



Cairngorms National Park Authority
Annual Report and Accounts 2004/05

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Foreword

Andrew Thin, Convener

Many years ago I worked as an Agricultural Officer in the small Polynesian country of Tuvalu. Young children were accorded a special status in local culture, and first birthdays were occasions for elaborate celebrations. Killing a fatted pig may not be quite the right way to mark the first anniversary of the creation of a new public body, but nonetheless 1 September 2004 was something of a milestone for the Cairngorms National Park Authority. As on any such occasion it was an excuse for proud parents to delight in early achievements, but it was also a time for some hard thinking about emerging priorities. There is so much to be done, so many exciting possibilities, and so many challenges. And of course the new kid on the block is expected to have a go at almost everything, yet focus is vital if we are to make real progress.

Creating a National Park in the Cairngorms that will properly fulfil the aspirations of the people of Scotland is not something that can be done by the stroke of a pen. It is a task that will take many years, and it will involve significant changes. It will require considerable resources, and it will only be achieved through the willing and active participation of a huge range of organisations and individuals. Already it is clear however, what the priorities of the first few years are likely to be. We must develop effective mechanisms in order to make sure that land is managed throughout the National Park in a manner that properly reflects our special status. We must make sure that the people who live in the National

Park have access to housing and other services so that our local communities are vibrant and happy places. And we must make sure that this National Park is able to make a contribution to the lives of everybody in Scotland – not just the fit and the few but everyone, whatever their circumstances or means.

2004/05 has been a busy and productive year. That so much has been achieved is testimony not just to the exceptional efforts of our staff and Board, it also reflects tremendous commitment and goodwill on the part of the many partners and local communities with whom we work on a daily basis. Already after such a short life this new organisation has developed a sense of purpose and direction that it shares with much of the grown up world around it. And it is this rapidly developing common agenda for the Cairngorms that is, I think, the greatest achievement of 2004/05. In 2003 we inherited a history in which different interest groups had frequently disagreed about a wide variety of issues. We made it clear from the start that we saw a National Park as being, by definition, a park for all of Scotland's people in which all legitimate interests would have to coexist and, therefore, to compromise. That message has undoubtedly found a resonance that I find very heartening. There is now, as never before, a sense that we are all trying to move forward together. As this youngster now finds its feet, it is therefore well placed to accelerate without loss of co-ordination.

Highlights of 2004/05

We seek to establish three key values in all the Cairngorms National Park Authority's activities: sustainability, inclusiveness (A Park for All) and efficiency. The highlights of our delivery of these values in 2004/05 are set out below.

Delivering Sustainability

- Work on the National Park Plan is on track for full consultation in early 2006;
- An initial consultation was completed in advance of the first draft of the local plan through consultation processes which allowed for successful engagement with local communities;
- The Cairngorms Moorland Project created two demonstration moors and ran a programme of educational visits which broadened understanding of best practice in moorland management. This encouraged good understanding and appreciation by young people of the Cairngorms National Park and its importance;
- Partnerships were developed to help maintain and enhance biodiversity in the Cairngorms National Park through a number of projects involving other public bodies, land managers and the local community;
- 80 land based businesses were encouraged to help deliver public benefits by providing support through publicly funded schemes, advice and training;
- A Sustainable Tourism strategy and action plan has been completed

in partnership with other organisations with a view to delivering visitor marketing and information on a Park-wide basis;

- European Charter for the Park was applied for;
- An audit identified potential mechanisms for delivering quality, affordable housing to meet local needs;
- A community capacity building programme is in place which enables communities to help deliver park plan objectives through a series of community development projects;
- Green audit of both CNPA offices was completed.

Delivering a Park for All

- Cairngorms Local Outdoor Access Forum is in place;
- Promotion of the Scottish Outdoor Access Code including training events for rangers, land managers and community paths groups;
- Working in partnership, strategic objectives on integrated transport have been prepared and a public transport timetable for the Park with links to walking and cycling opportunities is already available;

- A countryside events diary was produced featuring 400 events delivered in partnership with 17 organisations for the public, while a ranger service strategy is being developed in consultation with ranger service managers and rangers;
- A consultation on options was completed for a Speyside way extension to Newtonmore;
- A pilot affordable health and fitness project was completed with elements of it being taken forward by other partners;
- An audit of all-abilities access provision across the Park has been compiled as part of the process of developing an outdoor access strategy;
- A Cairngorm website has been developed for young people;
- John Muir Award project completed its second year with 22 award providers in the Park and 300 people currently registered for awards;
- Hosted the Cairngorms LEADER+ project which supported 82 projects within a budget of £1m;
- Community calendar competition (photographs & poems) and Small Grants Scheme (£100,000) delivered;
- Cairngorms brand developed and launched, entry point interim signs and signs at stations in place.

Delivering Efficiency, Effectiveness and Economy

- Organisational structure: staffing complement largely in place, pay and grading system and performance review system in place;
- Training programme implemented across the whole organisation;
- New Corporate Plan developed;
- Website development continued, three editions of Parklife distributed to all Park residents, Freedom of Information (FOI) system in place;
- Internal control systems established;
- Internal auditors appointed and a programme of audit reviews agreed;
- 2004/05 accounts approved and given a clear audit certificate.

Introduction

This Annual Report covers the second year of the Cairngorms National Park Authority (CNPA), which was established on 25 March 2003, and became fully operational, taking on all its statutory powers, on 1 September 2003.

The CNPA was established under the National Parks (Scotland) Act 2000, and the Designation Order¹ approved by the Scottish Parliament in January 2003. This sets out the Park's boundaries, the detailed constitution of the Park Authority Board, and the unique planning powers which are vested in the CNPA.

¹ The Cairngorms National Park designation, Transitional and Consequential Provisions (Scotland) Order 2003

The Cairngorms National Park Authority

Role, Operations and Powers

National Parks were introduced in Scotland to ensure a more integrated approach to the management of areas of outstanding heritage value, in support of sustainable development objectives. The role of the CNPA is to secure the long-term interests of the Cairngorms National Park by, in the words of the founding legislation, ensuring that the four National Park aims are "collectively achieved... in a co-ordinated way".

A complex mosaic of public sector bodies already exists operating within the National Park, each with a specific and relatively narrow remit (whether in geographical, policy or operational terms). By contrast the CNPA has a very broad policy remit, covering the whole area of the National Park. The CNPA is not set up to duplicate the functions already being delivered by these other statutory bodies; its role is to add value and bring a degree of synergy by co-ordinating the overlapping responsibilities of other bodies, and delivering the objectives of sustainability across the National Park. The CNPA aims to fulfil this role of integration by:

- Providing for long term planning in co-operation with others, to ensure integration of, and synergy between, the activities of stakeholders;
- Adding value in situations where our remit enables us to bring a broad perspective and overview;
- Working with and through others,

enabling and facilitating the activities of others who are better placed to deliver agreed outcomes;

- Providing leadership in situations which require co-ordination of others with diverse and differing interests.

The CNPA is a Non-Departmental Public Body, and receives its core funding from Scottish Ministers. In addition it secures funding for specific projects from other sources (such as European funding schemes, Heritage Lottery Fund, etc). The operations of the CNPA are guided in a number of ways.

The **aims** of the National Park are set out in the National Parks (Scotland) Act 2000 as:

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

The **purpose** of the National Park Authority is given by the same legislation, namely to ensure that these four aims are collectively achieved in a co-ordinated way, ie to ensure that the aims are seen not in isolation from each other but are

joined up, recognising they are inextricably linked. The legislation adds the rider that where there appears to be a conflict between the aims, the first of these - conservation and enhancement - should be given greater weight.

Funding: Like any other Non-Departmental Public Body receiving its funding from Scottish Ministers, the CNPA agrees a Management Statement and Financial Memorandum with its Sponsoring Department in the Scottish Executive (the Environment and Rural Affairs Department). This sets out the rules and guidelines under which the CNPA exercises its functions, duties and powers, conditions attaching to the Grant in Aid allocated to the CNPA by the Department each year, and how the CNPA is held to account for its performance.

The CNPA is essentially an enabling organisation, achieving its objectives by leading, co-ordinating and facilitating. It has very few regulatory powers:

- It can call in planning applications and determine these if they are of significance to the Park's aims;
- It can serve notices, make management rules and bylaws to protect the natural and cultural heritage of the Park - to prevent damage to the land, and to secure the public's enjoyment of and safety in the Park.

Its enabling and facilitating powers, set out in the legislation are wide ranging, allowing the Authority to undertake anything which

The Cairngorms National Park Authority

continued...

will help the Park Authority achieve its aims include:

- Giving grants and loans;
- Providing information, educational services and facilities to promote understanding and enjoyment of the Park;
- Providing facilities to encourage visitors for leisure purposes including camping sites, accommodation, meals and refreshments where necessary;
- Entering into agreements with any person in the Park with an interest in land to ensure that the aims of the Park are met;
- Securing the provision of nature reserves;
- Carrying out research and related activities;
- Being a consultee on a range of matters undertaken by other public bodies (for example the creation of Sites of Special Scientific Interest (SSSIs), forestry activities, and traffic regulation orders);

The CNPA is also under a duty to:

- Prepare and consult on a National Park Plan for managing the Park and co-ordinating the exercise of the CNPA's functions and the functions of other public bodies (inasmuch as these affect the Park);
- Act as the access authority under the Land Reform (Scotland) Act upholding access rights, form a Local

Outdoor Access Forum, publicise the Scottish Outdoor Access Code and prepare a Core Paths Plan;

- Use its resources economically, efficiently and effectively.

The way the CNPA exercises these functions and duties is set out in a Corporate Plan submitted to Scottish Ministers each year, setting out its estimate of funding needs. At the end of each financial year, the organisation is also expected to report on how it has spent those funds, and what it has achieved, in the Annual Report.

The CNPA's Corporate Plan for 2005-2008 set out a number of themes to guide its activities during the year:

- Foster a Park for All and encourage enjoyment, understanding and appreciation of the special qualities of the area;
- Develop clear cohesive strategies for stewardship of the natural resources of the Park;
- Encourage and support balanced, thriving, stable communities in the Park;
- Integrate the Park's aims through the National Park Plan;
- Develop an enabling organisation that is trusted and respected.

The year's activities are reported under these themes on pages 9 to 25.

People in the Organisation

The CNPA comprises a Board and the staff. The Board comprises 25 members, listed at Annex 4 (page 60). Of the 25, five are directly elected by residents (in open elections every four years following March 2003), ten are appointed by Scottish Ministers on the nomination of the four local authorities, and ten are directly appointed by Scottish Ministers following a competitive recruitment process. In September 2004, Board members Bob Severn and Peter Argyll left the Board, and Sandy Park and Marcus Humphrey joined.

