

Company registration number: SC250899

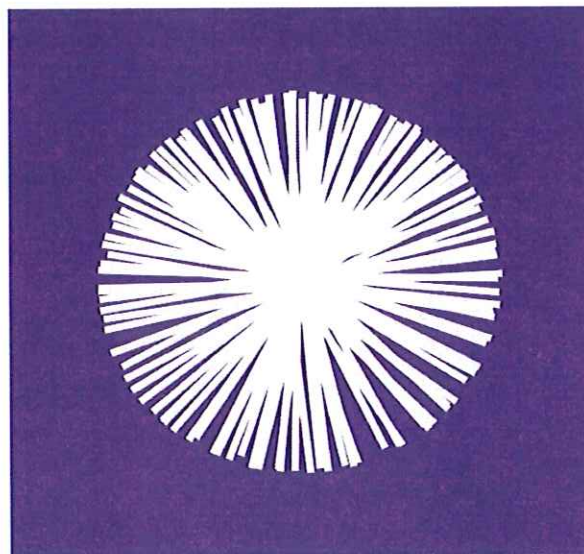
Charity registration number: SC000296

Scottish Environment LINK

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2011



Scottish
Environment

LINK

Morris & Young

Chartered Accountants & Statutory Auditor

6 Atholl Crescent

PERTH

PH1 5JN

Scottish Environment LINK

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Reference and Administrative Details

Charity name	Scottish Environment LINK	
Charity registration number	SC000296	
Company registration number	SC250899	
Principal office	2 Grosvenor House Shore Road PERTH PH2 8BD	
Registered office	2 Grosvenor House Shore Road PERTH PH2 8BD	
Trustees	Ian McCall, Chair	(retirement 22 June 2010)
	Deborah Long, Chair	
	David Downie, Treasurer	(retirement 22 June 2010)
	Lloyd Austin	
	Andy Fairbairn	
	Dan Barlow, Vice Chair	(elected 22 June 2010)
	Eila MacQueen	
	Jonny Hughes	
	Vicky Junik	(retirement 27 January 2011)
	Ian Findlay, Trustee	(elected 22 June 2010)
	Mike Robinson	
	Paul Ritchie, Treasurer	(elected 22 June 2010)
	Helen Todd, Trustee	(elected 22 June 2010)
Solicitor	J & H Mitchell WS 51 Atholl Road PITLOCHRY PH16 5BU	
Accountant	Morris & Young Chartered Accountants 6 Atholl Crescent PERTH PH1 5JN	

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Board Members' Report and Accounts for the year ended 31 March 2011

Legal and Administrative

Trustees

Chair	Deborah Long, elected June 2010 Ian McCall, retired June 2010
Vice Chair	Dan Barlow, elected June 2010 Deborah Long, retired June 2010
Treasurer	Paul Ritchie, elected June 2010 David Downie, retired June 2010
Others	Lloyd Austin, re-elected June 2010 Andy Fairbairn, re-elected June 2010 Eila Macqueen, re-elected June 2010 Jonny Hughes, re-elected June 2010 Vicky Junik, re-elected June 2010, retired January 2011 Helen Todd, elected June 2010 Ian Findlay, co-opted by the Board June 2010 Mike Robinson, co-opted by the Board June 2010

President Helen Zealley OBE

Honorary Fellows

Jill Harden
David Minns
Simon Pepper OBE
Neil Rankin CB CBE
Michael Scott OBE
Drennan Watson OBE

Staff

Jen Anderson, Chief Officer, Company Secretary
Alice Walsh, Development Officer
Andy Myles, Parliamentary Officer
Hugh Green, Finance & IT Officer
Susan Guest, Parliamentary Administration Officer, resigned March 2011
Kate McColl, Information & Administrative Support Officer
Alan Wells, Marine Research, later Marine Policy Advocacy, Officer; resigned December 2010
Lindsay Roberts, Marine Policy Advocacy Officer, appointed June 2010
Sarah Archer, Marine Policy Advocacy Officer, appointed January 2011

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Board Members' Report and Accounts for the year ended 31 March 2011

Foreword from the President

This Annual Report summarises an inspiring range of achievements by LINK and its dedicated member organisations. Despite the challenging economic climate, LINK and its Task Forces have continued to make a significant contribution to policy debate and development across a wide range of environmental issues. In addition to continued political engagement with Scottish Ministers and Parliamentarians, there has been constructive liaison with SNH, SEPA and other Agencies as well as the establishment of new contacts with Councils and Community Planning Partnerships to ensure the local implementation of critical environmental policies.



While LINK's task forces cover a wide range of detailed environmental matters they share an overarching commitment to environmental, social and economic sustainability. In view of this, LINK was deeply distressed to learn that the Sustainable Development Commission was being disbanded at the end of April 2011. As yet it is unclear who, or how, the important task of holding the Government to account on its Sustainable Development obligations will be fulfilled in the future. As a charitable organisation committed to openness and, through its member organisations, to engagement with the people of Scotland, LINK stands ready to contribute in future to this important task.

A handwritten signature in black ink that reads "Helen Zealley". The signature is written in a cursive, flowing style.

Dr Helen Zealley OBE

Scottish Environment LINK

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Chair's Introduction

Despite some significant uncertainties for members and LINK around funding, the year 2010/11 has been an active, constructive and successful one in LINK, with a broad spectrum of collaborative work and no shortage of interesting and challenging projects. As usual, this has focussed on getting the environment into the debates over other mainstream concerns, keeping the environment on other agendas where it has already been admitted, influencing developing policy and legislation and continuing to nudge broader concerns up the policy agenda in Scotland.

The economic climate has focussed members' attention more than usually around their own organisations, with inevitable impacts on the available resource for collective work. Financial concerns have affected LINK too, requiring reassessment of budgets, fresh scenario planning and review of funding strategy in considering how best to adjust to a likely decline in core funding and at the same time to maintain the independent voice that members value very highly. Whilst these conversations will be with us for some time to come, they serve to underline the need for and value of joint effort. In fact, whilst we foresee some redefining of roles for LINK in our review of network strategy for 2012 to 2015, there is no doubting the added value LINK delivers, to its members, and to the debate on policies affecting the environment. LINK continues to work constructively at various levels - briefing politicians, liaising with Ministers, Government and its agencies, engaging with local government where possible, and working with stakeholders in various fields of policy, as the following pages show. This builds considerable synergy over policy development, bringing greater awareness and both foreseen and unforeseen 'wins' for environmental stewardship, the economy and for people. LINK has made a point of contributing to national discussions including the impact of budget cuts

(<http://www.scotlink.org/files/policy/PositionPapers/LINKPaperProtectEnvTimeOfCut.pdf>), the future of public service delivery

(<http://www.scotlink.org/files/policy/ConsultationResponses/LINKConsultChristieComm2011.pdf>), the future of the Sustainable Development Commission in Scotland

(<http://www.scotlink.org/files/policy/PositionPapers/LINKLetterSDCScotJuly2010.pdf>), access to justice, and the Scottish parliamentary elections in May 2011

(<http://www.scotlink.org/public/policy/Manifesto.php>).

