

Highland Perthshire Communities Land Trust

A company limited by Guarantee and not having a share capital

Trustees' Report and Accounts for the year to 30 November 2008

Company number: SC227934

A Registered Scottish Charity

Scottish Charity Number: SC032801

Tax File reference: CR53179

Registered Office

J & H Mitchell WS
51 Atholl Road
PITLOCHRY
PH16 5BU

Trustees' Report

Purposes of the Trust

The purposes of the Trust include the advancement of education of the public about living and working sustainably in Highland Perthshire, including the conservation, enhancement management and responsible enjoyment of Scotland's natural heritage, and to promote, protect and conserve the biodiversity of Highland Perthshire. It has acquired Dùn Coillich and is engaged in a wide range of educational and conservation initiatives based around the property.

Legal and Administrative Information

Constitution

Highland Perthshire Communities Land Trust, "the Trust", is a company limited by Guarantee, and not having a share capital. The liability of each of its members is limited to £1. It was incorporated on 11 February 2002, with Company Number SC227934.

It is recognised by HM Revenue & Customs as a Charity for the purposes of S505 Income and Corporation Taxes Act 1988, and is registered with the Office of the Scottish Charity Regulator. The Scottish Charity Number is SC 032801, and its tax file reference is CR 53179.

The Trust was established under a Memorandum of Association which set out its Objects and powers, and is governed under its Articles of Association. Under these Articles, the direction and business of the Trust is to be managed by the Board of Trustees.

There are two categories of Members of the Trust:

Ordinary Membership is open to any individual or organisation interested in the Objects who is based in Highland Perthshire

Associate Membership is open to any individual or organisation interested in the Objects, who is not based in Highland Perthshire. Associate Members are not entitled to vote at General meetings of the Trust

Board of Trustees

Under the Articles of Association, the number of Trustees shall not be less than three, nor more than fifteen.

The Board of Trustees shall comprise up to twelve individuals elected as Trustees by the Ordinary Members, and the Board may co-opt individuals to serve as co-opted Trustees.

At each Annual General Meeting, one third of the elected Trustees with the longest service shall retire. A retiring Trustee shall be eligible for re-election after one or two terms of office, but no Trustee can serve more than three consecutive terms of office without at least one year out of office before being eligible again.

Highland Perthshire Communities Land Trust Year 30 November 2008

| Current Trustees | Appointed | Retiring |
|----------------------------------|-----------------------------|-----------|
| Richard Paul | 15 th March 2008 | |
| Tim Fison | 15 th March 2008 | |
| Julie Gardiner | 15 th March 2008 | |
| Paul Jarvis, Chairman | 15 th March 2008 | |
| Clare Thomas | 15 th March 2008 | |
| Ann Partridge, Minutes Secretary | 24 th March 2007 | |
| Rob Coope | 24 th March 2007 | |
| Gordon Evans | 24 th March 2007 | |
| Robin Hull | 3 rd April 2007 | Retiring |
| William Hoare | 30 th March 2006 | Retiring |
| Margaret Jarvis, Treasurer | 30 th March 2006 | Retiring* |

*Eligible and seeking re-election

Honorary Chairman Professor Paul G Jarvis FRS, FRSE
Duireaskin
Aberfeldy, PH15 2ED

Honorary Treasurer Dr Margaret Jarvis
Duireaskin
Aberfeldy, PH15 2ED

Registered Office, Company
Secretary and Solicitors J & H Mitchell WS
51 Atholl Road
Pitlochry
Perthshire, PH16 5BU

Bankers: Royal Bank of Scotland
8 The Square
Aberfeldy, PH15 2DD

Independent Examiner J M T Ambrose MA, FCA, CTA(Fellow)
8 Cleveden Road
Glasgow, G12 0NT

Report on Trustees' Activities during the past year

This report is structured around the work of the Sub-Committees.

The Observation and Education Facility [OEF]: Robin Hull, William Hoare, with Members Malcolm Appleby, Russell Coope and Wendy Mattingly. The OEF was erected during the winter 07/08, provided with disabled access from the car park, and painted by Members, school pupils and Trustees. It has been equipped with information sheets, reference books, table, chairs, cupboard, posters and log book. The facility was officially opened on 10th June with an outdoor party for Members and friends, by which time swallows had taken up residence on its south side, away from the party! Many trees have been planted in the vicinity to reduce the visibility of the OEF, to screen access to it and to increase habitat variety. A number of bird nesting boxes have been placed in the area. We are particularly grateful to the Perth and Kinross Quality of Life Trust and the Perth and Kinross Countryside Trust for their financial assistance.

