

**Charity Registration No. SC000296**

**Company Registration No. 250899 (Scotland)**

**SCOTTISH ENVIRONMENT LINK**  
**BOARD MEMBERS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

# SCOTTISH ENVIRONMENT LINK

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# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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# Scottish Environment

A Scottish Company limited by guarantee and not having a share capital

Scottish Charity No SC000296

Company No SC250899

Registered or principal office  
2 Grosvenor House  
Shore Road  
PERTH PH2 8BD

Auditors  
Morris & Young,  
Chartered Accountants & Registered Auditors,  
6 Atholl Crescent,  
Perth PH1 5JN

Bankers  
Triodos Bank NV,  
Brunel House,  
11 The Promenade,  
Bristol BS8 3NN

Solicitors  
Colin Liddell,  
J & H Mitchell WS,  
Solicitors,  
51 Atholl Road,  
Pitlochry PH16 5BU

# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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The Board Members are pleased to present their report and accounts for the year ended 31 March 2008. These have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, Companies Act 1985 and Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

### 1. Legal and administrative information

<b>Name</b>	Scottish Environment LINK, also known as LINK
<b>Charity No</b>	SC000296
<b>Company No</b>	SC250899
<b>Registered Office</b>	2 Grosvenor House, Shore Road, PERTH PH2 8BD

<b>Trustees</b>	<b>Membership of Board Subgroups</b>	<b>First elected</b>
John Mayhew, Chair	Employment, President Searchgroup	2003
Deborah Long, Vice Chair	Evaluation	2004
David Downie, Treasurer	Employment, Funding, Operational Planning	2003
Lloyd Austin	Diversity, Employment, Operational Planning, President Searchgroup	2003
Ian Findlay	Communications, Employment, Operational Planning	2003, Co-opted 2007
Andrew Fairbairn	Communications, Funding, Operational Planning	2003
Ian McCall	Diversity	2003
Dan Barlow	President Searchgroup	2004
Francoise van Buuren	Communications	2006
Eila Macqueen	Diversity, Funding	2006
Jonny Hughes	Evaluation	2007
Mike Robinson	Funding	Co-opted 2007

**President** Position vacant during year

### Honorary Fellows

R Drennan Watson OBE	Bob Aitken
David W Minns	Simon Pepper OBE
Michael Scott OBE	Jill Harden
Neil Rankin CB CBE	

### Staff

Jen Anderson, Chief Officer, Company Secretary  
Alice Walsh, Development Officer  
Hugh Green, Administration and Finance Officer  
Jane Herbstritt, Parliamentary Officer (on maternity leave from November 2007)  
Eilidh Macpherson, Parliamentary Officer (covering maternity leave)  
Susan Guest, Parliamentary Administrative Officer  
Adean Lutton, Information Officer  
Ylva Haglund, Marine Campaign Advocacy Officer (from June 2007)  
Alan Wells, Marine Campaign Research Officer (from June 2007)

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# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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### **2. Structure, Governance and Management**

Scottish Environment LINK is a Scottish charity limited by guarantee and has no share capital. LINK was founded by voluntary sector organisations in 1987 to provide a forum or network for the voluntary environment sector in Scotland to exchange information and take concerted action on issues of key concern. LINK is governed by its Memorandum & Articles of Association adopted in June 2003 and last amended in November 2006. LINK is a company limited by guarantee, incorporated on 10<sup>th</sup> June 2003. In the event of the company being wound up, its members are each required to contribute an amount not exceeding £1.

LINK's principal role is to provide its member organisations with a means of sharing information and intelligence, discussing and developing collective strategy, and communicating key messages to decision-makers and the wider public.

### **Organisational structures and decision-making**

The governing body of LINK is its member organisations which sign off the network's collective strategy and determine the level of their own engagement in these activities. The Board of voluntary trustees which meets quarterly has responsibility for supporting the network in achieving its goals and for maintaining an overview of operations in relation to available resources. Authority for day-to-day management of the charity is delegated to the Chief Officer and governed by various policies approved by the Board. These policies are contained in the trustee induction pack. Policies relating to staffing and employment are contained in the staff handbook and available to all staff and trustees. In addition, the Board has delegated some decisions to subgroups working to terms of reference set by the full Board.

Subgroups during the reporting year considered: Funding, advising on the stability of long-term funding in relation to organisational growth; Employment, providing advice on HR issues, policy and practice; Evaluation, advising on evaluation of organisational strategy; Operational Planning, advising on the preparation of the network's operating plan; Diversity, advising on diversity strategy; and Communications, reviewing internal communications on services available to members. A Searchgroup advised the Board on recruitment of a new President.