In addition, eleven LINK task forces have been active over the year and small snapshots of their contributions over the year are outlined in this report. As any of these initiatives shows, this network's real concern is with sustainable decisions and policies that build the true value of the environment into the wider economy, consider what will best support Scotland's communities in the long term, avoid impacting our environment and our communities in ways for which future generations have to pay, and take account of our environmental footprint in the world.

At the close of the first decade of Scotland's new Parliament, LINK assessed Holyrood's impact on Scotland's environment in a report entitled *Scotland's Environmental Laws – from Rhetoric to Reality*. This found that despite some excellent, in some cases ground-breaking, legislation being delivered since 1999, Scotland's record in implementing legislation and following the spirit through into governance, has, so far, been more disappointing. It is part of LINK's forward strategy to pursue better implementation and sounder governance in the years ahead and we look forward to working together with our partners in Parliament, Government, Councils, civic organisations and communities, to that end.



Deborah Long

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Board Members' Report and Accounts for the year ended 31 March 2011

LINK's objectives, activity and achievements

LINK's strategic objectives as the forum for environmental NGOs are threefold: pursuing sustainability in terms of development of policy that counts the contribution of the environment and the 'green' cost of decisions; being a strong, collective voice about issues that its members wish to highlight to public and decision makers; being effective as both network and collective voice and accountable to those we represent and who support us. Across LINK activity this year, as this report shows, the provision of a forum for members is vital, for exchange of information and intelligence, discussion, and development of joint action to secure change. Working at these levels the network has covered many areas which of which the following provides some snapshots.

Policy areas

Agriculture CAP reform and the Scottish Rural Development Programme continued to be the focus of the Agriculture task force whose vision for CAP's future is that it should focus on providing public goods, with a strong legislative baseline requiring the polluter to pay for environmental damage, and tiered support allowing all farmers to deliver environmental benefits and rewarding those most who provide highest benefits. The task force has produced a series of filenotes from December 2010 (<http://www.scotlink.org/files/policy/PositionPapers/LINKPackbriefing1.pdf>) to expand on principles outlined in LINK's earlier *Beyond the CAP* publication; updates will follow as the process develops.

Biodiversity Throughout the year, the task force continued to contribute to all nine Scottish Biodiversity policy groups. The lack of leadership and progress made, in delivering the strategy, led the task force to reassess its deployment of resources. As a result, the task force agreed to withdraw from current groups, choosing instead to focus resources on key policy barriers that hinder member organisations in delivering biodiversity conservation on the ground. Despite this dispiriting process, the task force contributed to the development of ground-breaking provisions within the Wildlife and Natural Environment Act on the release and control of non-native invasive species in the wild.

Climate Adaptation In wake of the Scottish Climate Change legislation the focus of collective work through LINK has been on how to help wildlife adapt to impacts of climate change, guiding sectors of the economy to adapt to impacts of climate change in sustainable ways (with minimal impact on biodiversity and the natural environment) and identifying cross-over in advice on adaptation and mitigation and working to avoid confusion. The task force has pursued these in via consultation submissions, giving evidence, dialogue with Scottish Government and to some extent by integrating with parallel work by other LINK task forces.

Members' Congress 2010, framed as *Environment and the Law*, took a wide look at the parameters of law, from international treaties to citizens' access to justice, in relation to the environmental concerns of the network. To ascertain whether the aspirations of Scotland's often world-leading environmental legislation have been realised, LINK commissioned a review (<http://www.scotlink.org/files/publication/LINKReports/LINKEnvLawsRhetorictoReality.pdf>). There is much to celebrate. Where reality falls short, the ninety members and guests taking part in Congress explored the extent and nature of the barriers to effective implementation, concluding that at root is a lack of follow-on scrutiny and a continuing misunderstanding of sustainable development. Despite growing awareness that the environment is the context for social and economic activity, this is strongly overridden by a 'business as usual' approach in Scotland and the environmental governance issues that flow from this will keep LINK busy for a while to come.

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Wildlife and Natural Environment Bill (WANE) – A short-life group comprising representatives from LINK's Deer and Biodiversity task forces convened to influence the WANE Bill, succeeding in

improving the Bill as well as increasing LINK's standing with politicians and policy community. The new Act strengthens the biodiversity duty by adding a three-yearly reporting requirement as well as introducing the vicarious liability for wildlife crime. Scottish Government's U-turn between the original consultation and introducing the bill, on proposals for statutory sustainable deer management, was disappointing, though LINK members were pleased with a number of developments including: greater transparency on Control Orders so that it is now 'damage', not 'serious damage', that, when proven, should prompt reductions in numbers; and a change in the appeal system against Control Orders to use the Land Court rather than the Public Local Inquiry route, thus reducing scope for prevarication. Members will continue to press the case for statutory, sustainable deer management in the context of deliberations around the Deer Code.

Freshwater As part of members' ambition to see sustainable flood management underway and water quality in Scotland improving, the LINK task force responded to Government's Flood Risk Management consultation and to the Hydro Nation consultation on the future of Scottish water. They have also initiated contact with the Water Industry team at Scottish Government and look forward to developing dialogue. LINK and individual member organisations made submissions to the Better Regulation consultation by the Scottish Environment Protection Agency, constructively suggesting ways to improve our regulatory regimes and proposing equalisation of penalties for breaches with other parts of the UK. Work is now underway to consider the outcome of the consultation and the possibility of new legislation arising from it.

LINK's Fundraisers' Forum has met three times during the year and continued as a valued means of intelligence sharing for many members, on occasion inviting and exploring funding challenges with representatives of various funding sources.

