

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 2010

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

Highland Perthshire Communities Land Trust Year 30 November 2010

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 SC032801, 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, or 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 2010

Current Trustees	Appointment	Retiring
Andrew Pointer	20th March 2010	
Clare Thomas	20th March 2010	
Rob Coope	20th March 2010 *	
June Riddell	7th March 2009	
Margaret Gimblett	7th March 2009	
Margaret Jarvis, Treasurer	7th March 2009	
Richard Paul	15th March 2008	retiring**
Tim Fison	15th March 2008	retiring**
Julie Gardiner	15th March 2008	retiring
Paul Jarvis, Chairman	15th March 2008	retiring
Gordon Evans (co-opted)	13th April 2010	retiring
Ben Henderson (co-opted)	13th April 2010	seeking election
Richard Legate (co-opted)	7th December 2010	seeking election

*** retired 10th January 2011**

****eligible and seeking re-election**

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

Honorary Treasurer **Dr Margaret Jarvis**
Duireaskin
Aberfeldy, PH15 2ED

Registered Office, Company **J & H Mitchell WS**
Secretary and Solicitors **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

Highland Perthshire Communities Land Trust Year 30 November 2010

Report on Trustees' Activities during the past year (* indicates active former Trustee)

Woodlands and the Woodland Grant Scheme (J. Gardiner, P. Jarvis, T. Fison) The most evident effect of the partial control of deer and removal of stock has been the satisfactory regeneration of birch along the Alt Mhor and of Scots pine to the west and south of the original pine wood. However, in some areas, there are on-going worries about the proportion of planting failures, either through deer browsing, poor planting technique, poor quality tree stock or very wet ground. A 20 x 10 metre fenced, deer-exclusion, tree nursery, where we can raise our own replacement stock of young tree and hold-over purchased plants, has been put to use. In its first year it has proved a very useful reservoir of pine and birch and it will be receiving new plants for growing-on shortly, from both a nursery and from members. Tree planting has continued at various times during the year, although the prolonged winter of 2009-10 curtailed this activity in the spring. A considerable amount of replacement planting by Trustees has taken place on Dun Beagh and below the pine wood. In addition, two young men were employed to plant a significant number of saplings, mainly birch and Scots pine, on the Schiehallion side. Some of the original plantings of Scots pine in this area are looking promising, although it was observed that some were suffering from pine beetle. It is also very satisfactory to report that the group of juniper planted in the gap above the limestone hillocks are doing well.

Deer control (R. Coope, B. Henderson, T. Fison) Marauding deer are a major concern with respect to the young trees and efforts at deer control have been stepped up. Ben Henderson and Rob Coope have put in many hours of stalking but both red and roe deer persist in trickling on to our land. For example, on Saturday January 22nd 2011, Rob Coope shot 6 roe deer but later 9 more were seen! We had hoped that their efforts would keep the numbers down to a level compatible with the tree investment, but this has proved not to be the case. The key to achieving control lies in consistent stalking and in maintenance and improvement of the fencing. Over the years, Trustees and Members have patched up fences on an *ad hoc* basis together with help by student groups from Perth College and Pitlochry HS, plus occasional repair contracts when major collapse of posts has occurred. Now that the Trust has a regular income from KHS (see below), we are making a new assessment of the perimeter fence with a view to an on-going professional maintenance contract.

Access (T. Fison, R. Coope, A. Pointer, W. Hoare*) During the year more derelict fencing has been removed, largely with the help of school parties and a new gate has been installed in the head dyke to facilitate access onto the open hill. During the early summer, our neighbour, Sandy McAdam, with the aid of a JCB, manoeuvred five large rocks into position across the Goulandie Burn below the visitor hut to form stepping stones. These are a great success, but should be used with care when they are wet or icy. The access route is being further improved by a small gate adjacent to the stepping stones and upgrading and rearrangement of fences to lead up to the head dike so that people (and their dogs) will be separated from any cattle grazing on the adjacent field. A silage cut was taken off the field to the west of the OEF and the area formerly planted as a sacrificial crop. Trustees have had much discussion over the marking of walking routes on the hill to facilitate access and this, together with a substantial map of the routes for display in the car park area, should materialise soon.