### **Risk**

The Board maintains a risk register and reviews this annually. This identifies key processes and players in the charity's governance, compliance, financial systems and staffing, as well as considering risk from unforeseen eventualities. Risk is minimised through adherence by all players in LINK to the network's operating principles and additional protocols on authorization and the management of projects. LINK's finances are subject to an annual audit by independent financial examiners and the network's longer term financial sustainability is overseen by the Board's funding subgroup. The main risks identified relate to the network's funding, particularly of core costs, and to operational planning in relation to network capacity; there are processes in place, led by Board subgroups, to monitor both of these aspects of LINK's operations.

# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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### **Trustee selection**

Ten of the trustees are elected by members and the Board co-opted two trustees, Ian Findlay and Mike Robinson, during the year. Trustees are required to declare any interests at time of election and a register is maintained for scrutiny by the Board after each AGM. The Chair arranges one-to-one discussion with trustees over the year, reporting to the Board before each AGM. A skills audit refreshed annually helps to ensure skills which serving trustees bring to the Board are relevant to LINK's needs in terms of governance. In addition, a table of Board responsibilities informs the division of workload amongst trustees to prevent undue pressure on the office bearers. New trustees during the year, Jonny Hughes and Mike Robinson, were inducted on network policy, practice and activity by the Chair and Chief Officer.

### **President and Honorary Fellows**

LINK has carried out an extensive search for a President, the position having been vacant since Fred Edwards' retiral in June 2007. It is hoped that a candidate will be recommended by the Board to the AGM in June 2008 to serve in this ambassadorial role, networking in the sector, with government and other decision-makers and representing LINK in some capacities.

LINK appreciates the support of its Honorary Fellows, many of whom have actively engaged over the year, advising on anniversary year events and reports, looking at the role of the network in future in relation to climate change and continuing representation of LINK at various events and on the Sustainable Tourism Partnership.

### **Task forces**

Significant responsibility is devolved to LINK's task forces, groups of member body representatives working together on particular policy issues. Member bodies can choose to engage in as few or as many task forces as they wish. Each task force is led by a Convenor, and some have the support of Deputies. Ten task forces were active over the year: on agriculture, biodiversity, climate, deer, freshwater, fundraising, landscape, marine, planning, and woodlands. These were convened by staff from the John Muir Trust, Marine Conservation Society, Plantlife, RSPB Scotland and Scottish Wildlife Trust with deputies provided in some cases by the Council for Scottish Archaeology, RSPB Scotland, Soil Association Scotland, Scottish Wildlife Trust and WWF Scotland. The network acknowledges with thanks the workload which convenors carry, on top of their commitment to their own organisations.

### **Staff**

LINK's small staff plays an important role in supporting and coordinating the network's operations. The core complement of six, mainly part-time staff members (4.68 fte) provides support in the form of membership events, information and monitoring updates, finance and fundraising, parliamentary advice and support, management and development. From summer 2007 two new officers supporting the marine project joined LINK. Staff meet regularly as a team and with their line managers, and are encouraged to seek training in relevant areas. Most staff also attend membership events and contribute at the network's bi-annual planning meetings.

# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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### 3. Objectives and activities

LINK's principal purposes are:

- to promote the effectiveness and efficiency of voluntary organisations involved with the conservation and improvement of Scotland's natural environment and associated cultural heritage,
- to advance conservation and improvement of that heritage, and
- to advance education, understanding and responsible awareness of the natural environment and associated cultural heritage as part of the overall pursuit of environmental sustainability.

LINK works in three-year planning cycles and the above purposes are reflected in the network's corporate strategy to 2009, as:

- working to secure a sustainable Scotland,
- acting as a strong voice for Scotland's environment movement, and
- operating as an effective, efficient and accountable network.

An annual operating plan now supports this strategy, encompassing the network's overall ambitions for the financial year ahead, informing individual work programmes of task forces, projects and staff; it is designed to manage workload according to priorities and inform fundraising needs. The member organisations work together mainly via task forces to deliver the network's objectives through a range of action. Member organisations are encouraged to reflect their aspirations for network activity in their own organisational and staff work programmes.

### Activities in the reporting year

Below are the main outputs under each of the three objectives.