Landscape Matters Scotland's Landscape Charter (<http://www.snh.gov.uk/docs/B721956.pdf>) was finally launched by SNH in October 2010, but LINK landscape task force members remain concerned at the relatively narrow range of bodies which have signed up and at the lack of enthusiasm from the Scottish Government. The Scottish winner of the UK Landscape Award was announced in October 2010 and overall UK winners in November 2010; John Mayhew APRS, convenor of the LINK task force was on the Scottish judging panel. The UK Landscape Conference in November 2010 was attended by Helen McDade of JMT, a task force member. A joint letter promoting the European Landscape Convention was sent to the Prime Minister and the three First Ministers across the UK in January 2011, signed by six out of seven task force members and twenty-four other organisations (<http://www.ruralscotland.btik.com/Media/1061/What%20We%20Said/European%20Landscape%20Convention.pdf>). All 40 National Scenic Areas were re-designated under the 2006 Planning Act and SNH published a comprehensive report on the Special Qualities of NSAs (<http://www.snh.gov.uk/docs/B695223.pdf>). Task force members remain concerned over the impacts of the rapid expansion of onshore and offshore wind generation. Concerns over the review of permitted development were also highlighted, particularly in relation to upland vehicle tracks and archaeological deposits. Several members worked on wild land issues: JMT submitted a Parliamentary Petition calling for a new wild land designation; MCoFS ran a campaign on hill tracks; and SWLG held a wild land conference. This task force held four meetings: in May, August and November 2010 and in February 2011 and these included discussions with Brenda Turvey and Simon Brooks of SNH on renewables and other landscape matters.

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Marine recovery, from legislation to implementation Pursuing commitments in the Marine (Scotland) Act 2010, the task force has had detailed input this year to preliminary discussions and pre-consultations on Scottish Marine Protected Area Guidelines, Marine Nature Conservation Strategy, identifying Priority Marine Features in Scottish waters, the new marine licensing system, the spatial plan for offshore wind development in Scottish territorial waters and the draft National Marine Plan, as

well as responding to a consultation on the boundaries for Scotland's Marine Regions. Two pieces of commissioned research informed the work, both the subject of well-received seminars held in Parliament. The first, *Avoiding Conflicts in the Marine Environment* (http://www.scotlink.org/files/publication/LINKReports/LINK_ACME_Report0610web.pdf), launched June 2010, supports the design and implementation of a regulatory framework that could secure both a thriving renewables industry and healthy seas. *Making the case for sound management of Marine Protected Areas* published March 2011, explores how recovery of the marine environment can be delivered in practice (http://www.scotlink.org/files/publication/LINKReports/SAMSReportManagingMPAs_full.pdf). For the Scottish parliamentary elections in May 2011 the task force will encourage candidate MSPs to show commitment to delivering healthy seas round Scotland by signing a marine declaration. Funding to support this invaluable marine work is provided to the Links across the UK by the Esmée Fairbairn Foundation and the Tubney Trust. In Scotland, this allows LINK to employ dedicated project staff with experience of marine policy and of advocacy.

Planning This LINK task force has maintained its watching brief on how Scotland's planning system impacts the environment and whether it meets Scotland's sustainability commitments. Work has included responses to consultations : on the Draft Order to Modify the Designation Order for the Cairngorms National Park, supporting the extension of the southern boundary into Perth and Kinross; on Resourcing a High Quality Planning System and on Amendments to the Modernised Planning System, underlining the need to retain high quality expertise, for the public to be able to participate, and for the importance of pre-application consultation; on The Environmental Impact Assessment (Scotland) Regulations 2010, broadly welcoming the proposals and suggesting some clarifications.

Scottish Environment Week 2011 Under the theme *Active Citizens and the Scottish Environment* the Week picked up on many examples of how NGOs and Government can rely on the active interest and effort of volunteers to work for the environment. Volunteering and building active citizenship has been a focus of successive Scottish administrations and the 2011 Week showed the Holyrood audience a wide diversity of natural and cultural heritage projects exploring their impact on individuals and communities. It framed environmental volunteering within the European Year of the Active Citizen and demonstrated connections through volunteering between the environmental, economic and social sectors. The Week also provided excellent networking and political opportunities in the run-up to the Scottish Parliamentary elections.

Local governance and environment LINK's Single Outcome Agreements task force continued its watchdog role around how national commitments for the environment and sustainable development are delivered by local government as part of the Concordat with local councils. This has led to closer working relations with various players in local government and the Improvement Service; also a clearer sense of the challenge for Community Planning Partnerships in engaging in the SOA process. A LINK-commissioned audit of Scotland's SOAs from CAG consultants, published early 2011 (<http://www.scotlink.org/files/publication/LINKReports/LINKsoaReportAudit2011.pdf>), formed the basis of a seminar jointly hosted by LINK, SNH, SEPA, SDC Scotland, Sustainable Scotland Network, the Improvement Service and Scottish Government, held at COSLA's Edinburgh offices. The event, attended by over two thirds of Scotland's Councils, explored the SOA process noting changes that

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would be needed to ensure this ambitious and complex process can deliver in our communities. LINK will pursue outcomes in dialogue with national and local government, developing priorities for the 2012 Local Council elections and hopes to continue to develop synergy with Scotland's local councils.

Sustainable land use Still pursuing what was a LINK-generated legislative achievement secured during negotiation of Scotland's Climate Change Act, this task force has worked to keep the merits of the strategy high on the policy agenda, to secure interpretation of the term as planning for the

sustainable use of all land and resources (excluding marine) and to promote the benefits this can bring for the Scottish economy and society as well as our environment. Using its 2009 report, *Living with the Land*, as the basis for advocacy, LINK pursued dialogue with Government, helped shape, then responded to, public consultation and subsequently hosted a national conference in November 2010 to consider the Government's draft. The initiative succeeded in ensuring that Holyrood's RAE Committee called in the draft for the earliest example on Scottish record of post-legislative scrutiny; however, Government remains surprisingly resistant to acknowledging the place of land use in the policy hierarchy and to a stakeholder forum to pursue implementation of their strategy.

Work with other Networks LINK has played an active part in the Scottish Council for Voluntary Organisations through membership of its Policy Committee, and has made some progress in raising environmental concerns up the civic agenda. Our supportive role for Stop Climate Chaos Scotland has widened our exposure to other parts of the Scottish policy community and been of major importance in the fight against climate change. Dialogue has continued with the Built Environment Forum Scotland and the Civic Trust - important allied organisations within the policy community. All of this has helped raise the profile of LINK as a serious player in the life of the Scottish civic and policy community. The Link networks in Scotland, England, Northern Ireland and Wales have liaised over the year, exchanging experience and approaches on policy, governance and funding. WWF UK's valued support for Links liaison in 2010 was spent largely on coordinating a Joint Links Seminar in Chester in September. Over 40 delegates from the four Links convened at Chester University campus to consider the new UK government, changing political landscapes and effects of recession. This was also an opportunity for task forces and working groups in the Links to share experience and identify topics for future joint work. Delegates heard an excellent presentation on Roman Chester (thanks to Dr John Doran) and took part in site visits to Ashton Hayes & Blacon carbon neutral projects (thanks to Prof Roy Alexander) and wildlife sites on the Dee Estuary (thanks to Colin Wells and RSPB).