The Observation and Education Facility (P. Jarvis, W. Hoare*) The OEF has been regularly used by Trustees and Members on their way to the higher ground or to the tree nursery area, or when bringing visitors to the area. It has also proved very useful as a base and discussion area for groups, particularly during the visits of school parties. A quarterly Trustees' meeting was held there in collaboration with a visit to discuss local issues. Some more oaks have been planted in the vicinity. A donation from Inner Wheel facilitated the purchase of a heavy, trestle-style picnic table; this was purchased at Gardening Scotland and placed adjacent to the car park to the west of the OEF. Sadly, it was stolen within three weeks of its installation. It will, of course, be replaced in the spring.

Some 16 male blackcock were observed on the lek along the Schiehallion march and ptarmigan were seen on at least two occasions on Dun Coillich itself. A red kite was seen flying over Farleyer but did not quite cross over HPCLT airspace! Ring ouzels were heard calling in the spring but were probably on passage and likewise a grey-backed shrike stayed briefly in the vicinity.

The Natural and Cultural Heritage (C. Thomas) A plane-table survey of five sites was conducted in May, taking advantage of the excellent conditions produced by the effect of snow on bracken. The first to be drawn was Site 21, where seven huts, probably shielings, had been identified in the original walk-over survey in 2004. A further three huts were found. Another group of shieling huts, Site 22, were planned next; here a sixth hut was added to those recorded previously. The third plan included two sites, an enclosure (30) and a structure (31), both situated on a well-defined platform. A shallow, rectangular depression to the north of Site 31 may have been a yard or turf-built extension. The fourth site to be drawn, Site 32, consists of a possible shieling hut, built on top of a two-part earlier structure. The site lies within a small field, whose banks were also planned. Final inked versions of the plans are being produced.

Beaully-Denny Pylon Line (W. Hoare*, P.Jarvis) A section of this 400 kV pylon line is scheduled to cross part of Dun Coillich, just north of Whitebridge. In the past year, since the granting of approval by the Scottish Executive, this has involved SSE in arranging detailed surveys of soil, vegetation and wildlife in the vicinity of the proposed pylon bases and access tracks. For the single pylon which is to be on Dun Coillich, the access track will enter from the B846 via the existing gateway just north of Whitebridge. The entry bell-mouth will be improved, and a new gate set back off the road. Part of a pole line for local 33 kV distribution in this same area will be removed, and the cable either buried or placed on to one of the existing, remaining 132 kV pylon line. Close to, but slightly east of Dun Coillich, a stretch of the new 400 kV line from near Whitebridge to near Coshievillie will be buried, rather than put on pylons. Work on the access to Dun Coillich and track is expected to start early in 2011. The general construction timetable is: access tracks from April 2011, pylon bases from June 2011, towers from September 2011, cable stringing from July 2012, dismantling of old pylon line from Oct 2012. This will be followed by reinstatement of access tracks and constructions sites back to their original condition. The bell-mouth onto Dun Coillich will, however, remain "improved".

Relations with Schools etc. (R. Paul, C. Thomas, J. Riddell, and M. Gimblett) In September 2009 two groups of S1 pupils from Pitlochry High School made visits to Dun Coillich where they carried out various conservation tasks which contributed towards their John Muir Explorer Awards. Since that time Scottish Education has been in a process of revolution with implementation of the *Curriculum for Excellence*. A major plank of the Curriculum for Excellence is an increase in 'Outdoor Learning' and Dun Coillich is in a good position to provide an important venue. The Head of Science at Pitlochry High School, Gary Leck, has arranged for two further pupil visits to Dun Coillich in April 2011 which will involve all the

S1 (aged about 11) and S2 pupils (aged about 12). Again their activities will be part of the John Muir Award. As well as carrying out conservation tasks at Dun Coillich, the pupils will visit geological and archaeological sites in the area. Older students from Pitlochry High School came on a visit in June and a work-party contributed to the repair of a length of fence. Perth and Kinross Council has established a consultative body with a remit to take forward the development of '*Outdoor Learning*'. The staff of Pitlochry High School have thanked the Trustees of HPCLT for their help and support in providing opportunities for '*Outdoor Learning*' and hope to continue the association in the future.