#### **Working to secure a sustainable Scotland**

In September 2007 LINK released the network's vision document, *2011: Challenge to the new Scottish Government*, setting out members' key 'asks' of the new Scottish Government to ensure environmental sustainability. Dialogue was organised subsequently with all the main political parties in Scotland. ([http://www.scotlink.org/pdf/LINK\\_Vision%20Scotland%202011.pdf](http://www.scotlink.org/pdf/LINK_Vision%20Scotland%202011.pdf))

The marine task force developed a marine campaign strategy in autumn 2007 to support its case for marine legislation in Scotland to be carefully integrated with the new UK marine legislation coming through Westminster. This work has included: response to UK Marine Bill White Paper June 2007; calls for close collaboration between all UK administrations in August 2007; press work in September 2007 to encourage timetabling by Scottish Government of its promised Scottish Marine Bill; launch of LINK's new campaign website ([www.savescottishseas.org](http://www.savescottishseas.org)) for Scottish Marine Bill (October 2007); release of *Finding NIMAs* (January 2008) a report calling for marine protected areas; press work welcoming protection of Lamlash Bay, Arran (January 2008); call for rejection of the conclusion of the BERR Appropriate Assessment for oil and gas licensing in an area overlapping the Moray Firth European

## **SCOTTISH ENVIRONMENT LINK**

### **BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008**

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marine SAC (March 2008); and a response to the Marine Biodiversity Implementation Plan (March 2008). Action has included liaison with Scottish Government officials and with Cabinet Secretary Richard Lochhead in late 2007, with Scottish Natural Heritage (SNH) and other partners, and with the Link networks across the UK. Media work in support of the campaign was achieved and a marine bulletin produced by the task force regularly updates decision-makers and other interests on key concerns. Marine concerns were highlighted by LINK at all main political party conferences in autumn 2007 and spring 2008 and a briefing on the Scottish Marine Bill was disseminated to MSPs in March 2008.

The climate task force, which also works through Stop Climate Chaos Scotland (SCCS), revised and released its Climate Change Action Plan (June 2007), responded with SCCS to the UK Draft Climate Change Bill Consultation in the same month, and has input to Scottish Government on a Scottish Bill (autumn 2007). It has developed best practice guidance for members (winter 2007-08), input to a Scottish Government research project on Windfarms and Peatlands, and to early scoping of a Scottish Soil Strategy. The task force is working with the other LINK task forces to develop a response to the Scottish Draft Climate Bill, and is revising and developing a set of climate principles relating to land use, energy and many other areas (March 2008).

LINK task forces worked on a range of policy areas (see 2 above) and a selection of their outputs follows.

Worked with the other Links in the UK to produce a report on Bioenergy (July 2007). Also responded with other Links to the UK Technical Advisory Group's consultation on proposals for environmental quality standards and conditions Phase II and to the review of UKTAG proposed standard for suspended solids.

Raised concerns with Cabinet Secretary John Swinney about the integrity of the planning process in relation to the Donald Trump proposal for golf development in north-east Scotland (December 2007).

Submitted evidence for the Scottish Parliament inquiry into the transposition of EU Directives (January 2008).

Responded to the Consultation on the CAP Healthcheck (January 2008) and took an interest in the National Food Policy discussion at spring 2008.

Raised concerns over the Scottish biodiversity process at various levels throughout the year, briefing MSPs and press releasing a response to the Scottish Parliament Debate at January 2008, assessing available funding for biodiversity, contributing to ongoing discussion about 2010 targets.

Responded to the Consultation on Deer Strategy in Scotland, as well as to the proposed merger of the Deer Commission for Scotland with SNH (February 2008).



## SCOTTISH ENVIRONMENT LINK

### BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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Submitted ideas to the Rural Affairs and Environment Committee in July 2007 for inquiries covering areas such as agriculture, biodiversity, climate, flooding, landscape, marine and sustainable development.

Submitted views to the Flooding and Flood Management Inquiry (December 2007).

Also briefed for the Greener Scotland Debate (June 2007) and on sustainable flood management in Scotland (October 2007).

#### **Acting as a strong voice for Scotland's environment**

Together with other NGO coalitions, business, community groups and local authority networks, highlighted concerns about climate and behaviour change as an important area for the country, organising *Making it easy: joint workshop for Scottish Government and other sectors* in December 2007 and continued to contribute to the debate on changing behaviours.

Coordinated a campaign (spring 2007, [www.everyonecan.org](http://www.everyonecan.org)) encouraging people to voice their support to politicians of all parties about key environmental issues in the run-up to the Holyrood parliamentary elections in May 2008.

Coordinated planning and delivery of Scottish Environment Week in February 2008 in Holyrood on theme *A climate for change: enabling sustainable livelihoods*. This included: public debate on sustainable development education; seminars hosted by all parties on Scotland's landscape, our marine environment, sustainable travel, rural development funding; a business breakfast with John Swinney considering planning and sustainability; a reception for all sectors in the Parliament with Environment Minister Mike Russell.

Continued to represent a range of environmental concerns in over fifty stakeholder groups organised by Scottish Government and others. Maintained an active face at Parliament, monitoring debates and development and seeking opportunities to inform and engage with MSPs and researchers.