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Broader policy effort

Environment and budget cuts Addressing the economic situation, in November 2010 LINK submitted a paper to the Scottish Government giving a realistic assessment of the known cuts in budgets and stressing the need to protect environment spending within the context of its long term implications and ways in which it would be disproportionately affected by any 'salami slicing' approach to budget cuts. The paper was discussed with Ministers and LINK's first foray into budgetary discussions was well received.

Future public service delivery LINK also made written and verbal submissions to the Christie Commission on the future of Public Service Delivery, again making the case that quality of our environment is fundamental to the long-term 'preventive' approach which will allow reductions in remedial public service provision. LINK made a strong case to the Commission (which will report in July 2011) that the definition of public services must not be restricted to narrow social service provision but seen also in the broad sense that all policy delivery, including environmental regulation and incentives, should be considered in the public interest as a public service.

Manifestos and the Scottish parliamentary elections In this final year of the SNP minority Parliament in Scotland members focussed on manifesto asks of the parties and candidates in the lead-up to the Scottish parliamentary elections set for 5 May 2011. LINK decided to establish a 'rolling manifesto' for the network setting key issues in the context of sustainable development and clarifying 'asks' of governments at the local, national Scottish, UK and European levels. The manifesto (<http://www.scotlink.org/public/policy/Manifesto.php>) covers 36 sub-sections under headings of climate, education, health and wellbeing, communities, crime and policing, economy, energy, transport, sustainable land use, sustainable marine strategy, biodiversity, and justice and governance. The groundwork is an important foundation for continuing manifesto updates that LINK will carry out in advance of the 2012 Local Government and future national and international elections. Taken in conjunction with the effort of members, the awareness of Scotland's politicians around the importance of environment and the extent of voter concerns is growing despite the pressures of the continued economic downturn. Important gains over the next five years, in several policy areas, may follow as a result of this work. LINK has also engaged in the political party conferences playing an observational role as the election approaches. In advance of the election LINK plans to assist SCCS and others in holding candidates to account at hustings, asking candidates to sign up to commitments on wildlife protection and enhancing the marine environment.

Environmental justice LINK has continued to carry a watching brief on access to justice. Members working on proposals for a coal-fired power station at Hunterston succeeded in obtaining a Protective Cost Order from the Court of Session hearing a judicial review of the application. This major step forward is being followed through with construction of a case for the full and proper implementation of the Aarhus Convention on Environmental Justice by the Scottish Government and courts.

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Governance and Administration

Network meetings, developing strategy LINK's AGM in June passed changes to constitutional arrangements for supporters of LINK and for Board tenure and welcomed Helen Todd as a new trustee. Helen is Development Officer with Ramblers Scotland. The chair passed to Deborah Long from Ian McCall, whose involvement in LINK dated to 1992; he had served on the Board for a number of years including from 2009 to 2010 as Chair and had been involved through RSPB and Ramblers Scotland in a wide range of LINK initiatives. Deborah Long is Scottish Conservation Manager for the UK charity, Plantlife, and has been active on LINK Board for a number of years. LINK's outgoing Treasurer, David Downie, had served on the Board for eight years; David was also involved in several of its sub groups provided line management support to LINK's Chief Officer for four years. This passed to the new Chair in July 2010.

Collective work priorities were reviewed at LINK network meetings in April, June, November and January. These meetings also serve to ensure necessary integration between different areas of work and as opportunities to evaluate outcomes of particular areas of work and share lessons among the network. Discussion is informed by a political strategy report produced twice-yearly on political, judicial and administrative contexts by the Parliamentary Officer, which flags issues and opportunities and prompts decisions on new directions.

Amongst areas highlighted at the annual planning session (November) were: building the case for the economics of sustainable development; the need for scrutiny of legislation; a wider role regarding environmental governance in Scotland's local communities; continued effort to promote sustainable land use strategy; and monitoring how the Planning Act is delivering and what it is costing Scotland. Environmental governance has progressed up LINK's agenda as a result of this process, as perceived shortcomings in the legislative, executive, judicial and civic processes have increasingly been identified as significant barriers in our pursuit of the achievement of sustainable development. LINK will consider how to take this agenda forward with others in civic Scotland in spring 2011.

Board priorities The Board of trustees, which met in April, June, October and January, has prioritised funding over the year, setting up a 'response team' to review funding scenarios that inform our financial planning and to support staff in scoping possible new funding channels suitable for the role of an intermediary, or forum. The work is on-going – our network role not being one which instantly attracts support – and we will sustain investment in this at trustee and staff level in the year ahead. From autumn 2010 a Board search-group has reviewed the remit for LINK's presidential role and begun a search for an individual to succeed Dr Helen Zealley as LINK President from autumn 2011. Succession planning for other office bearers also began in March 2011.

A parallel priority for trustees has been dialogue with various NDPBs to exchange thinking on environment and sustainable development and build mutual understanding of respective roles. Constructive and useful meetings have been held with trustees and senior staff of Scottish Natural Heritage and Scottish Environment Protection Agency and strategic discussion is planned with the board of Cairngorms National Park Authority ahead of publication of its new park plan. LINK's various task forces are regularly in contact with counterparts in various agencies, and in Scottish Government, Marine Scotland and Forestry Commission Scotland.

Support with the establishment and early development of the new Fred Edwards Trust has continued over 2010/11. LINK was among those involved in the early scoping of an initiative to promote principles espoused by Fred Edwards in Scottish public life and practice. LINK has continued to provide support by providing the company secretary role, coordinating the launch of the Trust in October 2010 jointly with the University of Edinburgh, and supporting development of the action learning programme up till January 2011.

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Carbon accounts LINK has published its third detailed annual report on Carbon Emissions resulting from LINK business activities during the financial year. It can be read in full or downloaded from our website at <http://www.scotlink.org/public/itemlisting.php?id=605>. This year we have extended our reporting to include new measures of emissions per employee and have benchmarked our Perth office emissions against typical and good practice equivalents using the Carbon Trust's benchmarking tool. LINK also plans to set up a virtual carbon forum for members to keep in touch and share good practice and intelligence about carbon accounting and reporting. We have continued to share thinking with SCVO on this.