The Rural Stewardship Scheme [RSS]: Julie Gardiner, William Hoare, Tim Fison. The completion of the OEF within the RSS has created more interest in the area. The scrapes within the *Glengoulandie* RSS area needed no major work this year and look well established. No systematic sampling has been done but it is clear that habitats for wildlife, especially invertebrates, have been improved. Once more, a surfeit of silage locally meant we were unable to get the grass cut in the autumn. Grazing Highland cattle were put onto the RSS in early October and remained until January. Poor weather also delayed both planting and ripening of the sacrificial crop, but it still produced some feed for wildlife. Natural tree regeneration within the RSS is limited by the need to graze, but some elder is doing well. Additional trees have been planted to improve the variety of habitats within the area. Encroaching bracken may become a problem in drier parts of the area in the near future. Work has started to expose the rocks for the footings of a footbridge across the Goulandie burn that will be built to link the OEF and car park areas to the hillside opposite. SSE has provided some former power-line poles that may serve as the structural basis of the bridge. The footbridge will reduce the disturbance to the area of wetland and scrapes resulting from the present walking route and will provide more direct access to the track leading towards Whitebridge. Little intervention has been done on the *Whitebridge* RSS area, which continues to be monitored to ensure it remains species-rich. It will be studied with a view to increasing the habitat diversity in the area, perhaps by creating additional wetland. The heather may have to be curtailed if it is not to become too dominant and some grazing or cutting may become necessary. This area may suffer some temporary disruption should the Denny-Beaully power line go ahead; this would involve a single pylon and its access track and the removal of two existing pylons. Peat depth sampling in this area has been done by SSE in relation to the pylon line; results are awaited.

Woodlands and the Woodland Grant Scheme [WGS]: Julie Gardiner, Paul Jarvis
After purchasing Dun Coilich in 2002, the trustees of HPCLT arranged to take over an agreement between the previous owners and the Forestry Commission to create new native woodland under the Woodland Grant Scheme existing at that time. This was amended to reduce the total area of planting, and to increase the diversity of tree species to be planted. The western slopes of the hill and the western half of the land adjacent to the FC plantation were planted in 2006 with a mixture of Scots pine and native broadleaves, having been prepared for planting by mounding the previous year. The eastern slopes of the hill were mounded and planted in 2007/8. Under the grant, a total of 137 ha has been planted and 32 ha left to regenerate naturally along the Allt Mor.

We continue to encourage the community to take an active part in tree planting and would particularly welcome assistance in planting scattered trees along the Allt Mor and at the higher elevations on the southern slopes of Dun Coillich in spring/early summer, 2009. Despite the necessity for a constant battle to minimise browsing impacts of deer, the majority of trees are in general surviving well. The initial 5-year planting phase of the Woodland Grant Scheme contract with the Forestry Commission terminates on 26th March, 2009. It is now our responsibility to maintain the young trees and to replace any that are badly browsed or otherwise missing.

We are proud and delighted to have been awarded the Perthshire *Big Tree Country Award for Wildlife Conservation in the Community*. We were announced as the winner at the Award Ceremony at Gleneagles on Sunday 17th November, organised by the Perth and Kinross Countryside Trust, and we were presented with a beautiful piece of hand-carved oak by the BBC Environment Correspondent, Louise Batchelor. Together with a framed certificate, this is on display in the Observation and Education Facility adjacent to our car park on the B846.