The organisation's staff complement grew in line with planned development from 35 at the start of the year to 54 by the close. A complete list of staff is given in Annex 3 (page 59).

Meetings

The CNPA Board met on 11 occasions during the year. All meetings and papers were open to the public, and advertised in advance. Meetings were held at different venues around the Park, (see Annex 5, page 61) and preceded on the previous day by an open evening for the local community to come and meet the Board informally.

Issues covered at the meetings in 2004/05 are shown in Annex 6 (page 62) and included: the CNPA's role in the new access legislation; Cairngorms brand development, Gaelic language policy, tourism strategy, natural heritage strategy, ranger services in the Park, the Corporate Plan for 2005-2008, the National Park Plan.

The Board has set up four Committees of the Board: Finance Committee, Audit Committee, Staffing & Recruitment Committee, Planning Committee.

The Staffing and Recruitment Committee members were Andrew Thin (Chair), Eric Baird, Anne MacLean, Douglas Glass, David Green, Bruce Luffman. The Committee met four times during the year and considered: recruitment of the Head of Corporate Services, recruitment policy, job evaluation, establishment of a Staff Consultative Forum, staff appraisal system, and annual pay award.

The Finance Committee members were Eleanor Mackintosh (Chair), David Selfridge, Joyce Simpson, Gregor Rimell, Andrew Thin. The Committee met four times, and considered: quarterly reports on in-year financial monitoring, expenditure justifications requiring approval, the CNPA Grant in Aid settlement for 2005/06 to

Meetings

continued...

2007/08, the proposed budget for 2005/06, and the financial framework governing the CNPA.

The Audit Committee members were Eric Baird (Chair), Duncan Bryden, Sally Dowden, Sheena Slimon, Bob Wilson. The Committee met four times and considered: appointment of the internal auditor, various reports from the external auditor (main accounting system, corporate governance, the 2003/04 audit), internal auditing plan, reports from the internal auditor (on fixed assets, payroll), risk management strategy and strategic risk register, fraud policy, proper officer and monitoring officer responsibilities, and a green office review.

The Planning Committee is a Committee of all 25 Board Members, and deals with the CNPA's unique planning role, which comprises two elements:

- **Development Control:** all planning applications for development within the Park area are made to the relevant local authority in the usual way. The CNPA can decide that an application is "of general significance to the Park aims", in which case it may "call-in" the application within 21 days of it being registered. In that case the CNPA determines it (and the local authority does not determine it – but it will determine all the other applications in the normal way which are not called-in);
- **Local Plan:** the CNPA has responsibility for the Local Plan and planning policy within the Park. The CNPA is working to prepare a single Local Plan for the

whole National Park, but until this is completed, the four existing Local Plans (from Highland Council, Aberdeenshire Council, Moray Council and Angus Council) set the planning framework within which decisions on development control are made.

In order to meet the requirement for a call-in to be made within 21 days of an application being registered, the Planning Committee met every 14 days (see Annex 5, page 61). Average attendance was 20 members.

Agenda items were of four types:

- Decisions on whether or not to call-in an application made in the Park in the previous two weeks;
- Decisions on comments to be made on planning applications not called-in;
- Determinations of applications called-in;
- Approval of policy (including responses to consultations on planning matters).

The Planning Committee considered 571 planning applications made within the Park area during the year, and called in 118 (20%) of these. It determined 54 called-in applications.

Report on the Year's Activities

Activities for the year are summarised under the themes set out in the CNPA's first Corporate Plan.

Theme: To foster a Park for All, and encourage enjoyment, understanding and appreciation of the special qualities of the area.

Objectives

Infrastructure

- To work with partners towards a strategy for signage and information;
- To work with partners towards an integrated transport strategy for the Park;
- As the statutory access authority implement Core Path network by 2008 which is sufficient for giving the public reasonable access throughout the Park.

Progress in 2004/05

Metal entry point signs were put in place at railway stations and plans were advanced for installation of metal signs at ten road entry points. The Board agreed general principles for installation of entry point markers which incorporate the Park brand, in association with landscaping and information provision, to ensure a positive experience for people arriving in the Park. Development work continued with landscape architects and design consultants, as well as with funding partners, to prepare for permanent granite entry point markers which are planned for completion within two years.

We produced a public transport timetable for the Park, with links to walking/cycling opportunities. Co-funding was secured from HI-TRANS and NESTRANS. Strategic objectives on integrated transport were presented to the Board in April 2005, and this work will be developed through the National Park Plan (to be published in 2006).

A catalogue of Rights of Way for the Park was compiled, for incorporation in the Outdoor Access Audit.

Report on the Year's Activities

continued...

Theme: To foster a Park for All, and encourage enjoyment, understanding and appreciation of the special qualities of the area.

Objectives

Outdoor Access Management

- As the outdoor access authority (from February 2005) set up a local outdoor access forum ;
- Publicise the Scottish Outdoor Access Code (SOAC).

Progress in 2004/05

The Cairngorms Local Outdoor Access Forum was set up, with its inaugural meeting on 31 March 2005. It comprises 21 members, drawn to represent a broad range of interests including land management, recreation interests, communities and public agencies. Its role will be to advise on and assist with disputes about the exercise of outdoor access rights, the existence and delineation of rights of way, and the adoption of a Core Path network.

Six training events on access legislation and SOAC were delivered for rangers, land managers, and community paths groups. Display banners about the Code and the Park were designed and produced.

Work continued on management, co-ordination and funding of access delivery in the Park, through preparation of an outdoor access audit and Access Strategy in 2005/06. We were engaged in a number of initiatives and projects to deliver outdoor access:

- Considered funding contributions to the Aviemore-Glenmore off-road route;
- We gave financial support to Laggan Challenging Off Road Cycle Route opened by Forestry Commission;
- We led a consultation on options for a Speyside Way extension (public consultation ended on 25 March 2005).

Objectives

Ranger Services

- To work with the 13 ranger services that currently exist within the National Park and agree how best to provide the equivalent of a Park-wide ranger service, and what functions this would deliver.

Information Provision

- Take a lead in ensuring a co-ordinated approach to information provision so that information for visitors is accurate, up to date, innovative and accessible, and uses as full range of media as appropriate.

Progress in 2004/05

Extensive consultation meetings were held with ranger service managers and the rangers themselves (through Scottish Countryside Rangers Association). The CNPA Board agreed a strategy paper on rangers and decided that further work was required to evaluate three possible options for how best to organise the provision of services within the Park.

An annual ranger workshop was held in December as part of improving communications among the various ranger services in the Park.

A Cairngorms Countryside Events booklet was produced for 2005 and distributed during March, featuring over 400 events for the public, at 63 different sites, and delivered in partnership with 17 organisations.

Three stakeholder workshops were held with Professor Sam Ham to develop interpretative themes for the Park. These were subsequently used in the development of the Interpretation Framework and also were used during development of the National Park brand.

The interpretative themes and the new Park brand were installed in two of the Tourist Information Centres (TICs) in the Park and plans were made for installation in other TICs.

The Visitor Management Strategy was combined with work on Sustainable Tourism Strategy and Interpretation Framework.

Report on the Year's Activities

continued...

Theme: To foster a Park for All, and encourage enjoyment, understanding and appreciation of the special qualities of the area.

Objectives

Progress in 2004/05

All Abilities

- Work to ensure access for all abilities becomes integrated into thinking across the Park by all organisations. It will also work to ensure that recreational facilities and in particular paths provide for the needs of people of all abilities.

'Park for All' issues are now considered as a matter of course in policy and project development. CNPA staff and Board members have received disability awareness training during the year.

As part of the process of developing an Outdoor Access Strategy, an audit was being compiled of all abilities access provision across the Park.

The All Abilities Communications Network (which advises the CNPA on disability issues) secured a seat on the Cairngorms Local Outdoor Access Forum.

Youth

- Ensure that young people are able to get involved in the National Park, to feed in their ideas, and to understand and enjoy it. Programmes of youth involvement will be developed.

The Schools Youth Group brought together elected pupil representatives and their teachers from the seven secondary schools with catchments wholly or partly within the Park. This group progressed a variety of mechanisms for engaging young people in the Park, including:

- An innovative media project involving groups from each school being trained in film making skills and producing their own film on life in the National Park;
- Initial development of the www.youngcairngorms.com website, hosted by Grantown Grammar, containing Park information targeted at young people.

Objectives

Youth continued...

Health and Fitness

- Encourage enjoyment of the outdoor recreation opportunities of the Park as means of enabling people to improve their health and fitness.

Social Inclusion

- To look at ways of reaching out to socially excluded groups within and outwith the Park to increase understanding and appreciation of the natural environment.

Progress in 2004/05

The John Muir Award (JMA) project in the Cairngorms was approved by the Board at its very first meeting in April 2003, and is administered by the CNPA. It was set up in response to the ongoing challenge of involving people, particularly groups of young people, in understanding and contributing to the natural heritage of the area. By March 2005, there were 22 award providers in the Park, and 300 people currently registered for awards. The project funding from LEADER +, Scottish Natural Heritage (SNH) and CNPA, is due to end in 2006.

A pilot affordable health and fitness project has been completed with elements of it now being taken forward by other partners. A Directory of Physical Activity (Badenoch and Strathspey) was produced and circulated. Based upon this work, a Park-wide conference was funded and organised jointly with NHS Highland and the Highland Council, to share best practice lessons.

The John Muir Award (JMA) has established a partnership with the Scottish Youth Hostel association and its 'Give Us a Break' social inclusion programme, which provides fully funded residential opportunities for disadvantaged groups. In addition, the JMA itself has a small amount of funding available to groups to enable them to become involved in the Award.

Report on the Year's Activities

continued...

Theme: Develop clear cohesive strategies for stewardship of the natural resources of the National Park.

Objectives

Land Management Schemes

- Work with the Scottish Executive, partners and land managers in the Park to ensure that land management support schemes are developed which are integrated and appropriate to the needs and aims of the National Park.

Progress in 2004/05

We made good progress in delivering the Cairngorms Moorland Project, implementing new management regimes on the two demonstration moors, and carrying out a programme of visits, particularly with local school children. We began a mid-term review of the project which is due to complete in 2006.

Discussions started with Scottish Executive on the future of Land Management Contracts in the Cairngorms.

