

06608621

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Annual Report and Financial Statements for the year ended

31 March 2011

Company Registration Number: 06608621

Registered Charity Number: 1134897

Registered Office:

**25 Dairymoor
Wickham
Fareham
Hampshire
PO17 5JR**

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DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 2011.

Reference and administrative details of the charity, its directors and advisors

Charity Name:	Wickham Community Land Trust
Charity Registration Number.	1134897
Company Registration Number:	06608621
Registered Office and operational address	25 Dairy Moor, Wickham, Hampshire, PO17 5JR
Correspondence address	P O Box 652, Fareham, Hants, PO14 9LB

Board of Directors.

Mr N A Holladay	Chairman
Mr T D J Foote	Financial Management Team
Mrs C L. Foote	Financial Management Team
Mrs J.M. Lucas	Secretary
Mr G S Phillpotts	
Mr E Fitzgerald	
The Reverend E A. Groves	
Mr. D.R. Thompson	

Secretary:

Mrs J M Lucas

Bankers. NatWest, 52 West Street, Fareham, Hants. PO16 0JX

Legal Advisers Cobbetts LLP, No 1 Whitehall Riverside, Leeds, LS1 4BN
Coffin Mew LLP, 22 Kings Park Road, Southampton

Hon. Adviser Mr A. R. Robinson, Diocesan Secretary, Diocese of Winchester

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wickham Community Land Trust (WCLT) was registered in England and Wales as a Company Limited by Guarantee with charitable aims on 2nd June 2008, with the governing documents being Memorandum and Articles of Association

WCLT was registered as a charity on 12th March 2010.

Director Induction and Training

Directors are provided with a Trustee Role Description and asked to sign a Trustee Code of Conduct. All directors are required to complete an annual Register of Interests. All directors have a copy of the Charity Commission publication 'The Essential Trustee: what you need to know'.

Day to Day Management

The day to day management of WCLT is undertaken by the Chairman and Secretary, with involvement of the Financial Team where relevant, and that of other directors relevant to their skills and role and as per actions agreed at meetings. Directors are regularly updated at the board meetings and all major and policy decisions are taken by the board.

WCLT has no employees. All work is undertaken by directors on a voluntary basis.

OBJECTIVES AND ACTIVITIES

Objectives

The charity's purposes are set out in the objects in the Company's Memorandum of Association as follows:

- The provision of housing to relieve financial hardship, and
- To promote such other charitable purposes as may from time to time be determined subject to the prior written consent of the Charity Commission

Wickham Community Land Trust is dedicated to the provision of affordable housing in Wickham to relieve the financial hardship of eligible beneficiaries living in the village, surrounding area or with employment in the area, holding the property for the long term public good and protecting it from the damaging effects of asset price inflation and speculation and thereby enabling the provision of affordable housing now and for subsequent generations.

We aim to.

- Have built residential homes suitable for intermediate housing;
- Fund the building of the properties so that, once completed, the accommodation can be made available at affordable rates; or
- Obtain existing properties suitable for intermediate housing,
- Manage the ongoing movement of residents into and out of the properties as circumstances change in such manner as to ensure that the beneficiaries qualify to occupy them by virtue of their means and to maintain the affordable nature of the accommodation,
- Manage the homes and maintain ownership of them so that they remain a long term public benefit,
- Manage the business of the Trust in such manner as to cover costs and not for profit except as necessary to re-invest for maintenance of the properties,
- Retain the freehold of the properties in accordance with the charitable aims of Wickham Community Land Trust

Planned Benefits/Outcomes

The following benefits are identified as outcomes from the work of WCLT:

- The relief of financial hardship for eligible beneficiaries by the provision of housing;
- An increase in housing stock available for affordable homes,
- A reduction in the number of those living in situations inadequate or unsuitable for their needs, regardless of their age, sex, marital status or any other differentiator;
- A reduction in the number of families living in overcrowded conditions by virtue of inability of young adults to find alternative affordable homes,
- A reduction in distances between home and workplace for people working in the area;
- Increased availability of local accommodation for key workers serving the local area;
- A reduction in the list of people seeking affordable housing in the area,
- A reduction in local barriers to housing;
- The retention of assets for public benefit, providing asset lock in the long term

Achievements and Performance

Our main objective for this year had been to drive forward Project 1, the provision of 8 affordable houses in the village of Wickham. These objectives were not met within the year, as WCLT had to withdraw from project 1, in its initial form as the financial model was deemed too fragile to proceed at that time

During the year, WCLT had sought to achieve a number of targets

Establish sound financial backing for Project 1

Prior to WCLT's withdrawal from project 1, in its current form, WCLT had achieved the following

- 1 Venturesome (arm of Charities Aid Foundation) WCLT had an offer of a £200,000 facility available from Venturesome to enable the purchase of the development site, though the loan agreement pertaining to this was neither drawn up nor finalised in the course of the year.