At Board and task force level, LINK liaised with various departments and teams within Scottish Government on these and other issues, and with SNH, Scottish Environment Protection Agency, Historic Scotland, CoSLA and other agencies and interests.

#### **Operating as an effective, efficient and accountable network**

LINK celebrated its twentieth anniversary in 2007. A summer ceilidh for members past and present was linked to the AGM in June 2007 and held in conjunction with the Falkland Festival of Stewardship. The organisation commissioned from Michael Scott OBE, the report *A Strong Coherent Voice*, which reviewed the highs and lows from the network's first two decades and lessons for the future. In November 2008, a reception hosted by Cabinet Secretary Richard Lochhead MSP more formally marked

# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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the occasion and the achievements of the network; this was held in the Great Hall at Edinburgh Castle, courtesy of Scottish Government and Historic Scotland.

Other meetings for the membership over the period included:

- two planning meetings for members, task forces, staff and Board (October 2007 and March 2008),
- a Gathering held to explore the implications for eNGOs of climate change (September 2007),
- Congress (two days in November 2007) looking at the role for eNGOs in the climate and behaviour change debate.

A CD review illustrating the highlights of the LINK year was disseminated to member organisations in November 2007.

Member organisations, task forces, Board, honorary fellows and staff are regularly informed via:

- Monthly Bulletin reporting activity within LINK, consultations from Government and other sources, newly published research, new appointments, and more;
- Quarterly Newsletters (also for wider audiences) reporting on activity, highlighting key concerns and carrying news and views from member bodies;
- Weekly monitoring covering environmental and sustainability issues as dealt with by the Scottish Parliament; and
- Monthly distillation of European news and developments drawn from LINK's membership of the European Environmental Bureau, and IUCN.

Over the period, reviews have been carried out at Board level on:

- benefits of membership of the network for members current and prospective (ongoing at March 2008);
- diversity strategy (ongoing at March 2008);
- arrangements for ministerial liaison – with a new quarterly series between LINK and Scottish Environment Minister established from November 2007;
- operational planning in relation to the particular characteristics of networks;
- management issues including salary review and various HR updates (review concluded June 2007), LINK's employer role in relation to joint projects such as the marine campaign and production of a management agreement to inform supervision of the campaign project officers by the marine task force.

#### **4. Review of achievements and performance for the year**

Evaluation of plans and activity is built into LINK's processes at all levels and a Board subgroup has monitored progress. Task forces are encouraged to undertake peer review, and after action assessments of specific initiatives are expected of task forces, project and campaign groups. LINK's operational planning process encourages regular reporting and review.

Quarterly meetings of task force convenors, project managers and Board, consider changes of emphasis, policy coordination and funding in relation to the collective work

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# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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programme. LINK's engagement in external stakeholder forums is assessed each year [http://www.scotlink.org/About\\_LINK/LINK\\_is.php#TFs](http://www.scotlink.org/About_LINK/LINK_is.php#TFs)

In summer 2007 members reviewed the network's series of campaigns (2003-07) which had targeted public interest in key green issues in the run-up to Scottish, UK and European parliamentary elections over the period, noting the value of continuing to engage with the public to demonstrate people's support for important changes in policy and practice, though not only, and not necessarily, in relation to elections.

### 5. Financial review

#### Overview and Reserves policy

LINK's overall position for the year to 31 March 2008 shows a balance of £96,075 in unrestricted funds. Within that, a figure of £8,433 represented fixed assets. The Board has decided to maintain in the unrestricted funds balance a figure amounting to three months' operating costs relating to core activities, core staff commitment to projects and potential redundancies in the event that the company had to be wound up. This figure stood at £53,500 at March 2008 and covers project posts mentioned above. The policy is reviewed annually.

The remaining balance of £34,142, whilst slightly higher than anticipated, results in part from lower spend on areas such as office services, utilities, meeting costs and professional services, complemented by successes in raising grants for Scottish Environment Week, and several aspects of LINK's climate work over the period. Given reductions in real terms in some of the network's core funding in the coming year these funds will be important in supporting budgeted activity. The accounts show a rise of over 4% over the year in core costs for staff (following a detailed pay review), offices and services, events, subscriptions and professional fees.

#### Income streams

The closing figures confirm the network's target for membership subscription income (this is linked to core expenditure rather than projects), which is to raise at least 50% of essential costs by 2011. The policy is kept under review to ensure fairness to members and a 5-year budget scenario is maintained to inform budget planning and fundraising each year.