The Land Based Businesses Project is administered and part funded by the CNPA (along with the European Social Fund). It encourages land based businesses to embrace training. The project supports this by sourcing and funding courses, and networking in order to provide courses in direct response to needs, at suitable venues and times. During 2004/05 it also arranged delivery of Public Benefit courses, which have no direct commercial benefit for businesses, but which help them deliver the Park's aims. Since January 2004, the course has provided training support for over 500 people, working for 80 land based businesses.

As part of our longer term aim of identifying mechanisms to ensure nature conservation designations benefit wildlife and land managers, we have worked closely with SNH and estates on the Cairngorms National Nature Reserves (NNR) review.

Objectives

Public Goods

- Take a lead in developing a shared understanding of the “public goods” which the public sector will purchase from land managers, and consider incentive schemes that may be developed to achieve the management of farmed as well as non-farmed land in ways that will help deliver these.

Biodiversity

- Help to maintain and enhance biodiversity in the National Park

Progress in 2004/05

A public consultation was undertaken in February and March 2005 and will form the basis for discussions with partners on the future of incentive schemes. This will feed into further work on defining public benefits delivered by land managers, with the longer term aim for realigning schemes into a “one-stop shop”.

Local Biodiversity Action Plan (LBAP) project. The emphasis this year has been on developing delivery plans with partners.

A range of projects has also been developed:

- Highland Aspen Group’s nursery, field trip, aspen database and research work;
- Fresh Water Pearl Mussel re-introduction;
- Water Vole conservation work looking at current levels of mink control;
- Biodiversity Planning Guidance Note for the Householder published.

A Communication Plan and website is also being developed.

Report on the Year's Activities

continued...

Theme: Encourage and support balanced, thriving stable communities in the Park.

Objectives

Progress in 2004/05

Housing

- Work with partners to implement the Cairngorms Housing Strategy;
- Develop and pilot schemes for providing affordable housing.

The Authority sought to influence housing policy through working with a wide range of external groups and supported the Cairngorms Housing Strategy Implementation Group to help address affordable housing issues.

Heriot Watt University were commissioned to undertake a housing market assessment study, which was largely completed within 2004/05. This will provide the evidence needed to support Local Plan policies addressing local affordability of housing. It will also inform revision of the Cairngorms Housing Strategy and development of the National Park Plan.

The Authority responded to the Scottish Water Quality & Standards III consultation pressing the case for increasing investment in water and sewerage infrastructure within the Park.

Capacity Building in Communities

- Help communities develop the capacity to be effective partners and consultees on a range of important issues such as the National Park Plan and Local Plan;
- Effective use of electronic communications (possibly including wider availability of Broadband),

We supported the Association of Cairngorms Community Councils and worked with them and individual Community Councils on initial Local Plan consultations. We contracted two Local Plan Community Co-ordinators and established a network of facilitators.

We developed a draft Community Development policy and issues paper for input to National Park Plan.

Objectives

Capacity Building in Communities...

training in its use, and effective systems of making the right information available in readily accessible forms.

Business

- In conjunction with the enterprise networks, to help create a business environment that can sustain quality employment and enable businesses to expand and develop while protecting the natural and cultural heritage;
- Work with business to create career opportunities, linked to the Park's aims and to this end aim to develop and pilot Park-oriented apprenticeship scheme(s).

Tourism

- To establish, working with Tourist Boards and local businesses, a co-ordinated Park wide approach to sustainable tourism

Progress in 2004/05

Strategic objectives were put to the Board in April 2005. Issues papers will be further refined in line with Park Plan timetable.

A series of community development projects to deliver social and economic development aims was supported: the Glen Esk Roadman project; Adult Learning and Conservation in Deeside project; Cairngorms, Rothiemurchus and Glenmore Group (CRAGG) and Deeside River Festival. We part-funded the continuation of Boat of Garten and Carr-Bridge community worker posts. Community grant scheme was developed for 2005/06 implementation.

Initial work on economic development policy context and key issues was completed to feed into the National Park Plan.

Funding was agreed for Park-wide seminars to encourage women to take up employment/learning opportunities.

Discussions were held with Cairngorms Chamber of Commerce over future development plans.

A partnership was developed to take forward work on a Youth Apprenticeship Scheme for the Park.

Through the ViSIT Forum, we worked to ensure a co-ordinated and integrated approach to tourism involving industry and agencies. Strategic discussions were held with Ministers and with VisitScotland to define CNPA's role

Report on the Year's Activities

continued...

Theme: Encourage and support balanced, thriving stable communities in the Park.

Objectives

Progress in 2004/05

Tourism continued...

through the preparation and implementation of a sustainable tourism strategy;

- Develop a marketing strategy and brand for the whole Park, based on the special qualities and attractions of the area and the establishment of a hallmark of quality.

following review of tourism agencies.

A Cairngorms Tourism Marketing Strategy and Action Plan and a Sustainable Tourism Strategy and Action Plan were completed. An application for European Charter for Sustainable Tourism in Protected Areas was submitted.

A Cairngorms brand was developed and launched in March 2005.

Planning and Development Control

- Call-in and determine those planning applications which are of general significance to the Park's aims, with a view to ensuring a consistent approach to sustainable development, and to good design.

A review of performance was put in hand to allow us to take stock and improve the quality of service delivery. A review of "call-in" and "commenting" practice was completed by the Planning Committee.

An additional Development Control Officer was employed to help improve the planning team's capacity to deal with applications.

A statement on enforcement policy was approved so that the CNPA is able to monitor compliance with its own determinations and take enforcement action as necessary, as well as work in conjunction with the four local authorities on the enforcement action.

Cultural Heritage

- To develop and implement a strategy for encouraging participation in and raising awareness of the area's rich cultural heritage.

Cultural heritage policy and issues paper was completed for input to the National Park Plan. Strategic objectives presented to the Board in April 2005. Issues papers to be further refined in line with National Park Plan timetable.

Objectives

Cultural Heritage continued...

LEADER+ programme

- Continue to deliver the Cairngorms programme (to 2007) which focuses on "helping the local communities make best use of natural and cultural resources".

Small Grants Scheme

- Run grant scheme

Progress in 2004/05

Funding was approved for redevelopment of the Retreat Heritage Centre in Glen Esk, Feis Spe, Strathmashie Community Heritage Project, a ski museum feasibility study at Cairngorm Mountain and DANNSA. A Cairngorms place names leaflet is to be produced in 2005/06.

An interim Gaelic language policy was adopted.

The Cairngorms LEADER+ programme approved funding of £325,000 for 39 new projects during the year. It successfully bid for an additional £318,000 from the Scottish Executive to fund further projects in 2005 and 2006.

The CNPA supported 49 community-led events, helping local people and visitors to engage with the National Park. Projects ranged from village theatre, fetes, gatherings and sports events, to garden development, publishing historical material and art competitions. Activities took place throughout the Park, from Grantown and Glen Livet to Ballater, the Angus Glens and Kingussie, touching a significant cross-section of the National Park communities. The grant scheme was part funded with LEADER+ funds.

Report on the Year's Activities

continued...

Theme: Integration of the Park's aims through the National Park Plan.

Objectives

Progress in 2004/05

Prepare a National Park Plan

- Present a draft National Park Plan, in accordance with the provisions of the National Parks (Scotland) Act, to Scottish Ministers in 2006.

Significant progress was made in developing the National Park Plan, particularly in researching baseline data, developing a vision and management objectives, and beginning discussions with the main players in the Park.

The Advisory Panel on Joined Up Government, made up of senior representatives from the main public sector organisations, met for the first time to discuss how to support the preparation of the National Park Plan.

Prepare a Cairngorms National Park Local Plan

- As the statutory Local Plan authority, produce a new Local Plan for the Park providing consistency across the area and helping to deliver the four aims of the National Park.

A first consultation (pre-draft plan) on the Local Plan was undertaken over the winter. Two Local Plan Community Liaison Co-ordinators, and a number of community facilitators were recruited to help ensure successful engagement with communities. 12,000 households had community profiles/questionnaires, with a response rate of over 13%. Over 40 community meetings of varying types were held during November and December 2004. The Consultation report was put to the Planning Committee in April 2005.

Substantial progress was made towards a first draft of the Local Plan. Formal consultation on the draft plan will be in August 2005.

A number of interim planning policies were drafted covering: Renewables; Telecommunications;

Objectives

*Prepare a Cairngorms National Park
Local Plan continued...*

Progress in 2004/05

Vehicle Hill tracks. The policy on Mineral Workings will be taken forward in the Local Plan. Housing policies will also be incorporated into the Local Plan, and the need for supplementary planning guidance kept under review.

Work started on the Strategic Environmental Assessment for the Local Plan (and the National Park Plan) and will be completed in 2005/06.

The CNPA input to the Aberdeenshire Local Plan Inquiry, requesting that no decisions should be made that would prejudice the CNPA Local Plan.

Report on the Year's Activities

continued...

Theme: Develop an enabling organisation that is trusted and respected

Objectives

Progress in 2004/05

Staff Recruitment

- Identify priorities for the organisation and recruit able staff to take these forward. Recruit on the basis of competition to ensure high quality staff.

Recruitment and retention policy approved. Following the recruitment of 19 staff, staff numbers reached 54 at the end of the year, including two secondments from other organisations, and ten fixed term posts directly related to delivery of projects.

Organisational Structure

- Establish arrangements which create and maintain a cohesive organisation which recognises and rewards good performance, and which provides for staff development

Pay and grading system established.

An annual appraisal/performance review system was put in place.

Culture of Outward facing

- Create an organisation which values its staff and members and their contributions to the National Park; which has a clear understanding of who the organisation is there to serve; and is outward facing in everything it does;
- Establish efficient communication systems internally and externally.

An opinion poll was conducted on perceptions within the Park, to establish a baseline against which progress can be measured objectively over the coming years.

A series of articles was produced to raise public understanding, and a regular flow of press coverage supported.

A clear set of core messages about the Park was established.

An ISDN interview facility was installed in the Grantown office.

Website development continued. The main structure of the website was completed in the early part of 2004 and the full site

Objectives

Culture of Outward facing continued...

Openness and Accessibility

- Ensure the organisation is accessible to the public and to other organisations who wish to engage with us.

Progress in 2004/05

launched in April 2004. In July 2004 the site was listed in Drum (magazine for the marketing, advertising and media industries) as one of Scotland's top websites. The website consistently scored an average of 10,000 hits per month since its launch in April 2004. Most common country usage is UK followed by USA. The site continues to meet the highest A rating under the Government's Web Accessibility Initiative. A Communications Strategy was put in place.

