

Charity number: SC041864
Company number: SC385572

Community Land Scotland
(A company limited by guarantee)

Directors' report and financial statements
for the year ended 31 December 2014

Community Land Scotland
(A company limited by guarantee)

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Community Land Scotland
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Legal and administrative information

Charity number SC041864
Company registration number SC385572

Registered office Hill Cottage
Tarbert
Isle of Harris
HS3 3DL

Directors David Ewan Cameron Chair
Ian Alexander Hepburn
John Charles Hutchison
Iain MacLennan MacIver
Angela Judith Williams
Angus Morrison Robertson

Lorne Buchanan MacLeod Appointed 6 June 2014

Secretary John Charles Hutchison

Accountants R A Clement Associates
Chartered Accountants
5 Argyll Square
Oban
Argyll
PA34 4AZ

Community Land Scotland
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Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014. The directors, who are also trustees of Community Land Scotland for the purposes of charity law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Structure of the company

The structure of the company consists of:

Members

The members have the right to attend the annual general meeting (and any other general meeting) and have important powers under the articles of association; in particular they elect people to serve as directors and take decisions in relation to changes in the organisation

Directors

The directors hold regular meetings during the period between annual general meetings and generally control and supervise the activities of the company. In particular, the directors are responsible for monitoring the financial position of the company. The maximum number of directors is 12 of whom no more than 7 shall be elected directors, and no more than 5 shall be co-opted directors. Co-opted directors are those appointed by the Board on the basis that that person has special skills or experience which would be of assistance to the Board

Membership

Full Membership is open to any organisation led and managed by the community which has a stated interest in owning or managing land for the benefit of the community. Associate membership is open to any other individual or organisation which wishes to support the aims and activities of the company. A register of membership is maintained by the company

In order to pursue the objectives of the company, the directors attend meetings, conferences, and discussions on behalf of the company to promote its aims and objectives. The Board has also appointed a policy consultant to research and prepare policy documents on relevant issues and to present these as required on the company's behalf.

Risk policy

The directors have assessed the major risks to which the charity is exposed, and in particular those related to the operations and finances of the Trust, and are satisfied that systems are in place to mitigate any exposure to these risks.

Reserves policy

The policy of the Trust is to aim to retain sufficient reserves to meet the cost of any commitments, as well as a contingency to enable it to continue to develop further projects. At this time, the main activities of the company are grant funded, but there are insufficient reserves to pursue additional projects.

Community Land Scotland **(A company limited by guarantee)**

Report of the directors (incorporating the trustees' report) for the year ended 31 December 2014

Objectives and activities

The company's objects are to advance community development in Scotland, by maximising the impact of the community land movement as a major driver for community development throughout Scotland, and in particular through;

- * *promoting and representing the interests of community landowners across Scotland, at all levels of local and national government and their agencies;*
- * *promoting the benefits of community landownership and proactively encouraging new community landowners;*
- * *working with like-minded relevant organisations to ensure appropriate support for community landownership*
- * *facilitating networking and mutual support amongst community landowners*

Achievements and performance

Community Land Scotland is a membership based organisation set up in 2010 to represent the views of existing and aspiring community landowners in Scotland. It also facilitates knowledge exchange between members and both funds and encourages research into the development of member areas..

The organisation continues to contribute on behalf of members by engaging with national and local government, third sector organisations, research institutions and other interested parties and individuals.

This year progress has been made at national level by being involved with the consultations on the Community Empowerment Bill and the Land Reform Act. The next year or so will see great changes taking place in our sphere and we need to encourage these changes to happen.

At local level, good working relationships were strengthened with Highland Council and Comhairle nan Eilean Siar. This is expected to grow further both within these areas and other local authorities in time.

The work associated with individual members, knowledge exchange, presentation to aspiring communities, research, linking in with international land right organisations, contributing to the media, and other activities increased dramatically.

Membership has increased substantially and a new Supporters category was added during the year.

Financial review

Community Land Scotland has operated within its financial budget, and has closely monitored its income and expenditure against forecast figures throughout the year.

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Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2014

Statement of directors' responsibilities

The directors (who are also trustees of Community Land Scotland under charity law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

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

This report was approved by the Board on

and signed on its behalf by

John Charles Hutchison
Secretary

Community Land Scotland
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**Independent examiner's report to the directors on the unaudited financial statements of
Community Land Scotland.**

I report on the accounts for the year ended 31 December 2014 set out on pages 2 to 14.

This report is made to the charity's Trustees, who are also directors of the company, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the charity's Trustees and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees, as a body, for my work or this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act, and to state whether particular matters have come to my attention.

Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Regulations
 - to prepare accounts which agree with the accounting records, comply with Regulation 8 of the 2006 Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Duncan Grout ACCA

Independent examiner

Of R A Clement Associates
5 Argyll Square
Oban
Argyll
PA34 4AZ

Community Land Scotland
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Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 December 2014

	Notes	Unrestricted funds £	Restricted funds £	2014 Total £	2013 Total £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	2,935	86,573	89,508	38,426
Activities for generating funds	3	-	-	-	652
Investment income		29	-	29	14
Incoming resources from charitable activities	4	17,596	-	17,596	759
Total incoming resources		<u>20,560</u>	<u>86,573</u>	<u>107,133</u>	<u>39,851</u>
Resources expended					
Charitable activities	5	20,069	83,843	103,912	44,860
Total resources expended		<u>20,069</u>	<u>83,843</u>	<u>103,912</u>	<u>44,860</u>
Net incoming/(outgoing) resources before transfers					
		491	2,730	3,221	(5,009)
Transfer between funds		(1,000)	1,000	-	-
Net movement in funds/Net income/(expenditure) for the year		<u>(509)</u>	<u>3,730</u>	<u>3,221</u>	<u>(5,009)</u>
Total funds brought forward		1,778	223	2,001	7,010
Total funds carried forward		<u>1,269</u>	<u>3,953</u>	<u>5,222</u>	<u>2,001</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

Community Land Scotland
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Balance sheet
as at 31 December 2014
SC385572

	Notes	£	2014	£	2013	£
Current assets						
Debtors	8	7,486		776		
Cash at bank and in hand		6,911		2,574		
		<u>14,397</u>		<u>3,350</u>		
Creditors: amounts falling due within one year						
	9	(9,175)		(1,349)		
Net current assets			<u>5,222</u>		<u>2,001</u>	
Net assets			<u>5,222</u>		<u>2,001</u>	
Funds						
	10					
Restricted income funds			3,953		223	
Unrestricted income funds			1,269		1,778	
Total funds			<u>5,222</u>		<u>2,001</u>	

The directors' statements required by s475(2) and s475(3) are shown on the following page which forms part of the Balance Sheet.

The notes on pages 9 to 14 form an integral part of these financial statements.

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Balance sheet (continued)

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Directors' statements required by the Companies Act 2006
for the year ended 31 December 2014

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 December 2014.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the board on and signed on its behalf by

David Ewan Cameron
Director

The notes on pages 9 to 14 form an integral part of these financial statements.

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Notes to financial statements
for the year ended 31 December 2014

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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Notes to financial statements
for the year ended 31 December 2014

2. Voluntary income

	Unrestricted funds £	Restricted funds £	2014 Total £	2013 Total £
Donations	575	-	575	750
Highlands & Islands Enterprise	459	21,243	21,702	12,462
Highlands & Islands Enterprise - SILT	-	-	-	337
HIE - Graduate placement	-	8,110	8,110	10,293
Carnegie Trust	-	10,000	10,000	10,000
HIE - conference costs	-	-	-	3,034
Esmee Fairbairn Award	-	38,720	38,720	-
CNES Award graduate placement	-	8,500	8,500	-
Membership Subscriptions	1,901	-	1,901	1,550
	<u>2,935</u>	<u>86,573</u>	<u>89,508</u>	<u>38,426</u>

3. Activities for generating funds

	2014 Total £	2013 Total £
Fundraising events	-	652
	<u>-</u>	<u>652</u>

4. Incoming resources from charitable activities

	Unrestricted funds £	2014 Total £	2013 Total £
Sale of services	12,000	12,000	-
Conference charges	5,596	5,596	759
	<u>17,596</u>	<u>17,596</u>	<u>759</u>

5. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2014 Total £	2013 Total £
Policy and development	20,069	83,843	103,912	44,860
	<u>20,069</u>	<u>83,843</u>	<u>103,912</u>	<u>44,860</u>

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Notes to financial statements
for the year ended 31 December 2014

6. Employees

Employment costs	2014 £	2013 £
Wages and salaries	21,863	15,293
No employee received emoluments of more than £60,000 (2013 : None).		
	2014 Number	2013 Number
Graduate employees	1	1

Board members expenses

6 directors received reimbursement of travel, meeting and phone costs which amounted to £4,681 in the year.

7. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

8. Debtors

	2014 £	2013 £
Trade debtors	7,486	776

9. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	8,177	649
Other taxes and social security	273	-
Other creditors	725	700
	9,175	1,349

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Notes to financial statements
for the year ended 31 December 2014

10. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2014 as represented by:			
Current assets	3,080	11,317	14,397
Current liabilities	(1,811)	(7,364)	(9,175)
	<u>1,269</u>	<u>3,953</u>	<u>5,222</u>

11. Unrestricted funds

	At 1 January 2014 £	Incoming resources £	Outgoing resources £	Transfers	At 31 December 2014 £
Unrestricted funds	<u>1,778</u>	<u>20,560</u>	<u>(20,069)</u>	<u>(1,000)</u>	<u>1,269</u>

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Notes to financial statements
for the year ended 31 December 2014

12. Restricted funds	At 1 January 2014 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2014 £
Graduate Placement	-	16,610	(11,703)	-	4,907
Highlands and Islands Enterprise	(3,071)	-	-	1,000	(2,071)
HIE - Bunchrew	-	4,100	(3,861)	-	239
Carnegie Trust	3,294	10,000	(11,758)	-	1,536
HIE - conference costs	-	1,993	(1,993)	-	-
Esmee Fairbairn Award	-	38,720	(38,865)	-	(145)
HIE supporters network	-	6,770	(7,283)	-	(513)
HIE - Economic report	-	7,200	(7,200)	-	-
HIE - Land Reform Act	-	1,180	(1,180)	-	-
	<u>223</u>	<u>86,573</u>	<u>(83,843)</u>	<u>1,000</u>	<u>3,953</u>

Purposes of restricted funds

During the year grants amounting to £8,110 were received from HIE towards the cost of a graduate salary. A further £8,500 was received from CNES.

An award was made by HIE of £60,000 over a period of 3 years towards the costs of obtaining policy advice and direction, directors' travel and the costs of attending meetings and consultations. An additional £6,000 was awarded over the three year period towards Board operational costs.

During the year the charity received £4,100 from HIE towards the cost of a conference at Bunchrew.

A grant was received in the year from the Carnegie Trust towards the cost of economic research, the conference at Bunchrew and stalls at political conferences.

During the year a grant of £1,993 was received from HIE towards the cost of community travel to the annual conference.

During the year £38,720 was received from the Esmee Fairbairn Foundation towards the cost of policy research and development professional fees and related outlays.

During the year £6,770 was received from HIE towards the cost of developing a network of supporters.

During the year a grant of £7,200 was received from HIE towards the cost of researching and producing an economic report.

During the year a grant of £1,180 was received from HIE towards the cost of professional fees relating to consultancy on the Land Reform Act.

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Notes to financial statements
for the year ended 31 December 2014

13. Company limited by guarantee

Community Land Scotland is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

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The following pages do not form part of the statutory accounts.

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Detailed statement of financial activities

For the year ended 31 December 2014

	2014		2013	
	£	£	£	£
Incoming resources				
Incoming resources from generating funds:				
<i>Voluntary income</i>				
Donations		575		750
Highlands & Islands Enterprise		21,702		12,462
Highlands & Islands Enterprise - SILT		-		337
HIE - Graduate placement		8,110		10,293
Carnegie Trust		10,000		10,000
HIE - conference costs		-		3,034
Esmee Fairbairn Award		38,720		-
CNES Award graduate placement		8,500		-
Membership Subscriptions		1,901		1,550
		<u>89,508</u>		<u>38,426</u>
<i>Activities for generating funds</i>				
Fundraising events		-		652
		<u>-</u>		<u>652</u>
<i>Investment income</i>				
Bank interest receivable		29		14
		<u>29</u>		<u>14</u>
Total incoming resources from generating funds		<u>89,537</u>		<u>39,092</u>
Incoming resources from charitable activities				
Sale of services		12,000		-
Conference charges		5,596		759
		<u>17,596</u>		<u>759</u>
Total incoming resources		<u>107,133</u>		<u>39,851</u>
Resources expended				
Costs of generating funds:				
Fundraising trading:				
cost of goods sold and other costs				

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Detailed statement of financial activities

For the year ended 31 December 2014

	2014	2013
	£	£
Charitable activities		
Policy and development		
<i>Activities undertaken directly</i>		
Wages & Salaries incl graduate placement	21,863	15,293
Rent	970	-
Insurance	265	265
Annual conference	9,900	3,870
Motor, travel and meeting costs	12,313	2,660
Accountancy	775	700
Consultancy - Policy advisor	41,216	15,845
Computer, website and phone costs	-	511
Office expenses	935	283
Research & development costs	10,300	4,642
Advertising & Marketing	5,375	791
	<u>103,912</u>	<u>44,860</u>
Policy and development total expenditure	<u>103,912</u>	<u>44,860</u>
Total charitable activity expenditure	<u>103,912</u>	<u>44,860</u>
Net incoming/(outgoing) resources for the year	<u>3,221</u>	<u>(5,009)</u>