The key income streams besides membership subscriptions are grants from Scottish Natural Heritage, the Scottish Government Sustainable Action Fund and the Esmée Fairbairn Foundation. LINK is pleased by Foundation's decision to renew its grant for three years from 2009. WWF Scotland, LINK member and grantor over twenty years of both core and project work, maintained a small grant to LINK during the year. This balanced package of support provides the network with an important funding base. Generous support from the Esmée Fairbairn Foundation and the Tubney Trust hugely enhanced capacity for activity focused on marine legislation at both UK and Scottish levels, which LINK, working in conjunction with the Link networks in England, Wales and Northern Ireland, is prioritising.

# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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LINK acknowledges additional support received over the year from:

Keep Scotland Beautiful, the Scottish Environment Protection Agency, Historic Scotland and National Grid towards Scottish Environment Week 2008;

Awards for All for support with report and speaker costs for LINK's 2007 Congress;

The Craignish Trust for support with two climate-related projects;

Perth and Kinross Council for support for much-needed computer equipment;

WWF-UK which continues to support liaison with the other Links in the UK;

WWF Scotland for funding for a report assessing published scientific research on natural flood management, river restoration and land management techniques.

LINK Board maintained a modest discretionary project fund over the year to support one-off initiatives by task forces. This work has included case studies of the management of Scotland's biodiversity (in progress), promotion of the value of Scotland's many and varied landscapes to people (production of a DVD, parliamentary event, for February 2008) and a contribution to work commissioned by SNH to assess the economic case for the environment (completing summer 2008).

Interest generated on LINK's deposit account with Triodos Bank is reinvested each year in the core budget; no other reserves are specifically held to generate interest or other financial return. The surplus of unrestricted funds will be deployed by the Board during 2008-09 to support planned activity in a year which will see core grant support to LINK drop in real terms.

### **Changes in fixed assets**

The changes to fixed assets during the reporting period are set out in note 11 to the financial statements.

### **Scrutiny**

The Company's financial management system is based upon principles of sound planning, monitoring and reporting, and considered decision-making. The Board approves the annual budget at the January Board meeting each year and trustees receive reports on financial activity each quarter to determine action to address any variance between budgeted and actual expenditure. The Funding subgroup is responsible for recommending any additional discretionary spend to the full Board over the budget year, as well as monitoring income and expenditure generally.

### **Volunteers**

The voluntary commitment of staff-time and other resources by member organisations to LINK task forces especially, to projects and in representing the network on external forums is a tremendously important part of the delivery of LINK's strategy. Individual volunteers are recruited from time to time at both offices to help with practical aspects of coordination and/or research issues within the network.

# SCOTTISH ENVIRONMENT LINK

## BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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### 6. Plans for the future

As the final year of LINK's three-year strategy to 2009 approaches, LINK plans to revisit collective objectives and set direction with members for the three years to 2012. Meanwhile the objectives given at 3 above remain the context for LINK task force and project work for the year ahead. Informed by conclusions of the review of campaigning, marine policy and legislation and climate change remain high priority for the network, with obvious overlap to the full range of energy issues, land and resource use, transport and the outdoor agenda, linking to health.

LINK will canvass its members to identify levels of campaign activity and key issues relating to the European and UK parliamentary elections ahead. The network will also continue to monitor Scottish Government's performance across environmental policy areas over the three years to the 2010 Holyrood election.

At least nine task forces will take forward work supporting the network's objectives, continuing to promote thinking and policy positions to politicians and other decision-makers. It is a LINK objective to collaborate with other sectors in Scotland in arguing the case for environmental sustainability. On climate, for example, the network will continue to work in conjunction with Stop Climate Chaos Scotland, with Scottish business and Government. A seminar with the other Links planned for October 2008 aims to assess whether environmental NGOs across the country are making the most of opportunities in the devolved UK for collaboration.

Congress in 2008, a two-day networking and forward planning event involving members and open to other parties, will consider use of natural resources now and in future, in relation to a changing climate and the imperatives this will set.

The operating plan for the year to March 2008 includes performance indicators at several levels to inform evaluation of progress. A review of internal communications will be completed during the year, with changes anticipated to reporting mechanisms and to the use of LINK's website.

The Board considers that LINK's funding position is reasonably robust, albeit in a context of increasing demands on more limited environmental funding streams and levels in Scotland. Tight project management is now required for any LINK projects including one-off pieces of work generated by task forces. There will be continued reliance to some extent on additional member organisation support for projects which members want to see delivered. Core fundraising activity will focus on renewal of LINK's grant from Scottish Government (for the years 2009-12) and on financing Scottish Environment Week 2009.