Staffing Lindsay Roberts joined LINK's staff in June 2010 as Marine Policy Advocacy Officer working alongside Alan Wells, though from a base at RSPB Scotland in Edinburgh, and supporting the marine task force. Lindsay brought useful experience of marine policy and parliamentary process from previous employment with the Scottish Green Party. Alan Wells left LINK in December 2010 to take up a post with the Association of Salmon Fishery Boards after over three years' excellent support for the task force as marine project officer, spanning the passage of Scottish legislation and the start of the implementation phase. Sarah Archer, whose previous experience with Defra was in marine biodiversity, was appointed from January 2011, working from WWF Scotland's office in Dunkeld. Susan Guest left LINK in March 2011, after four years' much-valued support as LINK's Parliamentary Administration Officer in Edinburgh. Susan provided continuity during transition between three different Parliamentary Officers (including a maternity leave and a changeover of staff), was responsible for parliamentary monitoring, coordinating parliamentary events, supporting LINK's webwork as well as a range of other administration. She has moved on for a job in the north of England and later, to travel.

Membership Despite a financial climate which puts a strain on all organisations and could spell difficulties for network organisations, membership of LINK has remained very steady over the reporting year. In July 2010, Scottish Badgers joined LINK. LINK regrets the loss of the Royal Zoological Society of Scotland and members very much hope the Society will be able to re-join the network in future. Membership stood at 34 organisations as the reporting year ended in March.

Trial affiliation for wider environmental organisations From summer 2010 LINK has been piloting an Organisational Supporter affiliation which offers benefits to organisations with environmental interests and agendas, whose status renders them ineligible for membership but which may share interests in common with the network. The affiliation confers many, not all, benefits of membership and allows parts of the wider sector that are not primarily citizen-led to support the role that LINK plays in bringing bodies together and promoting the environmental case to decision makers. The trial will be reviewed at summer 2011.

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Plans and activity for 2011/12

Financial scrutiny

The Board will continue to focus on sustaining key services with potentially diminished core funding. The importance of our independence as a collective voice for the eNGOs is fundamental. This will require greater investment in testing new or different funding channels and correspondingly less time for other support to the network. A tighter operating budget and uncertainties about core funding beyond March 2012 are leading to caution in terms of new commitments and investments. Our discretionary project fund is likely to be modest; over the last ten years this has allowed the Board to support useful research and publications and a number of seminars involving LINK and other stakeholders. It allows LINK to support key network priorities where resources in member bodies are scarcer. Examples over the last few years have been our very well regarded work on Single Outcome Agreements, Sustainable Land Use, and more internally focussed guidance on Carbon Accounting, and training in Fundraising.

Forward strategy

Informing our funding focus as well as our mission for the next few years, the Board will initiate a strategic review in summer 2011 to check members' satisfaction with LINK and the service they receive and confirm their essential expectations going forward. This will be complemented by an independent assessment commissioned by the Board to measure LINK's wider impact and influence. The Board aims to consult members and take informal soundings from representatives of other sectors on a draft strategic plan for 2012/15 by winter 2011. Following Board review of the trial of our Organisational Supporter category of affiliation, there will be discussion with the membership around whether and how to expand the affiliation. In the same way that the network has worked with Stop Climate Chaos Scotland (SCCS), through active contributions and non-duplication, we will continue to work with SCCS and other progressive alliances on areas joint interest. Network planning at autumn 2010 informed development of the Operating Plan for 2011/12. Most of LINK's existing task forces have active plans for the year ahead. For new areas of work staff and trustees will set up initial scoping discussions: a workshop on the economics of the ecosystem and biodiversity is planned for summer 2011 and LINK will also review how best to contribute to the debate on 'GDP and beyond' following publication of the Carnegie Commission report in spring 2011. LINK's existing task force on Single Outcome Agreements will widen its scope in the coming year. Advocacy training will be offered to members once again during summer 2011; a carbon accounting workshop for members to share good practice will be organised for autumn 2011. With the Local Government elections coming up in spring 2012 a significant area of work for members will be refreshing LINK's manifesto asks of the parties both at national and local level and this will be coordinated over the summer of 2011.

Succession planning for President

The Board will be involved too in identifying and inducting a new President, confirming needs in relation to Board succession for the next few years and recruiting against these for the AGM planned for 30 August 2011.

IT

LINK staff will review IT support needs and scope the market during summer 2011 with a view to upgrading IT provision by October 2011. A watching brief on communications and IT needs is also being kept – in particular on the extent to which the network could develop use of video-conference to save time, money and emissions in meeting together.

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Financial review

Treasuring In June 2010, LINK welcomed Paul Ritchie, Director of Finance and Resources at the Scottish Wildlife Trust, to the role of Treasurer. Paul has taken the opportunity to get to familiarise himself with financial work and with the network, over the last nine months. Paul took over from David Downie, Treasurer for the previous eight years and LINK is pleased to record our thanks to David for his work for LINK over this period. He was instrumental in founding the Board's funding subgroup, helping to develop financial systems and to move LINK to its current funding philosophy, key to the network's relative financial health now. In addition David led the employment subgroup addressing a range of recruitment and HR issues and providing line management support to the Chief Officer over a period of four years.

Funds overview and reserves LINK closed the financial year with £158,328 in unrestricted funds, of which £6,607 represented fixed assets and £5,855 was designated funding carried forward for active projects (detailed in Note 19). We also carried forward £33,879 of restricted funding for the on-going marine project. The Board agreed to maintain within the unrestricted balance a figure of £91,000 for contingency issues, including three months' core operating costs, core staff commitment to projects and potential redundancies, in the event that the company has to be wound up. The figure also includes sufficient funds to allow LINK to respond in the short term to any relatively sudden withdrawal of support from a major funder or some of our members. The policy is kept under review each year. The resulting balance of £54,865 in available unrestricted funds is largely as anticipated.

Income streams LINK income overall was approximately £68,000 higher than last year: unrestricted income was around £21,000 higher and restricted income was around £47,000 higher. The increase in unrestricted income mostly results from new core funding from Craignish Trust, increased SNH funding for 2010-11, new income from meeting room rental and hosting an employee from Community Energy Scotland in our Perth office, and from increased cost recovery of salaries and overheads for externally-funded projects. Restricted income this year included increased funding for our marine project from the Esmée Fairbairn Foundation and the Tubney Trust, and a higher level of other sponsored project activities. To support members through this difficult period, LINK froze membership subscription rates for the second year running. As a membership organisation, members and Board set a goal in 2004 of raising at least 50% of essential costs through internal membership subscriptions by 2011, in order to reduce reliance on external funding and demonstrate member bodies' commitment to the network. We exceeded this target for the first time in 2009/10, although this year's subscription income was lower than expected due to the sudden resignation of one of our Band 1 member organisations which was experiencing financial difficulties. The total membership income of £70,408 represented 49% of our essential expenditure during the year.

