

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 2013

Community Land Scotland
(A company limited by guarantee)

Contents

	Page
Legal and administrative information	1
Directors' report	2 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7 - 8
Notes to the financial statements	9 - 13

Community Land Scotland
(A company limited by guarantee)

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 Appointed 10 June 2013
Angus Morrison Robertson Resigned 10 June 2013
Lorne Buchanan MacLeod

Secretary John Charles Hutchison Appointed June 2013

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

Community Land Scotland
(A company limited by guarantee)

Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013. 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 2013

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 to represent existing and aspiring community landowners in Scotland. It promotes sustainable communities across Scotland through the ownership and active management of land..

The organisation continues to represent its members in many diverse areas. Regular meetings, contacts and presentations have again taken place with representatives of the Scottish and UK Parliaments, the Scottish Government, Local Authorities, third sector organisations, research institutions, funds and other stakeholders.

This year has seen further input into the Land Reform Review Group, Community Empowerment and renewal Bill, Scottish Affairs Committee on such diverse issues which all impinge on our members' sphere of activity.

During the year many invitations were accepted having been received from communities who wish to know more about the possibilities that community land ownership can bring.

Both Full and Associate Membership are steadily increasing with our first members from Fife and the Southern Uplands joining Community Land Scotland.

Our Annual Conference took place in Sabhal Mor Ostaig in Skye in June and the delegates were addressed by the First Minister of Scotland who announced another £3 million for the Scottish Land Fund and a target of 1 million acres to be in community land ownership by 2020.

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.

Community Land Scotland
(A company limited by guarantee)

Report of the directors (incorporating the trustees' report)
for the year ended 31 December 2013

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
(A company limited by guarantee)**

**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 2013 set out on pages 2 to 13.

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
(A company limited by guarantee)

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

For the year ended 31 December 2013

	Notes	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	2,300	36,126	38,426	38,025
Activities for generating funds	3	652	-	652	-
Investment income		14	-	14	10
Incoming resources from charitable activities	4	759	-	759	-
Total incoming resources		<u>3,725</u>	<u>36,126</u>	<u>39,851</u>	<u>38,035</u>
Resources expended					
Charitable activities	5	2,051	42,809	44,860	31,015
Governance costs	6	-	-	-	14
Total resources expended		<u>2,051</u>	<u>42,809</u>	<u>44,860</u>	<u>31,029</u>
Net incoming/(outgoing) resources before transfers		1,674	(6,683)	(5,009)	7,006
Transfer between funds		(836)	836	-	-
Net movement in funds/Net income/(expenditure) for the year		838	(5,847)	(5,009)	7,006
Total funds brought forward		940	6,070	7,010	4
Total funds carried forward		<u>1,778</u>	<u>223</u>	<u>2,001</u>	<u>7,010</u>

The notes on pages 9 to 13 form an integral part of these financial statements.

Community Land Scotland
(A company limited by guarantee)

Balance sheet
as at 31 December 2013
 SC385572

	Notes	£	2013 £	£	2012 £
Current assets					
Debtors	9	776		-	
Cash at bank and in hand		2,574		11,189	
		<u>3,350</u>		<u>11,189</u>	
Creditors: amounts falling due within one year					
	10	(1,349)		(4,179)	
Net current assets			2,001		7,010
Net assets			<u>2,001</u>		<u>7,010</u>
Funds					
	11		223		6,070
Restricted income funds			1,778		940
Unrestricted income funds			<u>2,001</u>		<u>7,010</u>
Total funds			<u>2,001</u>		<u>7,010</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 13 form an integral part of these financial statements.

Community Land Scotland
(A company limited by guarantee)

Balance sheet (continued)

SC385572

**Directors' statements required by the Companies Act 2006
for the year ended 31 December 2013**

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 2013.

(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 7th March 2013 and signed on its behalf by

David Ewan Cameron
Director

The notes on pages 9 to 13 form an integral part of these financial statements.

Community Land Scotland
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2013

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.

1.4. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

Community Land Scotland
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2013

2. Voluntary income

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Donations	750	-	750	790
Highlands & Islands Enterprise	-	12,462	12,462	29,585
Highlands & Islands Enterprise - SILT	-	337	337	1,800
Comhairle nan Eilean Siar	-	-	-	5,000
HIE - Graduate placement	-	10,293	10,293	-
Carnegie Trust	-	10,000	10,000	-
HIE - conference costs	-	3,034	3,034	-
Membership Subscriptions	1,550	-	1,550	850
	<u>2,300</u>	<u>36,126</u>	<u>38,426</u>	<u>38,025</u>

3. Activities for generating funds

	Unrestricted funds £	2013 Total £	2012 Total £
Fundraising events	652	652	-
	<u>652</u>	<u>652</u>	<u>-</u>

4. Incoming resources from charitable activities

	Unrestricted funds £	2013 Total £	2012 Total £
Conference charges	759	759	-
	<u>759</u>	<u>759</u>	<u>-</u>

5. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Policy and development	2,051	42,809	44,860	31,015
	<u>2,051</u>	<u>42,809</u>	<u>44,860</u>	<u>31,015</u>

Community Land Scotland
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2013

6. Governance costs

	2013	2012
	Total	Total
	£	£
Professional - Legal fees	-	14
	<u>-</u>	<u>14</u>
	<u>-</u>	<u>14</u>

7. Employees

Employment costs	2013	2012
	£	£
Wages and salaries	15,293	-
	<u>15,293</u>	<u>-</u>
No employee received emoluments of more than £60,000 (2012 : None).		
Graduate employees	1	-

Board members expenses

5 directors received reimbursement of travel, meeting and phone costs which amounted to £1,741.