A Corporate Plan and Annual Report were published, along with a range of publications about work and projects underway in the Park.

Three editions of the CNPA newsletter "Parklife" were published in the year, and distributed to all households in Park. It is now available in tape format for the visibly impaired.

A scheme was submitted as required under Freedom of Information (FOI) Act. This was backed up with staff training, and implementation of recording system.

Formal board meetings and committee meetings were publicised, advertised in the local press, and open to the public. Board papers and other information were made publicly available, circulated to local authority offices and published on the CNPA website.

Board meetings were held every month, at various venues around the Park.

Report on the Year's Activities

continued...

Theme: Develop an enabling organisation that is trusted and respected

Objectives

Openness and Accessibility continued...

Progress in 2004/05

On the evening before each board meeting, there was an open evening for the local community to come and meet informally with Board members.

A number of advisory Forums were set up by the CNPA, to ensure the Park Authority's work was informed by engagement with a wide range of interests. The Forums covered:

- Economic and Social Development;
- Housing Strategy Implementation Group;
- Visitor Services, Information and Tourism (ViSIT);
- Integrated Land Management;
- Panel on Joined up Government (National Park Plan).

In addition, the Cairngorms Local Outdoor Access Forum was set up as required under the Land Reform Act. A Cairngorms Local Plan Working Group was set up, bringing public agencies and other interests together to advise the CNPA Planning team on the development of the Local Plan.

Objectives

Progress in 2004/05

Internal Control Systems

A Work Plan was agreed with the internal auditor for reviewing current systems and identifying improvements.

We put in place efficient and effective financial control systems for expenditure.

Operational Effectiveness and Efficiency

- Ensure arrangements are in place to enable the Board to have a level of oversight of the operation;
- Ensure that effective internal control systems are in place and are used, to provide accountability and efficient use of resources;
- Establish an effective internal greening policy within the CNPA.

Committees on Finance, Audit and Staffing met quarterly, and regular reports were presented to the Board on delivery of the Operational Plan.

Work continued to complete and refine admin systems.

Audio conferencing arrangements were established.

Corporate and operational plans were completed for 2005-2008 and 2005/06.

Reports prepared for both CNPA offices on the potential for more sustainable resource use and energy efficiency. Policies were developed, and a programme put in place to monitor changes in practices across the office.

Training

- Ensure a continuous programme of training for board members and staff is implemented.

Two staff away days held.

Training for whole organisation on disability awareness, and media training.

Programme of training delivered to meet individual development needs.

Summary of Accounts 2004/05

Our resource allocation from the Scottish Executive totalled £3.5 million for 2004/05. This covers cash used by the Authority in the year, received as Grant in Aid. The Authority also had to meet the cost of reduction in asset values (depreciation) and other non-cash (notional) costs included in the year from this resource allocation.

We also incurred expenditure in the year for which cash was not paid after 31 March 2005 (year-end creditors).

The table below reconciles the Grant in Aid (GIA) received by the Authority to the total Resource Allocation available. Full accounts for 2004/05 are set out in Annex 1 (page 27).

	<u>£000</u>	<u>£000</u>
Grant in Aid		3,000
Income and Expenditure account		
Purchase of fixed assets		111
Grant in Aid received in year		3,111
<hr/>		
Year end creditors which have been paid in 2005/06		178
Resource Allocation to meet non-cash items		
Depreciation	91	
Notional costs	<u>11</u>	102
Other income reducing Grant in Aid		
Planning fees	38	
Bank interest	<u>4</u>	42
Resource Allocation used in year		3,433
<hr/>		
Resource Allocation unused		117
Total Resource Allocation from Scottish Executive		3,550

Annex 1

Audited Accounts for the period ended 31 March 2005

FOREWORD

Introduction

This Statement of Accounts, prepared in a form directed by Scottish Ministers in accordance with the National Parks (Scotland) Act 2000, reports on the second year of operation of the Cairngorms National Park Authority (CNPA). The Authority became fully operational on 1 September 2003 but prior to that date the Authority had assumed stewardship duties for the area from the Cairngorms Partnership following the creation of the CNPA Board on 25 March 2003.

Background

National Park Aims

Section 1 of the National Parks (Scotland) Act 2000 sets out four aims for the Park:

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

The National Park Authority

Under the legislative provisions of the National Parks (Scotland) Act 2000, the Designation Order for CNPA was approved on 7 January 2003. The Order defined the boundaries of the National Park, confirmed the constitution of the Authority, the functions to be exercised by the Authority and identified specific dates on which the CNPA would come into existence and when it would become responsible for full function delivery viz, the establishment date of 25 March 2003 and operational date of 1 September 2003.

The National Park Authority (NPA) has the status of a Non-Departmental Public Body working to the provisions of a Management Statement and Financial Memorandum agreed with its sponsor department within the Scottish Executive: the Environment and Rural Affairs Department (SEERAD). The general purpose of the Authority is to ensure that the National Park Aims are collectively achieved in a co-ordinated way, in relation to the National Park.

A full list of Park Authority Members together with a resumé of their backgrounds is detailed on pages 30 to 35.

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Foreword continued...

Results and future activities

The accounts for the year to 31 March 2005 are set out in pages 42 to 44 together with the notes on pages 45 to 54. The accounts are prepared on a going concern basis and show a deficit of £161,212 for the year to 31 March 2005.

The deficit is due to expenditure being accrued, ie recognised when it is incurred rather than when it is paid for, whereas Grant in Aid income is recognised on a cash basis, ie when it is received. Expenditure accrued in the accounts will be paid for out of cash received in the 2005/06 financial year.

The Authority will continue to build on the progress made in its first period of operation and will maintain operational services while putting in place efficient, effective and economic management information systems. A major priority during the course of the coming year will be the completion of the development and issue for consultation of a draft National Park Plan and draft Local Plan. The CNPA assumed responsibilities as an Access Authority on 2 February 2005 and therefore 2005/06 will represent the first full year during which these responsibilities will be exercised.

A comprehensive presentation of the Authority's current and future activity plans is available in its Operational Plan for 2005/06 and Corporate Plan for 2005-2008.

Changes in fixed assets

Movements in fixed assets are shown in note 7.

Post Balance Sheet Events

There are no post balance sheet date events to report for the year to 31 March 2005.

Charitable Donations

There were no charitable donations made in the year.

Payment Performance

The Authority's payment policy complies with the terms of the Better Payment Practice Code. During the year to 31 March 2005, the time taken to pay creditors achieved an average of 19 days (2004 - 24 days).

Employment policies, consultation and disabled employees

During the year the Authority issued a staff handbook which covers its employment policies and terms and conditions. The Authority's Equal Opportunities Policy ensures that the Authority does not discriminate on grounds of disability, racial group, sex, religion, sexual orientation or age, and that access to employment and career development within the Authority is based solely on ability, skill, competence and potential.

A job evaluation exercise has been completed and an appraisal system is now in operation.

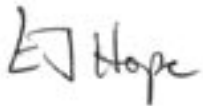
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There is a monthly staff meeting for all staff at which any issue may be raised by individuals, as well as regular meetings for each Group within the Authority where individuals may raise issues with their Head of Group. A Staff Consultative Forum has been formed which provides a formal mechanism for employer representatives to inform, consult and negotiate with staff representatives from across the organisation.

Auditors

The accounts of the Authority are audited by an auditor appointed by the Auditor General for Scotland in accordance with paragraph 25 (2) of the National Parks (Scotland) Act 2000. His audit report is on pages 40 to 41 and details of the auditor's remuneration are given in note 5.

Signed on behalf of the Cairngorms National Park Authority



Jane Hope, Chief Executive
24 November 2005

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NATIONAL PARK BOARD MEMBERS

The CNPA's Board comprises 25 members. The Scottish Executive appoints ten members directly; appoints a further ten following Council nominations by the four councils in the Park area (Highland, Aberdeenshire, Moray and Angus Councils) and five are elected locally. The members will serve between 18 months and four years.

All members served throughout the period covered by these accounts unless otherwise indicated.

All Board members sit on the Planning Committee

Membership of committees is reviewed annually, the latest review was on 23 September 2005 and made the following changes, which have been reflected in the list:

Planning	no change.
Finance	Andrew Thin stepped down; Bruce Luffman joined.
Audit	Sheena Slimon stepped down; Sue Walker joined.
Staffing & Recruitment	Douglas Glass and Bruce Luffman stepped down; Sandy Park joined.

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Scottish Executive appointee

Andrew Thin (Convener)
Eric Baird (Deputy Convener)
Duncan Bryden
Sally Dowden
Lucy Grant
David Green
Anne MacLean
Alastair MacLennan
Joyce Simpson
Susan Walker

Committee Membership

Staffing & Recruitment
Audit, Staffing & Recruitment
Audit
Audit

Staffing & Recruitment
Staffing & Recruitment

Finance
Audit

Local Authority nominee

Peter Argyle (until 24 September 2004)
Francis (Stuart) Black
Basil Dunlop
Angus Gordon
Marcus Humphrey (from 25 September 2004)
Bruce Luffman
Sandy Park (from 25 September 2004)
David Selfridge
Robert Severn (until 24 September 2004)
Sheena Slimon
Richard Stroud
Bob Wilson

Finance
Staffing & Recruitment
Finance

Audit

Locally elected

Douglas Glass
William McKenna
Eleanor Mackintosh
Andrew Rafferty
Gregor Rimell

Finance

Finance

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National Park Board Members continued...

Andrew Thin is also a Board member of the Crofters Commission and holds senior non-executive positions in a number of other charitable, public and private organisations.

Eric Baird is the immediate past convener of the Cairngorms Community Councils Group and Head Ranger on the Glen Tanar estate. He also has a specialist knowledge of countryside issues, is a member of the Grampian Regional Forestry Forum and an occasional lecturer with the Scottish Agricultural College.

Peter Argyle (*Liberal Democrat Councillor for Aberdeenshire*) has a lifelong interest in conservation issues and natural history. He has worked on a local level with the Cairngorms Partnership on projects for the Aboyne area. At one time he was employed as a Countryside Ranger by Aberdeenshire Council.

Francis (Stuart) Black (*Scottish Liberal Democrat*) is a Board member of North Area Board of Scottish Natural Heritage. He is also Chairman of Explore Abernethy, a community project involving the creation of a local footpath network. He serves on a number of the Highland Council's committees. He is a former member of the Cairngorms Partnership Board. He has been a Strathspey hill farmer for over 40 years.

