<u>317,558</u>	<u>498,153</u>
<b>Analysis by fund</b>				
Unrestricted funds - general	26,171	-	26,171	
Unrestricted funds - designated	8,161	10,300	18,461	
Restricted funds	<u>112,784</u>	<u>160,142</u>	<u>272,926</u>	
	<u>147,116</u>	<u>170,442</u>	<u>317,558</u>	
<b>For the year ended 31 December 2019</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>

#### Charitable income

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

- **Land** relates largely to repair and rewild per the corporate strategy and includes land management activities, scientific research and financial support provided to partnership organisations.
- **Awareness** relates largely to inspiring and connecting per the corporate strategy and includes the John Muir Award, the company's communications function and the Wild Space Development in Pitlochry.
- **Policy** relates largely to protect and conserve per the corporate strategy and includes policy and campaigning activities.

#### 5 Other trading activities

	Unrestricted general funds	Unrestricted designated funds	Restricted funds	Total 2020	Total 2019
Group	£	£	£	£	£
Members' fundraising	29,196	-	-	29,196	32,607
Trading subsidiary	<u>55,170</u>	<u>-</u>	<u>-</u>	<u>55,170</u>	<u>99,488</u>
	<u>84,366</u>	<u>-</u>	<u>-</u>	<u>84,366</u>	<u>132,095</u>
<b>For the year ended 31 December 2019</b>					
Members' fundraising	32,464	-	143		32,607
Trading subsidiary	<u>99,488</u>	<u>-</u>	<u>-</u>		<u>99,488</u>
	<u>131,952</u>	<u>-</u>	<u>143</u>		<u>132,095</u>
Company	Unrestricted general funds	Unrestricted designated funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£	£
Members' fundraising	<u>29,196</u>	<u>-</u>	<u>-</u>	<u>29,196</u>	<u>32,607</u>
<b>For the year ended 31 December 2019</b>					
Members' fundraising	<u>32,464</u>	<u>-</u>	<u>143</u>		<u>32,607</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 6 Investments

<b>Group</b>	<b>Unrestricted general funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£
Income from listed investments	62,386	62,386	78,980
Other interest	4,193	4,193	6,468
	<u>66,579</u>	<u>66,579</u>	<u>85,448</u>
<b>For the year ended 31 December 2019</b>			
Income from listed investments	78,980		78,980
Other interest	6,468		6,468
	<u>85,448</u>		<u>85,448</u>

<b>Company</b>	<b>Unrestricted general funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£
Income from listed investments	62,386	62,386	78,980
Other interest	4,119	4,119	6,362
	<u>66,505</u>	<u>66,505</u>	<u>85,342</u>
<b>For the year ended 31 December 2019</b>			
Income from listed investments	78,980		78,980
Other interest	6,362		6,362
	<u>85,342</u>		<u>85,342</u>

<b>7 Other</b>	<b>Unrestricted general funds</b>	<b>Unrestricted designated funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£	£
Net gain on disposal of tangible fixed assets	2,640	-	2,640	2,380
Other income	5,936	-	5,936	10,743
	<u>8,576</u>	<u>-</u>	<u>8,576</u>	<u>13,123</u>
<b>For the year ended 31 December 2019</b>				
Net gain on disposal of tangible fixed assets	-	2,380		2,380
Other income	10,743	-		10,743
	<u>10,743</u>	<u>2,380</u>		<u>13,123</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Raising funds - expenditure

Group	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Fundraising and membership support</b>					
Staff costs	219,679	-	462	220,141	205,354
Recruiting and retaining members	1,931	-	838	2,769	21,594
Raising other voluntary income	40,995	32	2,641	43,668	33,480
Depreciation and impairment	-	-	-	-	7,999
Trading subsidiary	50,416	-	-	50,416	115,884
Support costs	28,757	1,509	-	30,266	25,183
Governance costs	9,870	-	(9)	9,861	-
	<u>351,648</u>	<u>1,541</u>	<u>3,932</u>	<u>357,121</u>	<u>409,494</u>
Investment management	24,682	-	-	24,682	21,101
	<u>376,330</u>	<u>1,541</u>	<u>3,932</u>	<u>381,803</u>	<u>430,595</u>
<b>For year ended 31 December 2019</b>					
Fundraising and membership support	369,495	20,317	19,682	-	409,494
Investment management	21,101	-	-	-	21,101
	<u>390,596</u>	<u>20,317</u>	<u>19,682</u>		<u>430,595</u>