Fencing & Deer: Tim Fison, William Hoare

Roe deer are notoriously difficult to control with fencing, and there has always been a low-level continuing problem. However, the problem has recently intensified as the result of incursions from the FC plantations to the north, probably because the roe deer are attracted by the increasing relative richness of the grazing. We have been advised that the main problem is the type of rye-lock fencing that was in place when the property was purchased. A number of roe have been shot and investigations are being made as to how most economically to remove or at least reduce this problem. Red deer have not, in general, been a continuous problem, but became so when an old, locked gate on the Schiehallion march was broken open and an associated length of fencing damaged. Repairs have been made both by volunteers and by a fencing contractor. Some 15 of the 18 red deer that got in via the broken fence have been shot following liaison with the owners of Glengoulandie Country Park and Garth estate. Two stiles have been fabricated, and it is intended to install them along the Schiehallion march during 2009. Investigations are ongoing into the creation of a one-way deer exit to make driving-off red deer possible. Ongoing scrutiny and maintenance of fences has continued. HPCLT has been represented at two meetings of the Breadalbane Deer Management Group.

Natural and cultural heritage: Clare Thomas, Hamish Nicholson

Emphasis this year has concentrated on producing information sheets on the archaeology of Dun Coillich for display in the OEF. The new edition of 'Around Aberfeldy' mentions the archaeology of Dun Coillich, and refers to the displays in the OEF. Work on establishing an archival catalogue continues.

Relations with Schools: Richard Paul, Tim Fison, Clare Thomas, with Lynnette Borradaile
School activities on Dun Coillich have increased but not quite as much as we had hoped. We have continued to develop a useful relation with Kenmore Primary, who came on three visits to Dun Coillich during the year (see below). Furthermore, we were approached by teachers from Kinloch Rannoch Primary in late summer and were able to arrange a rewarding visit by 14 of their children in October. Through Richard Paul, a teacher at Pitlochry High School, and now a Trustee, 22 children visited end of May and took part in activities (see below), which counted towards their *John Muir Trust Awards* or the *Eco-Schools Initiative*. This visit was in large part organised by the pupils themselves, and that was an additional valuable learning experience. We are hopeful that as time goes on, we shall be able to host visits by students taking the expanding *Rural Skills* and *Land Studies* courses, who will come to learn practical skills, such as fencing and dry stone dyking, and gain hands-on

experience through assisting with bracken clearance and tree planting. So far opportunities for Geography or Biology field *projects* have not yet been taken up because of the length of time allotted in the school timetable for excursions. With up to an hour taken up with transport, there is just not enough time for reaching suitable sites and making observations. Many Trustees and Members have been present to help with these visits, which we consider to be an extremely valuable component of our activities.

We are also developing a link with Perth College through Stuart Downie who heads their *Land-Based Studies* course. Stuart is particularly interested in bringing his students to learn about tree planting and deer management.

Organised Walks and Visitors: William Hoare, Tim Fison

A number of groups have visited Dun Coillich including the following:

28th May – Kenmore Primary pupils - tree planting.

30th May – Pitlochry High School pupils, - very actively working toward John Muir Trust awards. They painted the OEF, planted trees, removed some redundant fencing, and installed nesting boxes.

5th June – Kenmore Primary again – this time camping overnight in Glengoulandie Country Park before looking at flora and fauna under the guidance of Trustees.

9th June – as part of SWT Wildlife Week - eight folk arrived and, led by Tim Fison, they looked mainly at flowers but also at a hoodie's nest on Dun Beag.

12th June – Perth Walking Club, led by Ann Partridge - walked to the summit, and circled back along the bridle path close to the Allt Mhor.

24th June – Aberfeldy Beaver Cub Scouts - an evening of activities – tree planting, pond-dipping, etc.

30th October – Kinloch Rannoch Primary – a cold but clear evening for tree planting below the old pine wood by a group of 14 pupils.

There has also been a trickle of individual visitors to the OEF and onto Dun Coillich. Some logged their visit, others did not, so it is difficult to estimate how many. Cars have been noted in the car park on a number of occasions

Keltneyburn Hydro Scheme [KHS]: Paul Jarvis, Gordon Evans, William Hoare.

After 4 years delay, consent was finally granted by SEPA in September 2008, but SEPA then further delayed the start of work. Work eventually commenced on 19th December 2008. The main contractor is W.G. Grieve. The Trust, as the landlord at the point of abstraction, has recently reached a rental agreement with the Company that will improve our finances in the future.

Financial Review and policy on Reserves: Tim Ambrose, Paul Jarvis.