8. 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.

9. Debtors

	2013	2012
	£	£
Trade debtors	776	-
	<u>776</u>	<u>-</u>

Community Land Scotland
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2013

10. Creditors: amounts falling due within one year

	2013	2012
	£	£
Trade creditors	649	3,479
Other creditors	700	700
	<u>1,349</u>	<u>4,179</u>

11. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2013 as represented by:			
Current assets	2,866	776	3,642
Current liabilities	(1,088)	(553)	(1,641)
	<u>1,778</u>	<u>223</u>	<u>2,001</u>

12. Unrestricted funds

	At 1 January 2013	Incoming resources	Outgoing resources	Transfers	At 31 December 2013
	£	£	£	£	£
Unrestricted funds	<u>940</u>	<u>3,725</u>	<u>(2,051)</u>	<u>(836)</u>	<u>1,778</u>

Community Land Scotland
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2013

13. Restricted funds	At				At
	1 January	Incoming	Outgoing	Transfers	31 December
	2013	resources	resources		2013
	£	£	£	£	£
Graduate Placement	5,000	10,293	(15,293)	-	-
Highlands and Islands Enterprise	1,070	12,462	(16,603)	-	(3,071)
HIE - Scottish International Land Trust	-	337	(337)	-	-
Carnegie Trust	-	10,000	(6,706)	-	3,294
HIE - conference costs	-	3,034	(3,870)	836	-
	<u>6,070</u>	<u>36,126</u>	<u>(42,809)</u>	<u>836</u>	<u>223</u>

Purposes of restricted funds

A grant of £5,000 was received in 2012 from Comhairle nan Eilean Siar towards the costs of a graduate placement which commenced after the year end. A further grant of £9,517 was received towards this post from HIE.

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.

The charity has helped set up a Scottish Charitable Incorporated Organisation - the Scottish International Land Trust. Funding for the initial legal costs was provided by HIE.

A grant was received in the year from the Carnegie Trust towards the cost of economic research, the conference at Bunchrew, a photo competition and a stall at the SNP conference.

During the year a grant was received from HIE towards the cost of the annual conference.

14. 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.

Community Land Scotland
(A company limited by guarantee)

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

Community Land Scotland
(A company limited by guarantee)

Detailed statement of financial activities

For the year ended 31 December 2013

	2013		2012	
	£	£	£	£
Incoming resources				
Incoming resources from generating funds:				
<i>Voluntary income</i>				
Donations		750		790
Highlands & Islands Enterprise		12,462		29,585
Highlands & Islands Enterprise - SILT		337		1,800
Comhairle nan Eilean Siar		-		5,000
HIE - Graduate placement		10,293		-
Carnegie Trust		10,000		-
HIE - conference costs		3,034		-
Membership Subscriptions		1,550		850
		<u>38,426</u>		<u>38,025</u>
<i>Activities for generating funds</i>				
Fundraising events		652		-
		<u>652</u>		<u>-</u>
<i>Investment income</i>				
Bank interest receivable		14		10
		<u>14</u>		<u>10</u>
Total incoming resources from generating funds		<u>39,092</u>		<u>38,035</u>
Incoming resources from charitable activities				
Conference charges		759		-
		<u>759</u>		<u>-</u>
Total incoming resources		<u>39,851</u>		<u>38,035</u>
Resources expended				
Costs of generating funds:				
Fundraising trading:				
cost of goods sold and other costs				

Community Land Scotland
(A company limited by guarantee)

Detailed statement of financial activities

For the year ended 31 December 2013

	2013	2012
	£	£
Charitable activities		
Policy and development		
<i>Activities undertaken directly</i>		
Staff - Wages & Salaries	15,293	-
Establishment - Insurance	265	-
Annual conference	3,870	-
Motor, travel and meeting costs	2,660	5,039
Accountancy	700	700
Professional - Legal fees	-	1,800
Consultancy - Policy advisor	15,845	22,921
Computer, website and phone costs	511	211
Office expenses	283	344
Research & development costs	4,642	-
Advertising & Marketing	791	-
	<u>44,860</u>	<u>31,015</u>
Policy and development total expenditure	<u>44,860</u>	<u>31,015</u>
Total charitable activity expenditure	<u>44,860</u>	<u>31,015</u>
Governance costs		
<i>Activities undertaken directly</i>		
Professional - Legal fees	-	14
	<u>-</u>	<u>14</u>
Total governance costs	<u>-</u>	<u>14</u>
Net incoming/(outgoing) resources for the year	<u>(5,009)</u>	<u>7,006</u>