Acknowledgements LINK's other principal income streams were grants from Scottish Natural Heritage, Scottish Government and the Esmée Fairbairn Foundation, whose support the network is very pleased to acknowledge. These channels are vital our work. LINK would also like to acknowledge the valued contributions received towards its work this year, from:

- Historic Scotland, Scottish Council for Voluntary Organisations, Calor Scotland, the Cairngorms and Loch Lomond and Trossachs National Park Authorities - all of which helped to sponsor Scottish Environment Week 2011 in March;
- SEPA for its support towards the Seminar on Single Outcome Agreements held in February;
- WWF-UK – grant support towards Joint Links liaison during 2010;
- Capability Scotland – towards the costs of establishing the Fred Edwards Trust; and
- continuing grant support from the Esmée Fairbairn Foundation and the Tubney Trust for the marine project, which is very welcome.

Scottish Environment LINK

Board Members' Report and Accounts for the year ended 31 March 2011

Expenditure LINK expenditure overall was £63,000 higher than last year: a £56,000 increase in project expenditure, and a £7,000 increase in core expenditure. While core staff employment costs rose by £7,000 compared with last year, half of this increase was due to additional staff hours designated by the Board in support of the Fred Edwards project. The Board increased staff salaries by an average of 2.6%. All other areas of core unrestricted expenditure, such as establishment and other direct costs, were kept under tight control throughout the year, resulting in no overall increase in expenditure of year on year. As well as the project to establish a new charity in memory of our previous president Fred Edwards, LINK designated funds from its discretionary project fund during the year to commission a report on the implementation of key environmental legislation in Scotland since devolution, to contribute to costs of the Single Outcome Agreement audit, to allow members to take legal advice during the process of the WANE Bill through Holyrood, and for development of the Scottish Wildlife Proclamation.

Financial outlook LINK starts the new financial year with a prudent level of core / unrestricted reserves, but significant funding uncertainty with regard to the future of the Esmée Fairbairn Foundation core grant. Grant funding by Scottish Government and Scottish Natural Heritage has been confirmed for the coming financial year (2011/12); LINK is still discussion with the Esmée Fairbairn Foundation. The Board has decided to designate a much smaller level of unrestricted funds (£5,000) to the annual Discretionary project fund, until this issue is resolved. Trustees have been aware for some time that the coming years may be tougher, with both government and private grantors indicating uncertainties around NGO funding in general, and LINK has consciously built up a contingency reserve which should allow reaction time to manage impacts. A conservative forward budget has been set which would result in a small deficit for financial year 2011-12, though that deficit could increase if our efforts to renew Esmée Fairbairn Foundation or replace the funding with alternatives do not succeed. A Board response team under our Vice Chair has been meeting regularly to review the situation and will review our funding philosophy, our service deliverables to the membership and their associated costs, in case a reduction in core expenditure becomes essential to balance our budget in future. The forward budget includes a proposal to increase membership subscriptions by 1%, which has been communicated to members. Depending on core support factors outlined above, LINK may have to review this increase, at the same time striving to maximise the number of members active in our network. LINK is committed to maintaining its independence from government or any other non-NGO sector grantors. LINK is moving into the second of the three-year extension to the marine project funded in all four countries by the Esmée Fairbairn Foundation and the Tubney Trust. This represents significant funding support which hugely helps the networks' effort to secure sound implementation phase of legislative commitments in the UK Marine and Coastal Access Act (2009) and the Marine (Scotland) Act 2010.

The Board members' have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

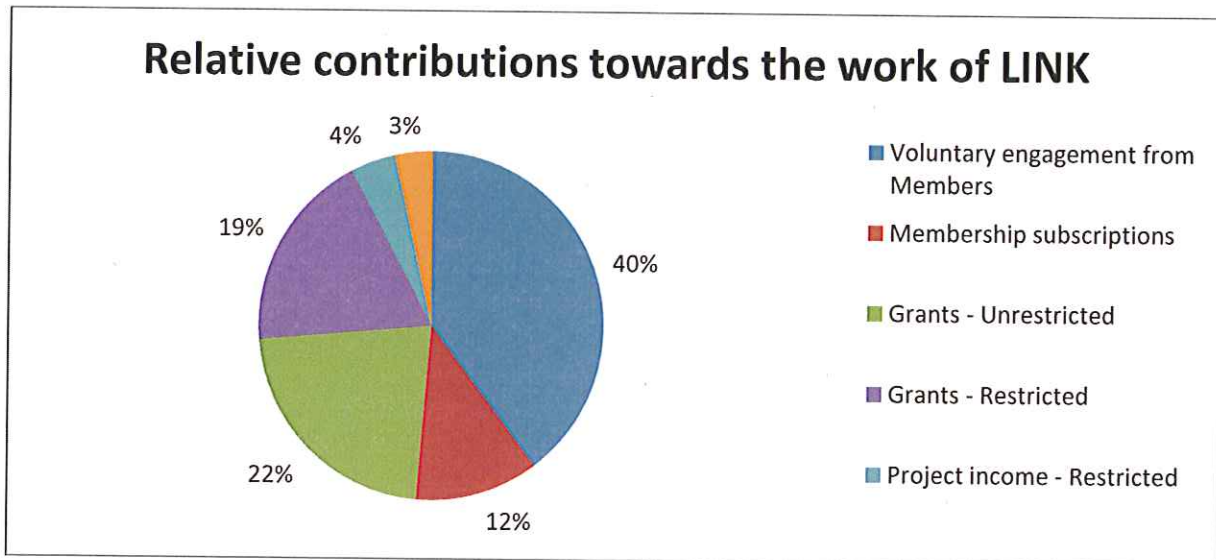
Scrutiny The Company's financial management is based on careful planning, regular monitoring and reporting, and considered decision-making. The Board approves the annual budget every January and trustees receive reports on financial activity each quarter to determine whether action is needed to address variance between budgeted and actual expenditure. The Funding subgroup of the Board meets regularly and is responsible for recommending any additional Discretionary spend to the full Board over the budget year, as well as monitoring income and expenditure generally.

Voluntary engagement Voluntary investment and engagement by member organisations in LINK activity is central to the contribution LINK makes as a collective. Over and above their subscriptions, the thirty five member bodies invest staff-time and more in LINK activities and management and in representing LINK in wider stakeholder processes. A number of them also support network activity in

Scottish Environment LINK

Board Members' Report and Accounts for the year ended 31 March 2011

kind, providing meeting rooms, printing and other facilities, lending technical equipment and support, and sharing organisational policies and templates. The support of Honorary Fellows and President for LINK's work is an important part of this picture. During this last financial year, LINK conservatively estimates that over 1,100 person-days of voluntary investment were received for LINK collective activities, which represents a real value of almost £250,000. The graph below shows this contribution against our income streams.