The Trust's expenditure exceeded its income by £6,122 during the year. Its unrestricted General Fund at the end of the year was £8,235, and it held £5,423 in the OEF Fund, which has been used to construct the facility for the observation of birds and other wildlife. The Trustees are carrying out a substantial programme of planting native trees on Dùn Coillich, with support from the Woodland Grant Scheme. Monies accumulated in the General Fund will be expended on further improvements to the property, and to advance the purposes of the Trust.

Audit and Independent Examination

The Trustees have taken advantage of the exemption from audit conferred by S249(A)(1) of the Companies Act 1985, on the grounds that the company is entitled to the benefit of that exemption as a small company with a gross income less than £90,000.

In accordance with S44 of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations came into force on 17 May 2006, and apply to all charities with a financial year which began on or after 1 April 2006. The Trustees have ensured that these Accounts would comply with those Regulations, and because of the Company's charitable status, the Trustees have appointed an Independent Examiner, whose report on these accounts is attached.

Prof Paul G Jarvis FRS

11th February 2009

Trustee

Independent Examiner's Report to the Members of Highland Perthshire Communities Land Trust:

I report on the accounts of the company for the year ended 30 November 2008.

Respective responsibilities of Trustees and Examiner

The charitable company's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trustees consider that the audit requirement of Regulation 10(1) 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 report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking 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 connection with 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 Accounts Regulations, and to prepare accounts which accord with the accounting records and comply with Regulation 9, have 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.

Signed J M T Ambrose 11th February 2009

Independent Examiner

J M T Ambrose MA, FCA, CTA(Fellow)
8 Clevedon Road
GLASGOW
G12 0NT

Highland Perthshire Communities Land Trust

Statement of Financial Activities (including Income and Expenditure Account) for the year to 30 November 2008

| Incoming Resources | Year to 30 November 2008 | Year to 30 November 2007 |
|--|-------------------------------------|-------------------------------------|
| | £ | £ |
| Members' subscriptions | 801 | 750 |
| Donations | 681 | 887 |
| HMRC Gift Aid income tax refund | 238 | 3,294 |
| Interest | 1,853 | 1,519 |
| Grants received - RSS | - | 1,494 |
| Perth and Kinross Countryside Trust | 2,000 | 8,000 |
| Forestry Commission Woodland Grant (note 2) | - | 27,300 |
| Wayleave | - | 172 |
| SIACS | 1,502 | - |
| John Muir Trust | 284 | - |
| | <hr/> | <hr/> |
| Total incoming resources | 7,359 | 43,416 |
| | <hr/> | <hr/> |
| Resources Expended | | |
| Charitable expenditure: | | |
| Forestry mounding and track work | - | 14,829 |
| Purchase and transport of native trees | 3,196 | 9,226 |
| Tree planting | 1,066 | 3,682 |
| Bracken spraying | 1,293 | - |
| Observation and Education Facility | 5,512 | 7,746 |
| Ploughing, seeds and seeding | 52 | 244 |
| Insurance | 525 | 368 |
| Road | - | 2,244 |
| Ordnance Survey licence | 64 | 56 |
| Signage, fencing and canes | 103 | 2,635 |
| Newsletter | 177 | - |
| Website | 517 | - |
| | <hr/> | <hr/> |
| | 12,505 | 41,030 |
| | <hr/> | <hr/> |
| Management and administration | | |
| Legal fees - as restricted | 664 | 852 |
| Postage, admin and AGM costs | 242 | 132 |
| Bank charges | 70 | - |
| | <hr/> | <hr/> |
| | 976 | 984 |
| | <hr/> | <hr/> |
| Total resources expended | 13,481 | 42,014 |
| | <hr/> | <hr/> |
| Total Funds at 30 November 2007 | <u>224,985</u> | <u>223,583</u> |
| (Deficit)/Surplus of income over expenditure | (6,122) | 1,402 |
| | <hr/> | <hr/> |
| Total Funds at 30 November 2008 | <u>218,863</u> | <u>224,985</u> |

Highland Perthshire Communities Land Trust

Balance Sheet at 30 November 2008

| | 30 November 2008 £ | 30 November 2007 £ |
|-------------------------------|-----------------------|-----------------------|
| Fixed Assets | | |
| Land at Dùn Coillich (note 4) | 205,205 | 205,205 |
| Current Assets | | |
| Grants receivable (note 2) | - | 27,300 |
| Cash at Bank | 70,658 | 49,480 |
| Current Liabilities | | |
| Interest-free loan (note 3) | (57,000) | (57,000) |
| | 218,863 | 224,985 |
| Land Purchase Fund | | |
| | 205,205 | 205,205 |
| General Fund (note 6) | 8,235 | 11,053 |
| OEF Fund (note 6) | 5,423 | 8,727 |
| | 218,863 | 224,985 |
| Accumulated Funds | | |

The Trust is entitled to exemption from an audit under the provisions of S249A(1) of the Companies Act 1985, and no notice has been deposited under S249B(2) of that Act.