Keltneyburn Hydro Scheme [KHS] (J. Stewart for KHS, T. Fison, P. Jarvis) The KHS began trial production in the spring. May and June were exceptionally dry months and major adjustments to the software were required to improve the interaction between water flow and electricity generation. These adjustments are still ongoing and it may well take a year to fine-tune the system fully. Additionally, SEPA required construction of a pool below the weir to cushion the fall of fish coming through the notch. This involved KHS in additional work on our ground. After this period of initial tuning of the system, consistent generation of electricity ensued during July. However, debris choking the inlet screens reduced generation and sometimes caused shut-down. On occasions the screens required cleaning three times a day. The debris were not limited to falling leaves, as the problem persisted after heavy rain, with heather, dead grass, twigs etc obstructing the inflow. A supplementary filter with a much larger surface area is to be installed to obviate this problem in future. Anticipated generation for the year to the end of December, based on 30 years *average* rainfall was 3352 megawatt hours; the actual generation was 2305 megawatt hours. A further contributory reason underlying this discrepancy has been the exceptional freeze-up during the current winter, particularly throughout December, which should be one of the better months with respect to water availability, when generation was only 13 percent of expectation.

Financial Review and Policy on Financial Reserves (T.Ambrose, P.Jarvis) The Trust's expenditure exceeded its income by £359 (2009 – surplus £503) during the year. The unrestricted General Fund at the end of the year held £8,374, and £5,428 was held in the OEF Fund which has constructed the hide 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.

Signed

Prof Paul G Jarvis FRS

February 2011

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 2010.

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 (date) Independent Examiner

J M T Ambrose BSc, MA, FCA, CTA(Fellow), FGS
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 2010

Incoming Resources	Year to 30 November 2010 £	Year to 30 November 2009 £
Members' subscriptions	622	672
Donations	140	1,423
HMRC Gift Aid income tax refund	528	-
Interest	50	402
Grants received	-	1,510
Rental	3,000	3,000
Wayleave	145	267
Total incoming resources	<u>4,485</u>	<u>7,274</u>
Resources Expended		
Charitable expenditure:		
Fencing for tree nursery	-	1,562
Purchase and transport of native trees	999	2,272
Tree planting	840	805
Observation and Education Facility	-	98
Ploughing, seeds and seeding	-	330
Stepping stones	250	-
Picnic table	159	-
Insurance	559	515
Risk assessment	-	150
Signage, fencing and canes etc	-	112
Newsletter	-	170
Website	75	-
Deer management	20	20
	<u>2,902</u>	<u>6,034</u>
Management and administration		
Legal fees - as restricted	1,131	528
Fees re release of security for loan	667	-
Postage, admin and AGM costs	144	189
Bank charges	-	20
	<u>1,942</u>	<u>737</u>
Total resources expended	4,844	6,771
Total Funds at 30 November 2009	<u>219,366</u>	<u>218,863</u>
(Deficit)/Surplus of income over expenditure	(359)	503
Total Funds at 30 November 2010	<u>219,007</u>	<u>219,366</u>

Highland Perthshire Communities Land Trust

Balance Sheet at 30 November 2010

	30 November 2010 £	30 November 2009 £
Fixed Assets		
Land at Dùn Coillich (note 4)	205,205	205,205
Current Assets		
Grants receivable (note 2)	-	-
Cash at Bank	14,642	15,723
Current Liabilities		
Interest-free loan (note 3)	-	-
Account payable	840	(1,562)
	219,007	219,366
Land Purchase Fund		
	205,205	205,205
General Fund (note 6)	8,374	8,779
OEF Fund (note 6)	5,428	5,382
	219,007	219,366
Accumulated Funds		

For the year ended 30 November 2010, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

The members have not requested the company to obtain an audit of its accounts for the year to 30 November 2010 in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Signed Prof Paul G Jarvis FRS Trustee

[DATE]

Highland Perthshire Communities Land Trust

Notes to the Accounts to 30 November 2010

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 (2010 - £ nil) was receivable in respect of work completed. Any surplus of the grant over the costs incurred will be recorded when the final 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 has the opportunity to plant replacement trees, where 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 was repayable within 5 years from then. The total amount of the loan was £65,000, of which the company drew down £57,000. The company fully repaid the loan from its cash resources during the year ended 30 November 2009.

Highland Perthshire Communities Land Trust

Notes to the Accounts to 30 November 2010 (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	4,439	46	4,485
Expenditure	4,844	-	4,844
(Deficit)/Surplus	(405)	46	(359)
Balance at 30 Nov 2009	8,779	5,382	14,161
Balance at 30 Nov 2010	8,374	5,428	13,802

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