2 Triodos Bank. WCLT had achieved Triodos' commitment to fund 66% of development costs. The draft loan agreement went through a number of drafts during the year and was prepared for signature in September. However, this was set aside for two reasons: i) a minor amendment had still not been made to the Standard Conditions and ii) more recently, Triodos awaited further confirmation from WCLT as to the definitive cost of the project before re-issuing. See page 5 below

3 South Coast Money Line (SCML) had expressed interest in investing in Wickham Community Land Trust's affordable homes project with a £75,000 loan. Shortly before the end of the calendar year they were seeking permission from Triodos Bank for SCML's coming in behind them as secondary lender

4 Homes & Communities Agency (HCA): HCA proved very supportive of the Land Trust's aims and offered £40,000 grant per unit for project 1 in its initial form, subject to the condition that building work had commenced by 11th March 2011

5 Community Fundraising

5.1 Wickham Community Development Fund Limited (WCDF), the arm's-length Community Benefit Society which WCLT was instrumental in setting up, issued a share offer in June 2010 for raising public-spirited investment into the project. £35,000 worth of share applications were received

5.2 The Community Fundraising effort for 4.1 above drew attention to the project and attracted £6,520 of charitable donations

6 Other financial support

6.1 Awards for All: WCLT applied for and received a conditional offer of grant for £9,800 for the landscaping element of Project 1.

6.2 Community Challenge: Hampshire County Council nominated us for receipt of this £1,000 grant.

Secure the proposed development site

Negotiations to finalise acquisition of the proposed site ran throughout this year. With the separate development on the adjacent plot of a GP's surgery, and both developments being interdependent at both the purchase stage and for road build purposes, together with the need to complete both purchases at the same time, complications abounded and involved prolonged negotiation. Core agreement was reached on shared costs in May 2010.

Embody the access arrangements in a legal document

An agreement in principle had already been reached with the relevant landowner and a fee agreed. Since, as above, a number of parties were involved in this agreement, negotiations here too were long-running.

Negotiate and work with our partner in development

The working relationship between WCLT and our development partner, Hyde Martlet, has remained strong throughout the year, despite WCLT's withdrawal from project 1 in its initial form. When WCLT was in the lead role in taking negotiations forward, they remained supportive and still remain so

Retain the support of Winchester City Council

In the first part of this financial year Winchester City Council helped in finalising with us WCLT's Allocation Policy and Application processes and form.

Receive sound and relevant legal advice

WCLT has been pleased with its decision last year to appoint Cobbetts LLP. For the purposes of the land purchase however, WCLT's legal advisers remained Coffin Mew LLP

Agree definitive costs for the Project

The requirement, which the Board of WCLT thoroughly supports, to provide suitable surface water drainage and sewage provision so that the development did not exacerbate drainage problems in the lower part of the village, introduced an element of uncertainty over costs and finalising overall figures proved slow and contributed to the withdrawal of WCLT from the project in December 2010. This decision is discussed further below

OUTCOMES

WCLT Withdrawal from Project 1

As indicated above, definitive project costs proved difficult to arrive at in the third quarter of the financial year

By mid-December, 2010 estimated build costs had been revised to £1,116,000, including a £40,000 contingency, i.e. all-in-all £30,000 higher than the original, conservative capital cost projections.