The Board of Trustees acknowledge their responsibilities for ensuring that the Trust keeps accounting records which comply with S221 of the Act, and preparing accounts which give a true and fair view of the state of affairs of the Trust as at the end of its financial period and of its income and expenditure for the financial period in accordance with S226 and which otherwise comply with the requirements of the Companies Act 1985.

Signed Prof Paul G Jarvis

11th February 2009

Trustee

Prof Paul G Jarvis FRS, FRSE
Duireaskin
ABERFELDY
PH15 2ED

Highland Perthshire Communities Land Trust

Notes to the Accounts to 30 November 2008

1 Accounting Policies

The Trustees have followed the Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 2005), and the Financial Reporting Standard for Smaller Enterprises in preparing their Report and these Financial Statements.

Income and expenditure has been accounted on a cash basis, which is not materially different from what would be shown on an accounts basis, except for the Woodland Grant, receivable from the Forestry Commission (see below).

2 Woodland Grant Receivable – Contingent Liability

The company has entered a contract with the Forestry Commission in relation to the creation of up to 245 hectares of new native woodland (including 48 hectares of open ground) by a combination of planting and natural regeneration, under the Woodland Grant Scheme. A grant is payable to the company when stages of planting are completed. At the end of the year, £ nil (2007 - £27,300) was receivable in respect of work completed. Any surplus of the grant over the costs incurred will be recorded when the grant is received and the final costs have been incurred.

The grant is contingent upon the survival of the young trees, and future instalments may be withheld, or previous payments may be repayable by the company to the Forestry Commission, if the required level of survival is not achieved. The company's responsibility extends for ten years after the date of the grant for planted areas, and for five years after natural regeneration. The Trustees have insurance cover for fire damage, and are taking steps to minimise deer browsing, which are considered to be the greatest contingent risks. The company would have the opportunity to plant replacement trees, if necessary to retain the grant. At present the level of survival is within the required levels, and the Trustees do not believe that any provision for repayments or the irrecoverability of future instalments is necessary or appropriate.

3 Interest-Free Loan

To fund the land preparation and planting of native trees, the company negotiated an interest-free loan from a Charitable Trust in 2005, which is repayable within 5 years from then. The total amount of the loan is £65,000, of which the company had drawn down £57,000 (2007 - £57,000) by the year end. The company intends to repay the loan from its cash resources when the work has been completed, and the final grant received.

Highland Perthshire Communities Land Trust

Notes to the Accounts to 30 November 2008 (continued)

4 Fixed assets

Land at Dùn Coillich is shown at cost. No depreciation is charged.

5 Trustees' Remuneration

None of the Trustees has received any remuneration or reimbursement of expenses from the Trust. No fee was paid to the company's Independent Examiner.

6 Funds

The Trustees designated £205,205 of the incoming funds, equal to the cost of Dun Coillich, as the "Land Purchase Fund", with the balance as a General Fund for such purposes of the Trust as may be required. A separate fund (the Observation and Education Facility Fund, "OEF Fund") was established to finance the construction of the hide for the observation and study of wildlife.

The company's income and expenditure during the year may be allocated between the General and OEF Funds as follows:

| £ | General Fund | OEF Fund | Total |
|-------------------------------|--------------|--------------|---------------|
| Income | 5,074 | 2,285 | 7,359 |
| Expenditure | 7,892 | 5,589 | 13,481 |
| Surplus/(Deficit) | (2,818) | (3,304) | (6,122) |
| Balance at 30 Nov 2007 | 11,053 | 8,727 | 19,780 |
| Balance at 30 Nov 2008 | 8,235 | 5,423 | 13,658 |

- o - O - o - O - o -