Duncan Bryden is a self employed Rural Development consultant with a professional ecological background. Previously he worked in the public, private and voluntary sectors throughout the Highlands. Duncan is a member of the Highland Forest Forum. He has three school age boys and when not

on the shinty, football or rugby touchline is active in the hills.

Sally Dowden owns Speyside Wildlife, one of Scotland's largest wildlife tour operating companies. She is a Board member of the Cairngorms Chamber of Commerce and a Committee member of Wild Scotland, the national association of wildlife tour operators in Scotland.

Basil Dunlop (*Independent Councillor for Highland*) is Chairman of Planning for the Badenoch and Strathspey area. In addition to being a member of various Highland Council committees and the Northern Joint Police Board, he is a director of several local groups such as Moray Badenoch & Strathspey Enterprise and the Grantown Museum and Heritage Trust. He is a chartered forester who has specialised in the native pinewoods of the Cairngorms area and is Chairman of Anagach Woods Trust. He has lived in the Cairngorms for over 40 years and is a keen hillwalker and photographer.

Douglas Glass was elected for ward 5. He is a full time general practitioner at Ballater clinic since 1986. He lives on Dee Castle Farm, Glen Tanar, Aboyne. A Board member of Crathie Opportunity Holidays and partner on Dee Castle Farm, his interests include farming, medicine and environmental issues.

Angus Gordon (*Independent Councillor for Highland*) is Chairman of the Badenoch and Strathspey Area Committee of the Licensing Board. He sits on various committees including the Sustainable Development Select Committee and the Land and

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Environment Select Committee. He is a local tenant farmer and is a member at area and local level of the NFU.

Lucy Grant is a partner in the family livestock farm and has developed a good general knowledge of the area's issues.

David Green lives in the Ross and Cromarty area and is currently Chair of the Crofters Commission. He was a Crofters Commissioner until September 2002 and Convener of Highland Council until 1 May 2003. He was the Independent member for the Lochbroom Ward. He is also a self employed crofter who has diversified into tourism based on the croft.

Marcus Humphrey (*Scottish Conservative Councillor for Aberdeenshire*) is a chartered surveyor and has been involved in farming, forestry, tourism and land management in the Cairngorms area for many years. He is currently Chair of the Marr Area Committee and is on the Infrastructure Services and Policy and Resources Committees. He also serves on COSLA's Economic Development Executive Committee.

Bruce Luffman (*Scottish Conservative Councillor for Aberdeenshire*) is a member of a number of organisations. These include the North Board of SEPA, the North East Scottish Agricultural Advisory Group and the Strategic Forestry Working Group. He is also a Director of the Cairngorms Chamber of Commerce. He has been on the Cairngorms Agricultural Forum for some four years and is a member of the National Farmers Union. He and his wife run a guesthouse at Strathdon which is within the Cairngorms National Park.

William McKenna was elected for ward 2. He worked locally in the skiing business for over 20 years and is now a countryside manager, looking after everyone who enjoys Rothiemurchus Estate. He is currently involved with Aviemore Community Company and the Citizens Advice Information Service.

Eleanor Mackintosh was elected for ward 4. She worked in the Clydesdale Bank for 25 years, ending up as financial adviser, and now helps at home on the farm. She lives in Glenlivet, and has served in the past on various community groups.

Anne MacLean retired from Trade Union work in 1990. She has an interest in measures which promote access for disabled people and is a Board member of the Highland Society for Blind People and RNIB Scotland. She is also a Board member of Albyn Housing Society and an Independent Assessor for Ministerial Appointments.

Alastair MacLennan is a farmer who has diversified into tourism and other business ventures. Mr MacLennan has also been at the forefront of the LEAF initiative (Linking Environment and Farming) and has been a demonstration farmer since 2000. He had formerly served on the Cairngorms Partnership Board.

Sandy Park (*Independent Councillor for Highland*) is the Provost of Nairn and is Chair of Highland Council's Planning, Development, Europe and Tourism Committee. He also sits on the Council's Transport, Environment and Community Services Committee and the Northern

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National Park Board Members continued...

Joint Police Board. He has been involved in outdoor pursuits in the area for over 40 years.

Andrew Rafferty was elected for ward 3. He is the principal vet in the Strathspey Veterinary Centre which covers four out of the five wards in the National Park. Born in Grantown he lives at a smallholding at Invertruim near Aviemore. He is a Director of Anagach Woods Trust.

Gregor Rimell was elected for ward 1. For 12 years he has been sub-postmaster in Kingussie and lives in Newtonmore. In May 2003 he was elected as an Independent Councillor to Highland Council.

David Selfridge JP (*Scottish National Party Councillor for Angus*) currently serves on a number of bodies including Scottish Enterprise (Tayside), Angus & Dundee Tourist Board and Angus Economic Development Partnership. He is Convener of the Infrastructure Services Committee (Planning & Transport Policy, Roads and Economic Development) and a member of several other committees. He is formerly an Assistant Director of Water Services with Tayside Regional Council.

Robert Severn was nominated to the Board by Highland Council. He lives in Aviemore and is a co-opted member of Aviemore Community Council. He is a Director of Dachaidh Care and Support Scheme. He has lived and worked in the area for over 30 years and was a member of the Cairngorms Mountain Rescue Team and is heavily involved in other outdoor sporting pursuits.

Joyce Simpson is a retired solicitor who has been involved for many years with outdoor activities for youth organisations. She is a member and former Chair of the Cairngorms Community Councils Group.

Sheena Slimon (*Independent Councillor for Highland*) was involved in setting up the Laggan Rural Partnership and the Community Information Resource Centre and the Laggan Forest Trust. She works closely with a number of local agencies and other parties concerned with the wellbeing of the Laggan community. She is also a member of several Highland Council committees including Sustainable Development and Education, Culture & Sport and is Vice-Chair of Housing & Social Work with responsibility for housing.

Richard Stroud (*Liberal Democrat Councillor for Aberdeenshire*) previously worked with Community Education Service in the Upper Deeside/Donside areas and has considerable contact with community organisations, communities and individuals in these areas through professional work. He is currently Convener of Aberdeenshire Council's Education and Recreation Committee and an active mountaineer and ski mountaineer.

Susan Walker is a former Professor of Geography and Environment at Aberdeen University and a part time environmental consultant. She is a specialist in water management and related ecological and conservation issues. She is currently a Board member of Scottish Natural Heritage, the Deer Commission for Scotland, the Scottish

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Environment Protection Agency, and a member of the Fisheries (Electricity) Committee.

Bob Wilson (*Independent Councillor for Moray*) is Chairman of the Grampian Joint Valuation Board, Chairman of the Environmental Services Committee, Chairman of the Speyside Way Management Committee, Director of the Aberdeen & Grampian Tourist Board and Director of Moray Microbiological Services. He is a member of several other organisations, including the North East Scottish Agricultural Advisory Group and is proprietor of Speyside Gauging Services. He has a keen interest in both local community issues and those issues which fall to the remit of the Park Board.

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STATEMENT OF NATIONAL PARK AUTHORITY'S RESPONSIBILITIES

Under Section 25(1) of the National Parks (Scotland) Act 2000, the Cairngorms National Park Authority (CNPA) is required to prepare financial statements for each financial year in the form and on the basis determined by the Scottish Minister.

The financial statements are prepared on an accruals basis and must show a true and fair view of the state of affairs of the Authority at the financial period end and of the income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing those financial statements, the CNPA is required to:

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

In addition, the CNPA has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the CNPA and to prevent and detect fraud and other irregularities.

STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

The Accountable Officer of the Scottish Executive's Environment and Rural Affairs Department designated the Chief Executive of the CNPA as Accountable Officer for the Authority.

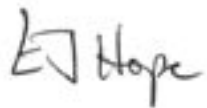
The Chief Executive's relevant responsibilities as Accountable Officer for the Authority, includes responsibility for propriety and regularity of the public finances and for the keeping of proper records as set out in the Non-Departmental Public Bodies Accountable Officers' Memorandum, issued by the Treasury and published in Government Accounting.

The Authority's Management Statement sets out the specific responsibilities of the Chief Executive, as Accountable Officer. With specific reference to accounting for the CNPA's activities the Accountable Officer:

- Has a duty to sign the accounts and be responsible for ensuring that proper records are kept and presented in accordance with any direction issued by the Scottish Ministers;
- Sign a Statement of Accountable Officer's responsibilities and a Statement on Internal Control both for inclusion in the annual accounts;

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- Sign a Certificate of Assurance on the maintenance and review of the Authority's internal control, for submission to the Sponsoring Department; and
- Give evidence when summoned before Committees of the Scottish Parliament on the use and stewardship of public funds by the Authority.



Jane Hope, Chief Executive
24 November 2005

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STATEMENT OF INTERNAL CONTROL FOR THE PERIOD ENDED 31 MARCH 2005

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Cairngorms National Park Authority's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in the Authority's Management Statement. This is achieved by ensuring that I, as Chief Executive, managers within the organisation and members of the Authority receive regular flows of accurate and timely information enabling decisions to be made on an informed and considered basis.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Work on risk assessment and development of an appropriate risk management strategy was undertaken over the course of 2004/05. A risk management workshop was attended by members of the Authority's Management Team and by the Convener of the Audit Committee in November 2004. An outcome of that workshop was the identification and ranking of strategic risks facing the Authority. The risks and their ranking were subsequently approved by the Board's Audit Committee in March 2005, along with a risk management strategy. The Authority will identify appropriate responses to these risks and officers responsible for their management in the 2005/06 financial year. The first steps have been taken to embed the risk management strategy within the Authority's operational planning processes.

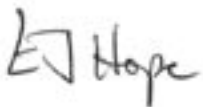
The internal audit function is an integral element of the Authority's internal control systems. Deloitte LLP were appointed as the Authority's internal auditors in June 2004 and, in addition to facilitating the risk management workshop, have established and commenced work on a three year internal audit programme. They will report to and attend the Board's Audit Committee. Reports on the outcome of their first two internal audit reviews, covering fixed assets and payroll, were presented to the Audit Committee in March 2005. These reviews identified a need to implement financial procedures and also highlighted significant weaknesses in asset registers. Subsequent to these reports the Audit Committee approved financial regulations for the Authority at its meeting on 26 August 2005. A timescale for improvement to asset registers has been agreed with internal audit.

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by work of the internal auditors and the executive managers within the department who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by

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the Board and the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Authority's Audit Committee is tasked with monitoring the operation of the internal control function and bringing to the attention of the full Board any material matters. Detailed findings of all the internal audit reviews are made available to both management and the Audit Committee and, in addition, the Audit Committee will produce an Annual Report to the Board assessing the adequacy and effectiveness of the Authority's internal controls.