Company	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Fundraising and membership support</b>					
Staff costs	219,679	-	462	220,141	205,354
Recruiting and retaining members	1,931	-	838	2,769	21,594
Raising other voluntary income	40,995	32	2,641	43,668	33,480
Depreciation and impairment	-	-	-	-	7,999
Support costs	28,757	1,509	-	30,266	25,183
Governance costs	9,870	-	(9)	9,861	-
	<u>301,232</u>	<u>1,541</u>	<u>3,932</u>	<u>306,705</u>	<u>293,610</u>
Investment management	24,682	-	-	24,682	21,101
	<u>325,914</u>	<u>1,541</u>	<u>3,932</u>	<u>331,387</u>	<u>314,711</u>
<b>For year ended 31 December 2019</b>					
Fundraising and membership support	253,611	20,317	19,682	-	293,610
Investment management	21,101	-	-	-	21,101
	<u>274,712</u>	<u>20,317</u>	<u>19,682</u>		<u>314,711</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 9 Charitable activities - expenditure

Group and Company	Land £	Awareness £	Policy £	Total 2020 £	Total 2019 £
Staff costs	544,685	637,859	120,936	1,303,480	1,210,908
Depreciation and Impairment	36,719	2,119	-	38,838	42,210
Land management activities	426,608	-	-	426,608	358,260
Awareness activities	-	140,578	-	140,578	191,024
Policy activities	-	-	16,508	16,508	10,818
	<u>1,008,012</u>	<u>780,556</u>	<u>137,444</u>	<u>1,926,012</u>	<u>1,813,220</u>
Share of support costs (see note 10)	96,851	78,690	18,159	193,700	154,932
Share of governance costs (see note 10)	31,555	25,637	5,917	63,109	83,733
	<u>1,136,418</u>	<u>884,883</u>	<u>161,520</u>	<u>2,182,821</u>	<u>2,051,885</u>
<b>Analysis by fund</b>					
Unrestricted funds - general	671,132	516,048	126,631	1,313,811	864,041
Unrestricted funds - designated	14,654	108,700	905	124,259	204,169
Restricted funds	450,632	260,135	33,984	744,751	983,675
	<u>1,136,418</u>	<u>884,883</u>	<u>161,520</u>	<u>2,182,821</u>	<u>2,051,885</u>
<b>For the year ended 31 December 2019</b>					
Staff costs	511,689	607,591	91,628		1,210,908
Depreciation and Impairment	18,705	21,290	2,215		42,210
Land management activities	358,260	-	-		358,260
Awareness activities	-	191,024	-		191,024
Policy activities	-	-	10,818		10,818
	<u>888,654</u>	<u>819,905</u>	<u>104,661</u>		<u>1,813,220</u>
Share of support costs (see note 10)	73,342	75,072	6,518		154,932
Share of governance costs (see note 10)	37,106	42,233	4,394		83,733
	<u>999,102</u>	<u>937,210</u>	<u>115,573</u>		<u>2,051,885</u>
<b>Analysis by fund</b>					
Unrestricted funds - general	291,323	494,342	78,376		864,041
Unrestricted funds - designated	63,664	134,879	5,626		204,169
Restricted funds	644,115	307,989	31,571		983,675
	<u>999,102</u>	<u>937,210</u>	<u>115,573</u>		<u>2,051,885</u>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Support costs