Each of the Board Members has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

## SCOTTISH ENVIRONMENT LINK

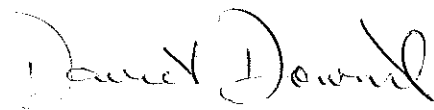
### BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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#### **Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Morris & Young be re-appointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the Board Members



**David Downie**  
Treasurer

# SCOTTISH ENVIRONMENT LINK

## STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

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Company law requires the Board members' to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the Board members' are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board members' are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# SCOTTISH ENVIRONMENT LINK

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SCOTTISH ENVIRONMENT LINK

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We have audited the accounts of Scottish Environment LINK for the year ended 31 March 2008 set out on pages 16 to 26. These accounts have been prepared under the accounting policies set out on pages 18 and 19.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Board members' and auditors**

As described on page 13, the Board members', who are also the directors of Scottish Environment LINK for the purpose of company law, are responsible for preparing the Board Members' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether in our opinion the information given in the Board Members' Report is consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the Charity is not disclosed.

We read other information contained in the Board Members' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes 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 Board members' in the preparation of the accounts, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

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.



# SCOTTISH ENVIRONMENT LINK

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF SCOTTISH ENVIRONMENT LINK

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#### Opinion

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Charity's affairs as at 31 March 2008 and of its incoming resources and application of resources in the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 ; and
- the information given in the Board Members' Report is consistent with the accounts.



#### **Morris & Young**

Chartered Accountants & Registered Auditors

6 Atholl Crescent

PERTH

PH1 5JN

Dated: 2 June 2008

# SCOTTISH ENVIRONMENT LINK

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2008

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2008 £	Total 2007 £
<b><u>Incoming resources from generated funds</u></b>						
Donations and legacies	2	128,775	-	-	128,775	136,911
Investment income	3	6,456	-	-	6,456	3,238
		<u>135,231</u>	<u>-</u>	<u>-</u>	<u>135,231</u>	<u>140,149</u>
Incoming resources from charitable activities	4	-	-	160,196	160,196	52,774
Other incoming resources	5	65,006	-	-	65,006	51,819
		<u>200,237</u>	<u>-</u>	<u>160,196</u>	<u>360,433</u>	<u>244,742</u>
<b><u>Resources expended</u></b>						
<b>Charitable activities</b>						
Core expenditure		132,211	-	1,663	133,874	128,791
Project expenditure		-	63,226	135,481	198,707	84,501
		<u>132,211</u>	<u>63,226</u>	<u>137,144</u>	<u>332,581</u>	<u>213,292</u>
<b>Total charitable expenditure</b>		<u>132,211</u>	<u>63,226</u>	<u>137,144</u>	<u>332,581</u>	<u>213,292</u>
Governance costs		7,644	-	-	7,644	5,877
		<u>139,855</u>	<u>63,226</u>	<u>137,144</u>	<u>340,225</u>	<u>219,169</u>
<b>Total resources expended</b>		<u>139,855</u>	<u>63,226</u>	<u>137,144</u>	<u>340,225</u>	<u>219,169</u>
<b>Net incoming/(outgoing) resources before transfers</b>		<u>60,382</u>	<u>(63,226)</u>	<u>23,052</u>	<u>20,208</u>	<u>25,573</u>
Gross transfers between funds		(54,479)	58,301	(3,822)	-	-
		<u>6,903</u>	<u>5,075</u>	<u>19,230</u>	<u>20,208</u>	<u>25,573</u>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<u>6,903</u>	<u>(4,925)</u>	<u>19,230</u>	<u>20,208</u>	<u>25,573</u>
Fund balances at 1 April 2007		90,172	23,051	6,089	119,312	93,739
		<u>96,075</u>	<u>18,126</u>	<u>25,319</u>	<u>139,520</u>	<u>119,312</u>
<b>Fund balances at 31 March 2008</b>		<u>96,075</u>	<u>18,126</u>	<u>25,319</u>	<u>139,520</u>	<u>119,312</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

# SCOTTISH ENVIRONMENT LINK

## BALANCE SHEET AS AT 31 MARCH 2008

	Notes	2008 £	£	2007 £	£
<b>Fixed assets</b>					
Tangible assets	11		8,433		6,207
<b>Current assets</b>					
Debtors	12	34,357		23,709	
Cash at bank and in hand		108,549		100,652	
		<u>142,906</u>		<u>124,361</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(11,819)</u>		<u>(11,256)</u>	
<b>Net current assets</b>			<u>131,087</u>		<u>113,105</u>
<b>Total assets less current liabilities</b>			<u>139,520</u>		<u>119,312</u>
<b>Income funds</b>					
Restricted funds	14		25,319		6,089
Unrestricted funds:					
Designated funds	15		18,126		23,051
Other charitable funds			96,075		90,172
			<u>139,520</u>		<u>119,312</u>

The accounts were approved by the Board on 16 May 2008



John Mayhew  
Chair

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

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### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The Charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

The particular accounting policies are described below. They have all been consistently applied throughout the year and the preceding year.