Jane Hope, Chief Executive
24 November 2005

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Cairngorms National Park Authority, The Scottish Parliament and the Auditor General for Scotland

I have audited the financial statements on pages 42 to 54 which have been prepared under the National Parks (Scotland) Act 2000. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the accounting policies set out on page 45. This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice approved by the Auditor General and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by Audit Scotland, dated July 2001.

Respective responsibilities of the National Park Authority, the Chief Executive and Auditor

As described on pages 36 to 37, the National Park Authority and the Chief Executive are responsible for the preparation of the financial statements and for ensuring the regularity of expenditure and receipts. The National Park Authority and the Chief Executive are also responsible for the preparation of the Foreword. My responsibilities, as independent auditor, are established by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice approved by the Auditor General for Scotland, and guided by the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder and whether, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. I also report if in my opinion the Foreword is not consistent with the financial statements, if the Cairngorms National Park Authority has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on pages 38 to 39 complies with Scottish Executive guidance on statements on the system of internal control. I report if, in my opinion, it does not comply with the guidance or if the statement is misleading or inconsistent with other information I am aware of from my audit. I am not required to consider whether the statement covers all risks and controls, or form an opinion on the effectiveness of the Cairngorm National Park Authority's corporate governance procedures or its risk control procedures.

I read the other information contained in the Foreword, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

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Basis of audit opinions

I conducted my audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice, which requires compliance with relevant United Kingdom Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts shown in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Cairngorms National Park Authority and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Cairngorms National Park Authority's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error, and that, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinions

Financial statements

In my opinion the financial statements give a true and fair view of the state of affairs of the Cairngorms National Park Authority at 31 March 2005 and of the deficit, total recognised gains and losses and cash flows for the period then ended and have been properly prepared in accordance with the National Parks (Scotland) Act 2000 and directions made thereunder.

Regularity

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



Arwel Roberts

Director, Central Government

Audit Scotland, 18 George Street, EDINBURGH EH2 2QU

16 December 2005

Annex 1 Accounts

INCOME AND EXPENDITURE ACCOUNT for the period ended 31 March 2005

	Note	2005 £	2004 £
Income			
Grant in Aid	2	3,000,000	1,494,290
Planning fees		38,017	-
Released from Capital Assets Fund	11	90,852	44,042
Operational Plan income		793,147	386,663
		<u>3,922,016</u>	<u>1,924,995</u>
Expenditure			
Board members and staff costs	3	1,496,085	675,438
Operational Plan expenditure	4	1,770,161	512,885
Other operating costs	5	730,459	679,531
Notional costs	6	10,899	3,202
Depreciation	7	90,852	44,042
		<u>4,098,456</u>	<u>1,915,098</u>
(Deficit)/Surplus on operating activities		(176,440)	9,897
Bank interest received		4,329	1,138
(Deficit)/Surplus on ordinary activities		(172,111)	11,035
Add back: Notional costs	6	10,899	3,202
		<u>(161,212)</u>	<u>14,237</u>
(Deficit)/Surplus for the period	12	<u>(161,212)</u>	<u>14,237</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the period ended 31 March 2005

	Note	2005 £	2004 £
(Deficit)/Surplus for the period	12	<u>(161,212)</u>	<u>14,237</u>
Total recognised (losses)/gains		<u>(161,212)</u>	<u>14,237</u>

No activities were discontinued during the year.

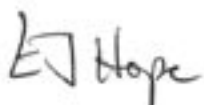
The accounting policies and notes on pages 43 to 53 form part of these accounts.

Annex 1 Accounts

BALANCE SHEET as at 31 March 2005

	Note	2005 £	2004 £
Fixed Assets			
Tangible assets	7	<u>422,037</u>	<u>401,603</u>
Current Assets			
Debtors	8	168,916	159,776
Cash at bank and in hand	9	<u>43,230</u>	<u>193,272</u>
		212,146	353,048
Creditors: amounts falling due within one year	10	<u>(359,121)</u>	<u>(338,811)</u>
Net Current (Liabilities)/Assets		<u>(146,975)</u>	<u>14,237</u>
		<u>275,062</u>	<u>415,840</u>
Financed by:			
Deferred income	11	422,037	401,603
Reserves	12	<u>(146,975)</u>	<u>14,237</u>
		<u>275,062</u>	<u>415,840</u>

Signed on behalf of the National Park Authority



Jane Hope, Chief Executive
24 November 2005

The accounting policies and notes on pages 45 to 54 form part of these accounts.

Annex 1 Accounts

CASH FLOW STATEMENT for the period ended 31 March 2005

	Note	2005 £	2004 £
Net cash (outflow)/inflow from operating activities	13	(88,919)	126,682
Returns on investments			
Bank interest received		4,329	1,138
Investing activities			
Purchase of fixed assets		(176,738)	(366,258)
Net cash (outflow) from operating activities		(261,328)	(238,438)
Financing			
Grants received to be applied to purchase fixed assets		111,286	431,710
(Decrease)/increase in cash		(150,042)	193,272
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in cash for the period		(150,042)	193,272
Net funds at start of period		193,272	-
Net funds at end of period		43,230	193,272

The accounting policies and notes on pages 45 to 54 form part of these accounts.

Annex 1 Accounts

NOTES TO THE ACCOUNTS for the period ended 31 March 2005

1. Accounting Policies

(a) *Basic Accounting.* The accounts have been prepared under the historical cost convention modification in a form determined by Scottish Ministers. The particular accounting policies adopted are described below and are applied consistently within the accounts.

Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 1985 and accounting standards issued and adopted by the Accounting Standards Board in so far as those requirements are appropriate.

(b) *Accounting Period.* The accounting period commenced on 1 April 2004 and ended on 31 March 2005.

(c) *Fixed Assets.* Fixed assets are valued at initial cost less accumulated depreciation. Depreciation is provided on all fixed assets at rates calculated to write-off the cost evenly over the asset's expected useful life, as follows:

Leasehold improvements	Over length of lease
Office equipment	5 years
IT equipment	3 years
Motor vehicles	5 years

(d) *Value Added Tax.* Irrecoverable VAT is charged to the Income and Expenditure Account in the period in which it is incurred.

(e) *Leases.* Operating lease rentals are charged to the Revenue Account over the term of the lease.

(f) *Grant in Aid.* The Authority receives government Grant in Aid to finance its net expenditure. Grant in Aid is recognised on a cash basis, ie when it is received. Grant in Aid used to purchase fixed assets is credited to a Government Grant Reserve Account and an amount equivalent to the historical depreciation charge is released to the Income and Expenditure Account over the expected useful life of the relevant assets.

(g) *Notional Costs.* In line with HM Treasury's Fees and Charges Guide, the Authority includes notional costs for cost of capital.

(h) *Pension Costs.* The Authority is a member of the Principal Civil Service Pension Scheme (PCSPS). The expected cost of providing staff pensions is recognised through monthly payment of Accruing Superannuation Liability Charges contributions to the PCSPS.

(i) *Debtors.* All material amounts due as at 31 March 2005 have been brought into the Income and Expenditure Account irrespective of when actual payments were received.

(j) *Creditors.* All material amounts outstanding as at 31 March 2005 have been brought into the Income and Expenditure Account irrespective of when actual payments were made.

Annex 1 Accounts

NOTES TO THE ACCOUNTS

for the period ended 31 March 2005 continued...

	2005 £	2004 £
2. Grant in Aid		
Grant in Aid receivable	3,111,286	1,926,000
less: amounts designated as Deferred Income (note 11)	(111,286)	(431,710)
	<u>3,000,000</u>	<u>1,494,290</u>
3. Board members and staff costs		
<i>Summary</i>		
Board members	187,853	183,456
Staff - Core	1,308,232	491,982
	<u>1,496,085</u>	<u>675,438</u>
Project staff's salary details are included in note 4.		
<i>Board members</i>		
Fees	179,900	175,775
Social security costs	7,953	7,681
Pension costs	-	-
	<u>187,853</u>	<u>183,456</u>

Annex 1 Accounts

<i>Analysis of Board members' fees and expenses</i>	<i>Current year</i>		<i>Previous year</i>	
	<i>Fees</i>	<i>Expenses</i>	<i>Fees</i>	<i>Expenses</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Andrew Thin (Convener)	18,982	6,219	18,439	5,611
Eric Baird (Deputy Convener)	9,491	1,587	9,219	1,062
Peter Argyle	3,283	327	6,383	1,058
Francis (Stuart) Black	6,571	-	6,383	-
Duncan Bryden	6,571	1,345	6,383	1,075
Sally Dowden	6,571	1,078	6,383	754
Basil Dunlop	6,571	-	6,383	103
Douglas Glass	6,571	-	6,383	57
Angus Gordon	6,571	85	6,383	90
Lucy Grant	6,829 *	822	6,792 *	395
David Green	6,571	2,208	6,383	2,476
Marcus Humphrey	3,285	304	-	-
Bruce Luffman	6,571	1,938	6,383	1,499
Willie McKenna	6,571	-	6,383	123
Eleanor Mackintosh	6,571	756	6,383	437
Anne MacLean	6,571	300	6,383	118
Alastair MacLennan	6,571	327	6,383	364
Sandy Park	3,285	480	-	-
Andrew Rafferty	6,571	72	6,383	238
Gregor Rimell	6,571	1,112	6,383	726
David Selfridge	6,571	2,413	6,383	2,382
Robert Severn	2,736	269	6,383	653
Joyce Simpson	6,571	199	6,383	82
Sheena Slimon	6,571	-	6,383	25
Richard Stroud	6,571	460	6,383	502
Susan Walker	7,160 *	998	7,282 *	911
Bob Wilson	6,571	1,143	6,383	1,279
	<u>179,900</u>	<u>24,442</u>	<u>175,775</u>	<u>22,020</u>

* additional amounts over the standard fees of £6,571 (2004 - £6,383) relate to child care payments.
Expenses are included in other operating costs (see note 5).

Annex 1 Accounts

NOTES TO THE ACCOUNTS

for the period ended 31 March 2005 continued...

	2005	2004
	£	£
3. Board members and staff costs (continued)		
<i>Staff - Core</i>		
Salaries	1,074,309	414,182
Social security costs	83,362	31,009
Pension costs (note 14)	150,561	46,791
	<u>1,308,232</u>	<u>491,982</u>
 <i>Average numbers employed during period</i>	No.	No.
Park Authority Board Members	25	25
Core employees	45	20

The Core employee number includes 2 seconded staff (2004 - 3).