Auditors

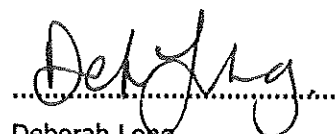
LINK's trustees confirm there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have also indicated that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

In accordance with section 487(2) of the Companies Act 2006, a resolution proposing that Morris & Young be re-appointed as auditors of the company will be put to the Annual General Meeting.

Scottish Environment LINK

Trustees' Report

Approved by the Board on 28 June 2011 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Deborah Long', written over a horizontal dotted line.

Deborah Long
Trustee

Independent Auditors' Report to the Trustees of

Scottish Environment LINK

We have audited the accounts of Scottish Environment LINK for the year ended 31 March 2011 set out on pages 20 to 35. These accounts have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charity's trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment(Scotland)Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 and Section 495 of the Companies Act 2006 . Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of Scottish Environment LINK for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's accounts give a true and fair view, as set out in the Statement of Trustees' responsibilities.

The trustees have elected for the accounts not to be audited in accordance with the Companies Act 2006. Accordingly we have been appointed as auditors under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you if, in our opinion, as to whether the accounts are prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and give a true and fair view.

We also report to you if, in our opinion the information given in the Trustees' Report is not consistent with those accounts, the charity's accounts has not kept proper accounting records, if the charity's accounts are not in agreement with these accounting records or if we have not received all the information and explanations we require for the audit. with these accounting records and returns, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

**Independent Auditors' Report to the Trustees of
Scottish Environment LINK**

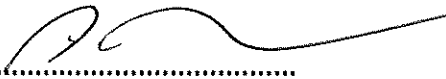
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We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts:

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- give a true and fair view of the state of affairs of the charity as at 31 March 2010, and its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- the information given in the Trustees' Report is consistent with the accounts.



.....
Alexander J. Fyfe M.A.A.T., C.A., DChA.
Senior Statutory Auditor

for and on behalf of:
Morris & Young, Statutory Auditor

28 July 2011

Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

Scottish Environment LINK

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	140,011	-	140,011	136,803
Investment income	4	418	-	418	293
Incoming resources from charitable activities	5	-	143,394	143,394	90,966
Other incoming resources	6	94,477	-	94,477	82,467
Total incoming resources		<u>234,906</u>	<u>143,394</u>	<u>378,300</u>	<u>310,529</u>
Resources expended					
Charitable activities	7	191,488	151,492	342,980	280,854
Governance costs	7	6,100	-	6,100	5,415
Total resources expended		<u>197,588</u>	<u>151,492</u>	<u>349,080</u>	<u>286,269</u>
Net income before transfers		37,318	(8,098)	29,220	24,260
Transfers					
Gross transfers between funds		<u>(15,499)</u>	<u>15,499</u>	-	-
Net movements in funds		21,819	7,401	29,220	24,260
Reconciliation of funds					
Total funds brought forward		<u>136,510</u>	<u>26,478</u>	<u>162,988</u>	<u>138,728</u>
Total funds carried forward		<u>158,329</u>	<u>33,879</u>	<u>192,208</u>	<u>162,988</u>

The notes on pages 23 to 35 form an integral part of these financial statements.

Scottish Environment LINK (Registration number: SC250899)

Balance Sheet as at 31 March 2011

		2011		2010	
	Note	£	£	£	£
Fixed assets					
Tangible assets	13		6,608		5,435
Current assets					
Debtors	14	23,171		21,362	
Cash at bank and in hand		<u>170,434</u>		<u>145,350</u>	
		193,605		166,712	
Creditors: Amounts falling due within one year					
	15	<u>(8,005)</u>		<u>(9,159)</u>	
Net current assets			<u>185,600</u>		<u>157,553</u>
Net assets			<u>192,208</u>		<u>162,988</u>
The funds of the charity:					
Restricted funds in surplus					
			33,879		26,478
Unrestricted funds					
Unrestricted income funds			<u>158,329</u>		<u>136,510</u>
Total charity funds			<u>192,208</u>		<u>162,988</u>

Scottish Environment LINK (Registration number: SC250899)

Balance Sheet as at 31 March 2011

..... continued

For the financial year ended 31 March 2011, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charity to obtain an audit of its accounts for the year in question 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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 28 June 2011 and signed on its behalf by:

Paul Ritchie
.....

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

1 Accounting policies

Basis of preparation

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

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 20.

Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs associated with attracting voluntary income.

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.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

Fixed assets

Individual fixed assets costing £250 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures and fittings	33% straight line basis
-----------------------	-------------------------

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations and legacies				
Appeals and donations	5	-	5	1,515
Grants				
UK Government grants	44,000	-	44,000	44,000
Grants - other agencies	96,006	-	96,006	91,288
	<u>140,006</u>	<u>-</u>	<u>140,006</u>	<u>135,288</u>
	<u>140,011</u>	<u>-</u>	<u>140,011</u>	<u>136,803</u>

3 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
P & K Council	-	-	-	1,000
Scottish Government	44,000	-	44,000	44,000
Esmée Fairbairn	25,000	55,438	80,438	61,985
Tubney Trust	-	55,438	55,438	36,985
Marine Bill Fighting Fund	-	-	-	1,750
SNH	66,006	-	66,006	60,562
Craignish Trust	5,000	-	5,000	-
Historic Scotland	-	5,000	5,000	5,000
WWF UK	-	840	840	726
	<u>140,006</u>	<u>116,716</u>	<u>256,722</u>	<u>212,008</u>

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Interest on cash deposits	418	-	418	293
	418	-	418	293

5 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Project expenditure				
P & K Council	-	-	-	1,000
Esmée Fairbairn	-	55,438	55,438	36,985
Tubney Trust	-	55,438	55,438	36,985
Marine Bill Fighting Fund	-	-	-	1,750
Historic Scotland	-	5,000	5,000	-
WWF UK	-	840	840	-
Project Income	-	26,678	26,678	14,246
	-	143,394	143,394	90,966

Income disclosed in 2010 as project income from Historic Scotland (£5,000) and WWF UK (£726) has been reclassified as grant income.