Board members decided the financial model was workable but fragile with the interest burden putting the loan service-to-revenue ratio under pressure. The Board decided to take steps to secure the model by seeking to extend the loan periods with Triodos and South Coast Money Line and, in negotiations with the HCA, seeking to reduce pressure on our margins by increasing rents charged/shared ownership apportionment

With Triodos being unable to vary its length of loan and HCA unable to allow flexibility in its grant terms in relation to WCLT being able to increase rental rates/shared ownership apportionment, Board members decided that, since the pressure on our margins could not be significantly reduced, the financial model remained too fragile to proceed. The Board quickly acted according to the Company's Exit Strategy and Hyde Martlet took over its position as buyer and developer of the housing site. This action ensured that WCLT's decision did not jeopardise the separate project on the adjacent site, i.e. the new surgery, and both housing and surgery projects moved ahead within deadlines with all relevant agreements and contracts signed on 24th March 2011

Impact of this decision to withdraw from Project 1

- 1 Hyde Martlet has been clear in expressing the wish that WCLT remain involved in the project and initial informal discussions took place at the very end of the financial year to discuss options for WCLT buying into the project when the houses are built and final costs known. On the actual plans for the site, the eight WCLT homes remain earmarked as such. Negotiations are ongoing (See also 'Conclusion' below)
- 2 Winchester City Council remains very supportive of WCLT's aims to provide affordable housing under the Land Trust model and kept us in mind both in the final Section 106 agreement and in keeping open the possibility of variations to accommodate the WCLT at a later date.
3. HCA, informally, still wants WCLT to succeed and in fact has stated that its first project is a 'beacon' project. Arrangements were already in place for the HCA grant allocated to WCLT to be transferred and paid to Hyde Martlet, as WCLT's development partner. In the event that WCLT negotiates a satisfactory price for purchasing the 8 homes, Hyde have stated that the HCA grant received by them in respect of these homes will be deducted from the amount required
4. Awards for All With WCLT's withdrawal from this stage of the Mill Lane project, the Big Lottery Fund has been informed that we no longer qualify for the award of £9,800 in this financial year. WCLT has therefore withdrawn its application but Awards for All will retain WCLT's registration number against the possibility of submitting a revised application in the next financial year
- 5 Hampshire Community Challenge As for iv) above, we have had to notify the authorities that we no longer qualify for this grant of £1,000 in this financial year. They have encouraged us to apply again at a later date
- 6 Community Fundraising

6.1 Donations to WCLT

The Board decided that when set against descriptions in the publicity material issued during the fundraising campaign regarding timing, WCLT's development role and fundraising target set, the campaign was, in Charity Commission terminology, an 'initial failure'. All donations, totalling £6,520, have now been returned to donors.

6.2 Wickham Community Development Fund Limited

As with the rest of the fundraising campaign, the Board of the Fund felt that the basis of the share prospectus no longer applied now that WCLT had withdrawn from the development stage of the Mill Lane project and, although the share launch brought in £35,000 worth of applications, this was well short of the target set. The Fund has declared the share launch a failure and has returned all application monies.

The Way Ahead

WCLT has taken the first steps to explore the possibilities of buying the 8 completed intermediate homes on the site of Project 1.

Hyde Martlet and WCLT are discussing indicative costs, as they appear at this stage, for WCLT to buy the completed buildings and these will be sent to both Triodos Bank and South Coast Moneyline for consideration of financing. Our reporting to and discussions are ongoing with Venturesome and they remain very supportive. All lenders have indicated their keen interest in funding the project if the financial model can be shown to be robust.

Should these plans materialise, the timing for offering this properties to those on WCLT's potential applicant list should not vary too much from the original plans.

Going concern

From review of the Balance Sheet on page 12, it can be seen that WCLT is in deficit. WCLT has liabilities in excess of assets of £5,840.

This deficit has been determined on the basis that WCLT will achieve its target of re-entering the project. Included within liabilities (note 5) is a bank loan of £30,000 and accrued interest pertaining to the loan of £7,500. These sums relate to a pre-development loan obtained from Venturesome. The conditions of the loan are such that planning permission must be obtained in order for the principal and interest to be due. Should planning permission not be achieved by WCLT, then neither the principal nor the interest would be due. At the date of signing these Financial Statements WCLT had failed in its project to purchase the site in question or to be able to benefit from the grant of planning permission, even though the CLT was a joint applicant with Hyde Martlet to the planning application (ref 10/01434/FUL) which received full permission on April 7th 2011. Therefore the conditions to repay the loan or the interest (within 12 months of grant of planning permission) have technically been met. However, Venturesome has been fully informed of all events leading to the withdrawal of WCLT from Project 1 and has agreed that should the Project proceed on the basis of purchasing the units from Hyde Martlet (if it did so it would not only have achieved planning permission it would be in a position to benefit therefrom) the loan will be repaid and the interest payments met. In the event that the Project does not go ahead in this or any other manner, Venturesome has agreed that WCLT will not repay the principal in full, the amount of the loan spent being written off by Venturesome, or meet the interest payment. Trustees and Venturesome agree that the CLT will repay as much of the principal that it can to Venturesome but on the understanding that WCLT will not be able to repay the principal in full. Therefore, on the basis of prudence, the directors have determined that it offers a true and fair view to continue to recognise both the full amount of the principal and the interest as a liability, given that there is a reasonable possibility that WCLT will re-enter the project.