At 31 March 2005 there were a total number of 45 (2004 - 27) Core employees.

The emoluments of the Chief Executive, Jane Hope (age 51) were £62,391 (2004 - £56,372) including employer pension costs of £8,837 (2004 - £7,572). Prior to 1 June 2004 Mrs Hope was the Interim Chief Executive on secondment from the Scottish Executive and became the permanent Chief Executive on that date.

Annex 1 Accounts

4. Operational Plan expenditure

The Operational Plan details key targets and milestones that the Authority follows in seeking to meet objectives set by the Scottish Executive. Major items of expenditure are detailed below:

		2005	2004
		£	£
LEADER+	*	249,118	130,447
LEADER+ Administration costs	*	67,311	59,790
Moorlands	*	187,560	79,645
Land Based Training	*	146,238	20,528
Small Grants Scheme		100,130	-
Park Entry Point signage		71,071	-
Community Consultation		58,803	34,849
Forest of Spey		51,745	12,624
State of the Park report		42,561	-
Marketing/Promotional action		31,912	-
LBAP (Local Biodiversity Action Plan) Officer	*	31,242	12,735
John Muir Award	*	31,046	18,049
Visitor Survey		-	30,995
Affordable Health and Fitness		-	21,647
Community Councils Support Officer		-	19,062
		<u>1,068,737</u>	<u>440,371</u>
Other			
(individually less than £30,000;			
2004 – less than £10,000)		701,424	72,514
		<u>1,770,161</u>	<u>512,885</u>
* the above expenditure includes the following salary costs paid to staff employed directly on individual projects:			
<i>Staff - Project</i>			
Salaries		178,240	96,562
Social Security costs		11,917	8,459
Pension costs (note 14)		23,951	8,990
		<u>214,108</u>	<u>114,011</u>

At 31 March 2005 there were a total number of 10 Project employees (2004-7) and the average number of Project employees throughout the year was 7 (2004-5).

Annex 1 Accounts

NOTES TO THE ACCOUNTS

for the period ended 31 March 2005 continued...

	2005	2004
	£	£
5. Other operating costs		
Board and staff costs (exc. salary costs)	362,898	336,509
Office running costs	176,654	117,073
Information technology	91,223	25,109
Consultants' fees	99,684	61,468
Publicity, information and communication	-	139,372
	<u>730,459</u>	<u>679,531</u>
The following expenditure is included in the above costs:		
Audit fees (external audit)	8,600	8,900
Operating lease rentals		
land and buildings	46,325	38,764
vehicles and office equipment	<u>12,463</u>	<u>5,081</u>
6. Notional costs		
Cost of capital (calculated @ 3½%)	<u>10,899</u>	<u>3,202</u>

Annex 1 Accounts

7. Fixed Assets

	<i>Leasehold improvements</i> £	<i>Office equipment</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
<i>Cost</i>				
At 1 April 2004	280,326	165,319	-	445,645
Additions	-	81,386	29,900	111,286
Disposals	-	-	-	-
At 31 March 2005	<u>280,326</u>	<u>246,705</u>	<u>29,900</u>	<u>556,931</u>
<i>Depreciation</i>				
At 1 April 2004	(13,628)	(30,414)	-	(44,042)
Provided in year	(31,726)	(58,628)	(498)	(90,852)
Disposals	-	-	-	-
At 31 March 2005	<u>(45,354)</u>	<u>(89,042)</u>	<u>(498)</u>	<u>(134,894)</u>
<i>Net book value</i>				
At 31 March 2005	<u>234,972</u>	<u>157,663</u>	<u>29,402</u>	<u>422,037</u>
At 31 March 2004	<u>266,698</u>	<u>134,905</u>	<u>-</u>	<u>401,603</u>

	2005 £	2004 £
8. Debtors		
Project income debtors	117,166	144,146
Other debtors	51,750	15,630
	<u>168,916</u>	<u>159,776</u>

Annex 1 Accounts

NOTES TO THE ACCOUNTS

for the period ended 31 March 2005 continued...

	2005	2004
	£	£
9. Cash at bank and in hand		
Bank accounts	43,030	192,972
Cash imprest accounts	200	300
	<u>43,230</u>	<u>193,272</u>
10. Creditors		
Trade creditors	178,801	73,503
Project income received in advance	76,020	156,440
Payroll taxes	53,678	20,094
Accruals	50,622	88,774
	<u>359,121</u>	<u>338,811</u>
11. Deferred income		
<i>Capital Assets Fund</i>		
Opening balance	401,603	-
Transferred in from Cairngorms Partnership	-	13,935
Grant in Aid received for purchase of fixed assets	111,286	431,710
Released to Income and Expenditure Account	(90,852)	(44,042)
Closing balance	<u>422,037</u>	<u>401,603</u>
12. Reserves		
Opening balance	14,237	-
(Deficit)/Surplus for the period	(161,212)	14,237
Closing balance	<u>(146,975)</u>	<u>14,237</u>

The deficit is due to expenditure being accrued, ie recognised when it is incurred rather than when it is paid for, whereas Grant in Aid income is recognised on a cash basis, ie when it is received. Expenditure accrued in the accounts will be paid for out of cash received in the 2005/06 financial year.

Annex 1 Accounts

	2005	2004
	£	£
13. Reconciliation of operating surplus on ordinary activities to net cash flow from ordinary activities		
(Deficit)/Surplus on operating activities	(161,212)	9,897
Depreciation charge	90,852	44,042
Notional costs	10,899	3,202
Transferred from Government Grant Reserve	(90,852)	(44,042)
(Increase)/decrease in debtors	(9,140)	(159,776)
Increase/(decrease) in creditors	85,762	273,359
	<u>(88,919)</u>	<u>126,682</u>

14. Pensions

The Authority is a member of the Principal Civil Service Pension Scheme (PCSPS). This is an un-funded multi-employer defined benefit scheme and accords with guidance contained in "Non-Departmental Bodies: A Guide for Departments". The Authority is unable to identify its share of the underlying assets and liabilities of the scheme. A full actuarial valuation was carried out as at 31 March 2003 details of which can be found in the Resource Accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2004/05 employer's contributions of £160,147 (2003/04 - £18,392) were payable to the PCSPS. The contributions were payable at one of four rates ranging from 12.0% to 18.5% of pensionable pay, based on salary bands. The contribution rates reflect benefits as they are accrued and reflect past experience of the scheme. For 2005/06 the employer's contribution rates increase to between 16.2% and 24.6% for 2005/06 and between 17.1% and 25.5% for 2006/07.

Effective 1 April 2004, all employees previously employed by the Cairngorms Partnership transferred into the PCSPS and all new employees have the opportunity to join the scheme.

Annex 1 Accounts

NOTES TO THE ACCOUNTS

for the period ended 31 March 2005 continued...

15. Related party transactions

The Authority is a Non-Departmental Public Body of the Scottish Executive. The Authority's Sponsoring Department is the Scottish Executive Environment and Rural Affairs Department (SEERAD). SEERAD is regarded as a related party with which there have been various material transactions during the year. In addition the Authority has had a number of material transactions with other Government Departments and other Non-Departmental Public Bodies. Most of these transactions have been with Scottish Natural Heritage. None of the Board Members, Management Team, or other related parties have undertaken any material transactions with the Authority during the year. Material transactions cover payments made under contract for goods or services.

16. Capital commitments, contingent liabilities and operating leases

There were no contracted capital commitments outstanding and not included in the balance sheet, nor were there any contingent liabilities existing at the balance sheet date.

Commitments under non-cancellable operating leases are as follows.

	2005	2005	2004	2004
	<i>Land & buildings</i>	<i>Motor vehicles & office equipment</i>	<i>Land & buildings</i>	<i>Motor vehicles & office equipment</i>
	£	£	£	£
<i>Operating leases which expire:</i>				
Within one year	-	-	-	-
Within two to five years	46,325	12,463	46,325	12,463
After five years	-	-	-	-
	<u>46,325</u>	<u>12,463</u>	<u>46,325</u>	<u>12,463</u>



CAIRNGORMS NATIONAL PARK AUTHORITY DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of The National Parks (Scotland) Act 2000, hereby give the following direction.
2. The statement of accounts which it is the duty of the Cairngorms National Park Authority to prepare in respect of the financial year ended 31 March 2004 and in respect of any subsequent financial year, shall comprise:
 - 2.1 a foreword;
 - 2.2 an income and expenditure account;
 - 2.3 a balance sheet;
 - 2.4 a cash flow statement;
 - 2.5 a statement of total recognised gains and losses;
 - 2.6 a statement of accountable officer's responsibilities; and
 - 2.7 a statement on the system of internal control; including such notes as may be necessary for the purposes referred to in the following paragraphs.
3. The statement of accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year and the state of affairs as at the end of the financial year. Subject to this requirement, the accounts shall be prepared in accordance with:
 - 3.1 the accounting and disclosure requirements of the Companies Act for the time being in force;
 - 3.2 generally accepted accounting practice in the UK, including accounting standards issued or adopted by the Accounting Standards Board;
 - 3.3 guidance which Scottish Ministers may issue from time to time in respect of account which are required to give a true and fair view;
 - 3.4 the accounting and disclosure requirements given in "Executive NDPBs: Annual Reports and Accounts Guidance", as amended or augmented from time to time;insofar as these are appropriate to the Cairngorms National Park Authority and are in force for the financial year for which the statement of accounts is to be prepared.
4. Clarification of the application of the accounting and disclosure requirements of the Companies Act and accounting standards is given in Schedule 1 attached. Additional disclosure requirements are set out in Schedule 2 attached.
5. The income and expenditure account and balance sheet shall be prepared under the historical cost convention modified by the inclusion of:
 - 5.1 fixed assets at their value to the business by reference to current costs;
 - 5.2 stocks valued at the lower of net current replacement cost (or historical cost if this is not materially different) and net realisable value.
6. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers

Dated 20th April 2004

SCHEDULE 1**APPLICATION OF THE ACCOUNTING AND DISCLOSURE REQUIREMENTS OF THE COMPANIES ACT AND ACCOUNTING STANDARDS****Companies Act**

1. The disclosure exemptions permitted by the Companies Act shall not apply.
2. The Companies Act requires certain information to be disclosed in the Director's Report. To the extent that it is appropriate, the equivalent information relating shall be contained in the foreword.
3. When preparing its income and expenditure account the Cairngorms National Park Authority shall have regard to the profit and loss account format 2 prescribed in Schedule 4 to the Companies Act.
4. When preparing its balance sheet the Cairngorms National Park Authority shall have regard to the balance sheet format 1 prescribed in Schedule 4 to the Companies Act.
5. The Cairngorms National Park Authority is not required to provide the additional information required by paragraph 33(3) of Schedule 4 to the Companies Act.
6. The foreword and balance sheet shall be signed and dated by the Cairngorms National Park Authority Accountable Officer.