Group and Company	Support Costs £	Governance Costs £	Total 2020 £	Total 2019 £
Staff costs	107,368	10,500	117,868	28,590
Depreciation	20,039	-	20,039	1,231
IT and office costs	63,810	-	63,810	111,382
Insurance	29,286	-	29,286	28,991
Sundry staff costs	3,185	-	3,185	15,463
Bank charges	278	-	278	239
Bad debts	-	-	-	1,616
Audit fees	-	19,450	19,450	21,140
Legal and professional	-	28,548	28,548	25,624
Annual Report	-	-	-	3,750
Trustees costs	-	7,804	7,804	8,970
Other costs attributed to governance	-	6,668	6,668	16,852
	<u>223,966</u>	<u>72,970</u>	<u>296,936</u>	<u>263,848</u>
Analysed between				
Fundraising	30,266	9,681	39,947	25,183
Charitable activities	193,700	63,109	256,809	238,665
	<u>223,966</u>	<u>72,790</u>	<u>296,756</u>	<u>263,848</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>15,640</u>	<u>14,600</u>
<b>Non-audit services</b>		
Taxation compliance services	-	1,140
All other non-audit services	<u>3,810</u>	<u>5,400</u>
<b>Total non-audit fees</b>	<u>3,810</u>	<u>6,540</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 (2019 - £nil).

1 (2019 - 10) trustee was reimbursed expenses totalling £164 (2019 - £4,534).

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 13 Employees

#### Group and Company

##### Number of employees

The average monthly number of employees during the year was:

	2020 number	2019 number
CEO, finance and administration	6	8
Policy	3	3
Land management	17	16
John Muir Award	14	12
Fundraising, membership, communications and trading	14	12
	<u>54</u>	<u>51</u>

##### Employment costs

	Group		Company	
	2020	2019	2020	2019
Wages and salaries	1,453,043	1,297,631	1,440,232	1,251,015
Social security costs	130,082	112,613	130,082	109,245
Employer's contribution to defined contribution pension scheme	71,175	86,895	71,175	84,592
	<u>1,654,300</u>	<u>1,497,139</u>	<u>1,641,489</u>	<u>1,444,852</u>

During the year there was 1 employee whose annual remuneration was £60,000 or more (2019 - no employees).

Included within staff costs are termination payments totalling £nil (2019 - £15,000).

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 14 Tangible fixed assets

Group	Property & Interpretation £	Office, computer and field equipment £	Motor vehicles and plant £	Total £
<b>Cost</b>				
At 1 January 2020	1,380,472	169,749	139,815	1,690,036
Additions	-	27,158	19,413	46,571
Disposals	-	-	(7,740)	(7,740)
<b>At 31 December 2020</b>	<b>1,380,472</b>	<b>196,907</b>	<b>151,488</b>	<b>1,728,867</b>
<b>Depreciation and impairment</b>				
At 1 January 2020	960,801	123,038	100,959	1,184,798
Charge for the period	13,223	27,288	18,758	59,269
Eliminated in respect of disposals	-	-	(7,740)	(7,740)
<b>At 31 December 2020</b>	<b>974,024</b>	<b>150,326</b>	<b>111,977</b>	<b>1,236,327</b>
<b>Carrying amount</b>				
<b>At 31 December 2020</b>	<b>406,448</b>	<b>46,581</b>	<b>39,511</b>	<b>492,540</b>
At 31 December 2019	419,671	46,711	38,856	505,238

Company	Property & Interpretation £	Office, computer and field equipment £	Motor vehicles and plant £	Total £
<b>Cost</b>				
At 1 January 2020	1,380,472	155,305	139,816	1,675,593
Additions	-	27,158	19,413	46,571
Disposals	-	-	(7,740)	(7,740)
<b>At 31 December 2020</b>	<b>1,380,472</b>	<b>182,463</b>	<b>151,489</b>	<b>1,714,424</b>
<b>Depreciation and impairment</b>				
At 1 January 2020	960,801	108,987	100,959	1,170,747
Charge for the period	13,223	26,896	18,758	58,877
Eliminated in respect of disposals	-	-	(7,740)	(7,740)
<b>At 31 December 2020</b>	<b>974,024</b>	<b>135,883</b>	<b>111,977</b>	<b>1,221,884</b>
<b>Carrying amount</b>				
<b>At 31 December 2020</b>	<b>406,448</b>	<b>46,580</b>	<b>39,512</b>	<b>492,540</b>
At 31 December 2019	419,671	46,318	38,857	504,846