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

6 Other incoming resources

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Other income				
Subscriptions - Member Bodies	70,408	-	70,408	70,803
Subscriptions - Subscribers	200	-	200	1,850
Subscriptions - Supporters	240	-	240	380
Subscriptions - Organisation Supporters	2,000	-	2,000	-
Rental Income	3,250	-	3,250	800
Other Income	755	-	755	8,634
Restricted project cost recovery	17,624	-	17,624	-
	<u>94,477</u>	<u>-</u>	<u>94,477</u>	<u>82,467</u>

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

7 Total resources expended

	Project expenditure £	Governance £	Total £
Direct costs			
Project expenditure	106,249	-	106,249
Employment costs	183,113	-	183,113
Other direct costs	9,193	-	9,193
Establishment costs	38,709	-	38,709
Depreciation of tangible fixed assets	5,716	-	5,716
	<u>342,980</u>	<u>-</u>	<u>342,980</u>
Support costs			
Auditors' remuneration	-	4,600	4,600
Legal and professional costs	-	1,500	1,500
	<u>-</u>	<u>6,100</u>	<u>6,100</u>
	<u>342,980</u>	<u>6,100</u>	<u>349,080</u>

9 Trustees' remuneration and expenses

None of the Board Members (or any persons connected with them) received any remuneration during the year, but Mike Robinson received £nil (2010 - £450) for expenses in relation to the delivery of fundraising training to members.

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

10 Net income

Net income is stated after charging:

	£	2011	£	2010	£
Auditors' remuneration - audit services			4,600		4,515
Depreciation of tangible fixed assets			5,716		4,336
			5,716		4,336

11 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:

	2011 No.		2010 No.
Core	6		6
Project	2		1
	8		7

The aggregate payroll costs of these persons were as follows:

	2011 £		2010 £
Wages and salaries	163,095		141,869
Social security	10,737		12,982
Other pension costs	9,281		13,516
	183,113		168,367

12 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

13 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2010	21,610
Additions	6,888
Disposals	<u>(5,511)</u>
As at 31 March 2011	<u>22,987</u>
Depreciation	
As at 1 April 2010	16,174
Eliminated on disposals	(5,511)
Charge for the year	<u>5,716</u>
As at 31 March 2011	<u>16,379</u>
Net book value	
As at 31 March 2011	<u>6,608</u>
As at 31 March 2010	<u>5,436</u>

14 Debtors

	2011 £	2010 £
Trade debtors	351	2,095
Other debtors	20,531	17,145
Prepayments and accrued income	<u>2,289</u>	<u>2,122</u>
	<u>23,171</u>	<u>21,362</u>

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

15 Creditors: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	210	-
Accruals and deferred income	7,795	9,159
	<u>8,005</u>	<u>9,159</u>

16 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

17 Operating lease commitments

As at 31 March 2011 the charity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Land and Buildings	
	2011 £	2010 £
Within one year	<u>9,600</u>	<u>9,600</u>

18 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £9,281 (31 March 2010 - £13,516).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

19 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

The following board members are connected with enterprises which provide grants, or are subscribers, to Scottish Environment LINK. All transactions were carried out under normal commercial terms.

Board Member	Enterprise	Receipts			Payments
		Grant	Subscription	Other	
Deborah Long	Plantlife Scotland	-	£1,368	-	-
Dan Barlow & David Downie	WWF Scotland	-	£5,000	£1,148	£7,736
Jonny Hughes & Paul Ritchie	SWT	-	£7,491	£550	-
Helen Todd	Ramblers Scotland	-	£1,368	-	-
Ian Findlay	Paths for All	-	£1,200	£25	-
Vicki Junik	NTS	-	£7,491	£250	-
Lloyd Austin	RSPB	-	£7,491	£2,677	£6,374
Andrew Fairbairn	WTS	-	£5,000	£150	-
Eila McQueen	Archaeology Scotland	-	£2,206	-	-
Mike Robinson	RSGS	-	-	-	-

There were no transactions in the year with Ian McCall

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

20 Analysis of funds

	At 1 April 2010 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2011 £
Designated Funds					
Scottish Environment Week	-	-	(11,892)	11,892	-
LINKS Liaison	-	-	(2,506)	2,506	-
Marine Bill Phase 4	-	-	-	-	-
LINK Election Campaigns	1,900	-	(5,931)	4,031	-
LINK Congress	-	-	(5,416)	5,416	-
Biodiversity Conference	-	-	-	-	-
SLU Sustainable Land Use Strategy	3,120	-	(2,959)	2,058	2,219
AGRI CAP Vision Update Report	1,500	-	(191)	(173)	1,136
Fred Edwards Commemorative Initiative	646	-	(5,155)	4,509	-
SOA LA Performance Audit	-	-	(1,813)	1,813	-
RSE Climate Change Enquiry	500	-	-	(500)	-
Deer WNE Bill Legal Advice	-	-	-	-	-
Biodiversity Scottish Wildlife Proclamation 2011	-	-	-	2,500	2,500
Discretionary Funds	6,100	-	-	(6,100)	-
	<u>13,766</u>	<u>-</u>	<u>(35,863)</u>	<u>27,952</u>	<u>5,855</u>
General Funds					
Unrestricted income fund	<u>122,744</u>	<u>234,906</u>	<u>(161,725)</u>	<u>(43,451)</u>	<u>152,474</u>

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

Restricted Funds

Scottish Environment Week	-	12,000	(12,000)	-	-
LINKS Liaison	-	4,678	(4,102)	(576)	-
Marine Bill Phase 3	25,478	-	(25,478)	-	-
Marine Bill Phase 4	-	110,876	(76,997)	-	33,879
LINK Election Campaigns	-	-	(25)	25	-
LINK Congress	-	1,640	(5,040)	3,400	-
Biodiversity Conference	1,000	-	(1,000)	-	-
SLU Sustainable Land Use Strategy	-	1,175	(2,076)	901	-
AGRI CAP Vision Update Report	-	-	(364)	364	-
Fred Edwards Commemorative Initiative	-	5,063	(11,709)	6,646	-
SOA LA Performance Audit	-	4,850	(8,089)	3,239	-
RSE Climate Change Enquiry	-	-	(500)	500	-
Deer WNE Bill Legal Advice	-	3,112	(4,112)	1,000	-
	<u>26,478</u>	<u>143,394</u>	<u>(151,492)</u>	<u>15,499</u>	<u>33,879</u>
	<u>162,988</u>	<u>378,300</u>	<u>(349,080)</u>	<u>-</u>	<u>192,208</u>

Designated funds represent funds which have been set aside out of unrestricted funds by the board members for specific purposes.

Restricted funds represent the unexpended balance of donations and grants held on trust for specific purposes.

21 Transfers

The transfers between funds represents the core operational costs borne by the charity out of unrestricted and designated funds.

Scottish Environment LINK

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

22 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Tangible assets	6,608	-	6,608	5,435
Current assets	159,726	33,879	193,605	166,712
Creditors: Amounts falling due within one year	<u>(8,005)</u>	<u>-</u>	<u>(8,005)</u>	<u>(9,159)</u>
Net assets	<u>158,329</u>	<u>33,879</u>	<u>192,208</u>	<u>162,988</u>