#### 1.2 Incoming resources

Donations are included in the year which they are receivable, which is when the charity becomes entitled to the resource.

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year for which they are receivable.

Bank interest is credited to the SOFA in the year in which it is received.

#### 1.3 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal right or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

#### 1.4 Tangible fixed assets and depreciation

In the year ended 31 March 2008, the rate of depreciation was changed to 33% straight line from 25% straight line. Board members feel this is a more appropriate depreciation rate due to the quick loss of value regarding computer equipment. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33% straight line
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This policy only applies to assets costing £250 or more. Assets costing less than £250 are to be depreciated in full in the year of acquisition.

#### 1.5 Pensions

The Charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 1 Accounting Policies (continued)

#### 1.6 Accumulated funds

Restricted funds are funds which are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Designated funds are unrestricted funds earmarked by the Board Members for particular purposes.

Other charitable funds are unrestricted funds which are available for use at the discretion of the Board Members in furtherance of the general objectives of the charity.

Further details are disclosed in notes 14 and 15.

### 2 Donations and legacies

	2008 £	2007 £
Donations and gifts	115	70
Grants receivable for core activities	128,660	136,841
	<u>128,775</u>	<u>136,911</u>
<b>Grants receivable for core activities</b>		
Unrestricted funds:		
Scottish Natural Heritage	60,593	62,500
Scottish Government	40,000	40,000
Esmée Fairbairn Charitable Trust	25,000	25,000
WWF	3,067	9,341
	<u>128,660</u>	<u>136,841</u>

### 3 Investment income

	2008 £	2007 £
Interest receivable	<u>6,456</u>	<u>3,238</u>

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 4 Incoming resources from charitable activities

	2008 £	2007 £
Grants receivable	106,400	11,400
Project income	53,796	41,374
	<u>160,196</u>	<u>52,774</u>

Included within income relating to grants receivable are the following grants

Awards for All	2,400	7,400
Perth & Kinross Council	1,000	1,000
Craignish Trust	5,000	3,000
Esmee Fairbairn Foundation	48,000	-
Tubney Trust	48,000	-
WWF - UK	2,000	-
	<u>106,400</u>	<u>11,400</u>

### 5 Other incoming resources

	2008 £	2007 £
Other income	65,006	51,819

**Other Income is broken down as follows:**

Subscriptions - Member Bodies	59,519	45,327
Subscriptions - Associates	2,416	1,550
Subscriptions - Subscribers	1,400	3,216
Subscriptions - Supporters	375	390
Publications	36	140
Hire of LINK Meeting Room	320	100
Office Consumables	20	11
Other Income	920	1,085
	<u>65,006</u>	<u>51,819</u>

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 6 Total resources expended

	Staff Depreciation costs		Other costs	Total 2008	Total 2007
	£	£	£	£	£
<b>Charitable activities</b>					
<u>Core expenditure</u>					
Activities undertaken directly	97,056	3,560	33,258	133,874	128,791
<u>Project expenditure</u>					
Activities undertaken directly	73,535	-	125,172	198,707	84,501
	<b>170,591</b>	<b>3,560</b>	<b>158,430</b>	<b>332,581</b>	<b>213,292</b>
<b>Governance costs</b>	-	-	7,644	7,644	5,877
	<b>170,591</b>	<b>3,560</b>	<b>166,074</b>	<b>340,225</b>	<b>219,169</b>

### 7 Activities undertaken directly

	2008	2007
	£	£
Other costs relating to core expenditure comprise:		
Office services	14,162	14,382
Travel and subsistence	2,568	2,149
Other expenses	1,070	1,464
Seminars and conferences	7,752	17,977
Office accommodation	20,244	27,866
Project expenditure	112,634	24,931
	<b>158,430</b>	<b>88,769</b>

### 8 Governance costs

	2008	2007
	£	£
Other governance costs comprise:		
Legal and professional fees	3,524	1,877
Audit fees	4,120	4,000
	<b>7,644</b>	<b>5,877</b>

Governance costs includes payments to the auditors of £3,120 (2007:£3,000) for audit fees and £1,000 (2007:£1,000) for other services.

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 9 Board Members'

John Mayhew received expenses reimbursement of £105.45 for expenses incurred in his trustee role from January 2008. Jonathan Hughes was reimbursed £230.27 for expenses in attendance on LINK's behalf at the European Environmental Bureau's AGM. (2007 : nil)

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2008 Number	2007 Number
Core	6	6
Project	2	1
	<u>8</u>	<u>7</u>

#### Employment costs

	2008 £	2007 £
Wages and salaries	152,666	104,445
Social security costs	9,596	8,851
Other pension costs	8,329	7,542
	<u>170,591</u>	<u>120,838</u>

There were no employees whose annual emoluments were £60,000 or more.



# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 11 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 April 2007	14,740
Additions	5,785
<b>At 31 March 2008</b>	<b>20,525</b>
<b>Depreciation</b>	
At 1 April 2007	8,532
Charge for the year	3,560
<b>At 31 March 2008</b>	<b>12,092</b>
<b>Net book value</b>	
<b>At 31 March 2008</b>	<b>8,433</b>
At 31 March 2007	6,207

12 Debtors	2008 £	2007 £
Trade debtors	6,993	5,682
Other debtors	25,143	15,691
Prepayments and accrued income	2,221	2,336
	<b>34,357</b>	<b>23,709</b>

13 Creditors: amounts falling due within one year	2008 £	2007 £
Bank overdrafts	2,668	-
Trade creditors	442	85
Accruals	8,709	11,171
	<b>11,819</b>	<b>11,256</b>

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2008
	Balance at 1 April 2007	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
1 Everyone Campaign	-	1,000	(1,000)	-	-
2 Everyone Maintaining	-	8,902	(8,902)	-	-
3 Scottish Environment Week	-	23,452	(23,669)	-	(217)
4 Agri TF	1,128	-	(1,128)	-	-
5 Links Liaison	-	800	(800)	-	-
6 Link 2020	-	17,542	(17,542)	-	-
7 Marine Bill (Phase 1)	1,139	2,000	(3,139)	-	-
8 Marine Bill (Phase 2)	-	96,000	(76,502)	-	19,498
9 Freshwater	-	3,500	-	-	3,500
11 Landscape LINK Display	-	1,000	(1,000)	-	-
13 Climate Guidance	-	2,400	(1,800)	-	600
14 Climate Revised Policy	-	2,600	-	-	2,600
15 Discretionary Project Funds	-	-	-	(3,822)	(3,822)
16 Capital Assets	3,822	1,000	(1,662)	-	3,160
	<u>6,089</u>	<u>160,196</u>	<u>(137,144)</u>	<u>(3,822)</u>	<u>25,319</u>

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the board members for specific purposes:

	Balance at 1 April 2007	Resources expended	Transfers	Balance at 31 March 2008
	£	£	£	£
1 Everyone Campaign	15,376	(17,949)	2,573	-
2 Everyone Maintaining	-	(1,546)	1,546	-
3 Scottish Environment Week	-	(155)	373	218
4 Agri TF	-	(30)	30	-
5 Links Liaison	-	(257)	1,028	771
6 Link 2020	6,965	(29,923)	27,273	4,315
7 Marine Bill (Phase 1)	710	(776)	66	-
9 Freshwater	-	(137)	137	-
10 Economic Case for Environment	-	(5,109)	5,109	-
11 Landscape LINK Display	-	(7,135)	7,135	-
12 Biodiversity	-	(69)	5,069	5,000
13 Climate Guidance	-	(70)	70	-
14 Climate Revised Policy	-	(70)	70	-
15 Discretionary Project Fund	-	-	7,822	7,822
	<u>23,051</u>	<u>(63,226)</u>	<u>58,301</u>	<u>18,126</u>

### 16 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 March 2008 are represented by:				
Tangible fixed assets	5,272	-	3,161	8,433
Current assets	102,622	18,126	22,158	142,906
Creditors: amounts falling due within one year	(11,819)	-	-	(11,819)
	<u>96,075</u>	<u>18,126</u>	<u>25,319</u>	<u>139,520</u>

# SCOTTISH ENVIRONMENT LINK

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 17 Commitments under operating leases

At 31 March 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2008	2007
	£	£
Expiry date:		
In over five years	<u>9,600</u>	<u>9,600</u>

### 18 Related parties

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	Grant £	Subscription £	Other £
John Mayhew	NTS	-	6,933	290
Ian McCall	RAS	-	1,948	300
Lloyd Austin	RSPB	-	6,933	1,170
David Downie	WWF Scotland	3,067	6,933	3,870
Andrew Fairbairn	WTS	-	2,989	45
Daniel Barlow	WWF Scotland	3,067	6,933	3,870
Deborah Long	Plantlife Scotland	-	723	100
Eila MacQueen	Council for Scottish Archaeology	-	1,948	100
Jonathan Hughes	SWT	-	6,933	230

The payments during the year for the provision of services to any of the related parties noted above were:

John Mayhew	NTS	131
Lloyd Austin	RSPB	5,969
David Downie	WWF Scotland	5,267
Daniel Barlow	WWF Scotland	5,267

There were no transactions in the year with the following board members:

Mike Robinson  
Ian Findlay  
Francoise van Buuren