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 15 Fixed assets - Heritage properties

Group and Company	Year of acquisition	2020	2019
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 2020

### 16 Fixed asset investments

Group	Listed investments £	Cash in portfolio £	Investment in subsidiaries £	Total £
<b>Cost or Valuation</b>				
At 1 January 2020	3,073,821	199,840	-	3,273,661
Additions	1,755,072	32,293	-	1,787,365
Valuation changes	245,186	-	-	245,186
Disposals	(607,985)	-	-	(607,985)
<b>At 31 December 2020</b>	<b>4,466,094</b>	<b>232,133</b>	<b>-</b>	<b>4,698,227</b>

Net gain/(losses) on investments as disclosed in the SOFA comprise of unrealised gains of £206,355 (2019 - £429,737) and realised losses of £64,807 (2019 - realised gains - £23,347).

Company	Listed investments £	Cash in portfolio £	Investment in subsidiaries £	Total £
<b>Cost or Valuation</b>				
At 1 January 2020	3,073,821	199,840	23,429	3,297,090
Additions	1,755,072	32,293	-	1,787,365
Valuation changes	245,186	-	-	245,186
Disposals	(607,985)	-	-	(607,985)
<b>At 31 December 2020</b>	<b>4,466,094</b>	<b>232,133</b>	<b>23,429</b>	<b>4,721,656</b>

Net gain/(losses) on investments as disclosed in the SOFA comprise of unrealised gains of £206,355 (2019 - £429,737) and realised losses of £64,807 (2019 - realised gains - £23,347).

### 17 Financial instruments

	Group		Company	
	2020	2019	2020	2019
<b>Carrying amount of financial assets</b>				
Equity instruments measured at fair value	<b>4,466,094</b>	<b>3,073,821</b>	<b>4,466,094</b>	<b>3,073,821</b>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 18 Stocks

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Stocks	<u>13,307</u>	<u>12,990</u>	<u>-</u>	<u>-</u>

### 19 Debtors

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	251	11,045	-	-
Amounts receivable relating to grants claimed	81,968	281,833	81,968	281,833
Amounts due from subsidiary undertakings	-	-	22,298	61,156
Other debtors	706,997	384,531	706,997	384,531
Prepayments and accrued income	31,707	41,664	31,707	41,664
	<u>820,923</u>	<u>719,073</u>	<u>842,970</u>	<u>769,184</u>

### 20 Creditors: amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other taxation and social security	44,299	39,500	35,966	29,999
Other creditors	100,000	-	100,000	-
Trade creditors	87,969	27,359	87,677	25,418
Accruals	92,863	106,572	90,613	102,149
	<u>325,131</u>	<u>173,431</u>	<u>314,256</u>	<u>157,566</u>

### 21 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 £71,175 (2019 - £86,895).

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 22 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	Movement in funds				Balance at 31 December 2020 £
	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	
Property specific funds	146,369	596,117	(148,196)	14,923	609,213
Path fund	278,812	63,425	(99,248)	-	242,989
Land Fund	316,790	2,991	(255)	-	319,527
Land management fund	10,747	1,000	-	(11,747)	-
Land fund (Glenridding)	995,447	-	-	-	995,447
Glenridding management	206,862	10,914	(56,446)	-	161,330
Other funds	133,213	109,443	(45,549)	-	197,107
Education and training	167,407	67,325	(119,324)	(3,176)	112,232
England and Wales Development	121,760	-	(48,457)	-	73,303
Wild Woods	168,802	57,174	(13,354)	-	212,622
John Muir Award funds	236,583	195,644	(196,305)	850	236,771
Policy funds	64,076	3,209	(12,122)	-	55,163
Wild Space, Pitlochry	76,063	-	-	-	76,063
Wild Waters	-	53,386	(1,300)	-	52,086
Northwest 2045	-	8,750	(8,127)	-	623
Balance carried forward	<u>2,922,931</u>	<u>1,169,377</u>	<u>(748,683)</u>	<u>850</u>	<u>3,344,475</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.