Accounting Standards

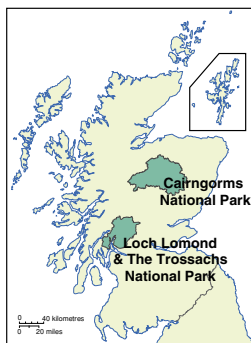
7. The Cairngorms National Park Authority is not required to include a note showing historical cost profits and losses as described in FRS3.
8. The Cairngorms National Park Authority shall not adopt the Financial Reporting Standard for Smaller Entities.

SCHEDULE 2

ADDITIONAL DISCLOSURE REQUIREMENTS

1. The foreword shall, *inter alia*:
 - 1.1 state that the statement of accounts have been prepared in a form directed by the Scottish Ministers in accordance with The National Parks (Scotland) Act 2000;
 - 1.2 include a brief history of the Cairngorms National Park Authority and its statutory background.
2. The notes to the accounts shall include:
 - 2.1 details of any key corporate financial targets set by the Scottish Ministers together with an indication of the performance achieved;
 - 2.2 details of the pension arrangements operated by the Cairngorms National Park Authority and confirmation that the scheme accords with the guidance contained in "Non-Departmental Public Bodies: A guide for Departments".

Annex 2 Cairngorms National Park Map



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Whilst every care has been taken in the creation of this map no responsibility can be taken for errors or omissions or for changes in the information given.

This report presents to Scottish Ministers and the public a formal account of the work undertaken by the Cairngorms National Park Authority in 2004/05. The map is for information only and should not be used for navigational purposes. Reproduction is prohibited without the permission of the copyright holders.

Annex 3 Staff Details at 1 April 2005

Corporate Services

Jane Hope
Chief Executive
David Cameron
Head of Corporate Services
Andy Rinning
System Support & Board Secretariat
Francesca Scott
Human Resources Manager
Denby Pettitt
Finance Manager
Sandy Allan
IT Support Officer
Morag James
Accounts Officer
Amanda Mathieson
Core Finance Assistant
Diane Buchan
Project Finance Assistant
Margaret Smith
Administration Officer
Laura Grant
Administration Officer
Catriona Campbell
Administration Officer
Sara Krawczynska
Office Junior

Natural Resources

Fiona Newcombe
Head of Natural Resources
Peter Cosgrove
Countryside Officer
Diana Gilbert
Forestry/Woodland Officer
Stephen Corcoran
Local Biodiversity Action Plan Officer
Kate Christie
Land Based Business Project Manager
Sam Masson
Land Based Business Project Assistant

Visitor Services & Recreation

Murray Ferguson
Head of Visitor Services & Recreation
Kristin Scott
Senior Access Officer
Sandra Middleton
Core Paths Officer
Peter Crane
Visitor Services Officer
Fran Potheary
Access Officer
Alan Smith
John Muir Award Manager

Economic & Social Development

Andrew Harper
Head of Economic and Social Development
Debbie Strang
Sustainable Tourism Officer
Ruathy Donald
Business and Marketing Officer
John Thorne
Economic Development Officer
Elsbeth Grant
Social Inclusion Policy Officer
Shirley Tulloch
Social Inclusion Policy Officer
(maternity cover)
Rita Callander
Communities & Cultural Heritage Policy
Officer
Fiona Munro
Housing Policy Officer
Heather Galbraith
Temp Tourism Assistant

Communications

Danny Alexander
Head of Communications
Karen Powell
Press Officer
Alison Fleming
Communications Officer

Strategic Policy & Programme Management

Nick Halfhide
Head of Strategic Policy & Programme Management
Dicken Higgins
Programme Manager
Quentin McLaren
External Funding Officer
Hamish Trench
Park Plan Officer
Andy McMullen
Moorland Project Manager
Juliet Robinson
Moorland Liaison Officer
Gail Renwick
Moorland Liaison Officer
Patricia Hamilton
LEADER+ Programme Manager
Jackie Farquhar
LEADER+ Support Officer
Alix Harkness
LEADER+ Administration Support

Planning & Development Control

Ballater Office
Don McKee
Head of Planning & Development Control
Neil Stewart
Development Control Officer
Andrew Tait
Development Control Officer
Mary Grier
Development Control Officer
Norman Brockie
Local Plan/Policy Officer
Gavin Miles
Local Plan/Policy Officer
Pip Mackie
Office Manager & Planning Admin Assistant

Annex 4

Members' Attendance at Board Meetings

Board Member	Planning Committee Total of 26 meetings		Board Meetings Total of 11 meetings		Committees
		%		%	
Alastair MacLennan	20	77	9	82	
Andrew Rafferty	15	58	6	55	
Andrew Thin	20	77	10	91	F, S&R
Angus Gordon	14	54	7	64	
Anne MacLean	18	69	9	82	S&R
Basil Dunlop	21	81	10	91	
Bob Wilson	17	65	9	82	A
Bruce Luffman	17	65	7	64	S&R
David Green	16	62	7	64	S&R
David Selfridge	22	85	11	100	F
Douglas Glass	19	73	9	82	S&R
Duncan Bryden	20	77	11	100	A
Eleanor Mackintosh	22	84	10	91	F
Eric Baird	22	85	11	100	A, S&R
Gregor Rimell	19	73	11	100	F
Joyce Simpson	15	58	10	91	F
Lucy Grant	19	73	9	82	
Richard Stroud	17	65	10	91	
Sally Dowden	20	77	10	91	A
Sheen Slimon	17	65	9	82	A
Stuart Black	20	77	10	91	
Susan Walker	18	69	10	91	
William McKenna	22	85	11	100	
Peter Argyle*	4/12	33	4/5	80	
Bob Severn*	6/12	50	3/5	60	
J Marcus Humphrey*	7/13	54	3/6	50	
Sandy Park*	11/13	85	5/6	83	

* Only on the Board for part of the year

F Finance Committee member

S&R Staffing & Recruitment Committee member

A Audit Committee member

Annex 5 Summary of Planning and Board Meetings 2004/05

		9:30am	10:30am	1:30pm	Location
Apr	8		Planning		Aviemore
	23		Planning		Braemar
May	7	Audit	Planning	Board	Dykehead
	21	Finance	Planning		Dinnet
Jun	4		Planning	Board	Ballater
	18		Planning		Kincraig
Jul	2		Planning	Board	Grantown
	16	S&R	Planning		Aviemore
	30		Planning		Tomintoul
Aug	13	Audit	Planning	Board	Logie Coldstone
	27	Finance	Planning		Nethy Bridge
Sept	10		Planning	Board	Cromdale
	24		Planning		Braemar
Oct	8		Planning	Board	Glen Tannar
	22		Planning		Kingussie
Nov	5		Planning	Board	Boat of Garten
	19	Finance	Planning		Glenlivet
Dec	3		Planning	Board	Dalwhinnie
	17	Audit	Planning		Grantown
	30		Planning		Ballater
Jan	14		Planning	Board	Aviemore
	28	S&R	Planning		Ballater
Feb	11	Finance	Planning	Board	Tomintoul
	17	S&R	Planning		Nethy Bridge
	25		Planning		Ballater
Mar	11	S&R	Planning	Board	Newtonmore
	24	Audit	Planning		Grantown

Total number of meetings

Audit	4
Finance	4
S&R	4
Planning	26
Board	11

Annex 6

CNPA Board Papers 2004/05

Date	Location	Board Papers
May 7	Dykehead	Implications of Land Reform Legislation Revised Corporate Plan Delegated Authority: Systems of Policy and Financial Approval Updated Programme of Board Meetings for 2004
June 4	Ballater	Communications Strategy Tourism Marketing Strategy Brand Development Community Development Strategy Gaelic Language Policy
July 2	Grantown	Entry Point Signage for the National Park National Park Plan – Strategy for Preparation Tourism Strategy
Aug 13	Logie Coldstone	Operational Plan Park for All Strategy Advisory Groups
Sep 10	Cromdale	Election of Convener and Deputy Convener Membership and Remit of CNPA Committees
Oct 8	Aboyne	Six Month Progress Report on Operational Plan Speyside Way Extension Proposal LEADER+: Approval of Admin Contribution for 2005/07 Advisory Forums

Date	Location	Board Papers
Nov 5	Boat of Garten	Proposals for a Local Outdoor Access Forum
Dec 3	Dalwhinnie	Entry Point Signage for the National Park Integrated Land Management Strategy Board Meetings 2005 Annual Report and Accounts 2003/04
Jan 14	Aviemore	Operational Plan 2004/05 Progress report A Natural Heritage Strategy Framework National Park Plan Update
Feb 11	Tomintoul	Brand Development Sustainability Appraisal (SEA) Corporate Plan Report – First Draft
Mar 11	Newtownmore	The Sustainable Tourism Strategy and Action Plan Developing Park-wide Ranger Service Provision The CNPA's Strategic Role in Housing Development Update on Corporate Plan Theme 5 Cairngorms LEADER+ update Point of Entry Markers at Railway Stations

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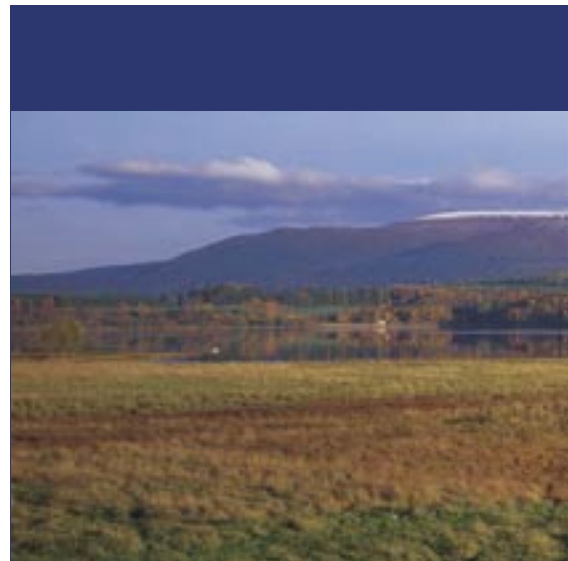
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