#### 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 2020

#### 22 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.

##### Wild Waters

Monies received towards protecting our wild coastlines.

##### Northwest 2045

This is a collaborative project to explore conservation potential in Northwest of Scotland.

#### For the year ended 31 December 2019

Group and company	Balance at	Income	Expenditure	Transfers	Balance at
	1 January				December
	2019				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 JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 23 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 2020 £
	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	
Heritage properties	2,573,442	-	-	-	2,573,442
Operational assets	504,845	-	-	133,028	637,873
John Muir Award (England and Wales)	156,979	6,414	(104,664)	(850)	57,879
Land acquisition and management fund	633,264	-	-	-	633,264
Strategic project funds	18,158	-	(11,231)	420,750	427,677
Other funds	9,926	15,024	(9,905)	-	15,045
Balance carried forward	<u>3,896,614</u>	<u>21,437</u>	<u>(125,800)</u>	<u>552,928</u>	<u>4,345,179</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. The transfer of funds has been designated by the board to be spent on capital items to support current or strategic projects planned across Trust activities.

#### 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 2021-2022. These include additional partnership activity, undertaking programme based projects and capital acquisitions. The transfer of funds has been designated by the Board to spend on advancing strategic progress across Trust activities within the next year.

#### 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 2019

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 JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 24 Analysis of net assets between funds

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2020 £
<b>Group</b>				
Fund balances at 31 December 2020 are:				
Tangible assets	-	492,540	-	492,540
Heritage assets	-	2,573,442	-	2,573,442
Investments	1,124,854	725,419	2,847,954	4,698,227
Current assets/(liabilities)	1,608,955	553,778	496,521	2,659,254
	<u>2,733,809</u>	<u>4,345,179</u>	<u>3,344,475</u>	<u>10,423,463</u>

	Unrestricted general funds £	Unrestricted designated funds £	Restricted funds £	Total 2020 £
<b>Company</b>				
Fund balances at 31 December 2020 are:				
Tangible assets	-	492,540	-	492,540
Heritage assets	-	2,573,442	-	2,573,442
Investments	1,148,283	725,419	2,847,954	4,721,656
Current assets/(liabilities)	1,532,147	553,778	496,521	2,582,446
	<u>2,680,430</u>	<u>4,345,179</u>	<u>3,344,475</u>	<u>10,370,084</u>

#### For the year ended 31 December 2019

	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>

# THE JOHN MUIR TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 25 Related party transactions

<b>Remuneration of key management personnel</b>	<b>2020</b>	<b>2019</b>
The remuneration of key management personnel is as follows:	£	£
Aggregate compensation	<u>252,612</u>	<u>298,374</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 and Policy and Head of Development & Communication.

#### 26 Subsidiaries

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

Details of the charitable company's subsidiaries at 31 December 2020 are as follows:

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

#### 27 Analysis of changes in net debt

<b>Group</b>	<b>At 1 January 2020</b>	<b>Cash flows</b>	<b>At 31 December 2020</b>
Cash at bank and in hand	<u>2,444,851</u>	<u>(294,696)</u>	<u>2,150,155</u>

#### 28 Contingent assets

The Trust has been notified of a number of other significant legacies in which it is named as a beneficiary with a residual interest of varying percentages. In part due to the economic uncertainty caused over the last 12 months by the Covid-19 pandemic, in the judgement of the Trustees it is more difficult to make reliable estimates of the amounts which may be due to the Trust, especially where other complexities in the estates result in uncertainty over the costs to be borne prior to settlement. Consequently, no amounts have been recognised in these financial statements in respect of these legacies.