Should WCLT be successful and re-enter the project, it will do so on the basis that new funds will have become available from external lenders, and the charity will have a new business model that generates net incoming resources that will support the repayment of all liabilities and therefore render WCLT a going concern.

Should WCLT be unsuccessful and fail to re-enter the project, then neither the principal nor the interest will be due, except to the extent that the CLT will repay only such amount of the loan principal that it is able without causing the CLT to become insolvent. Consequently the net assets of WCLT would be £31,660, rendering WCLT a going concern.

In conclusion, the directors are satisfied that whatever the outcome of WCLT's participation in project 1, the charity will remain able to meet all liabilities as they fall due, and therefore can be considered a going concern.

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Ensuring we still deliver our aims

In monitoring and reviewing performance for this financial year, directors are satisfied that WCLT retains a high degree of focus on its aim to provide housing for the relief of financial need. Although progress against timed goals suffered a setback in December, if negotiations proceed enabling WCLT to buy back into the development at the time when the site is completed the timescales for WCLT being able to provide affordable intermediate housing may not vary too much for the previous target dates.

While many of this year's activities have focused on negotiation, acquiring and developing land at costs that would enable the Trust to provide affordable housing, other activities have concentrated on developing further processes and procedures which will be implemented when properties are acquired.

How our activities deliver public benefit

WCLT's Monitoring and Review Policy requires that its work be directed by contemporary evidence of public need. Although the last Updated Housing Needs Survey was completed in 2009, response to WCLT's public consultation process in September 2009, new enquiries from potential beneficiaries, the continued interest of those on the potential applicants list, and attendance at a community fundraising meeting in July 2010 all confirm that, when the homes are built, they will be meeting a clear charitable need in the local area of benefit.

In drawing up WCLT's Allocation Policy, Application Form and related tools, directors have established criteria based on WCLT's charitable objects and fair processes to identify qualifying beneficiaries.

FINANCIAL REVIEW

Expenditure in this financial year has been almost exclusively on shared pre-development costs, administration, insurance, and legal costs.

All payments are governed by WCLT's Financial Controls Policy and any repayment of expenses to directors is made according to the regulations laid down in that policy.

Set up costs of £3,649 have been incurred on behalf of Wickham Community Development Fund Limited (WCDF). With the failure of the Fund's share issue in 2010, it is anticipated that the Fund will be formally requesting that these costs be written off. (See Community Fundraising on page 6 above and notes 3 and 9 to the accounts)

WCLT generated donations worth £6,520 during fundraising in this financial year but, as explained under Community Fundraising on page 6 above, these monies were returned to donors in the last quarter of the financial year.

In addition to the Kairos grant monies received in earlier years, WCLT received £30,000 pre-development loan from Venturesome in 2009. This is discussed further in the 'Going Concern' section of the directors' report above

WCLT has been cautious with its expenditure this year and still retains a portion of these funds, which will be the subject of ongoing discussions with Venturesome in the forthcoming financial year

£15,042 was paid in relation to shared pre-development costs. The other parties have been invoiced and the outstanding amount of £12,080 was received post year end (see note 3 to the accounts).

Reserves

In line with Charity Commission guidance, WCLT has a Reserves Policy which obliges it to hold reserves to safeguard the Trust's project(s) in the event of delays in the receipt of grants, other funding or income generation

The Board has reviewed this Reserves Policy and retained it unchanged at present while WCLT remains in a pre-purchase phase. WCLT is in a deficit position as at the end of the current year (2010. surplus position), although it holds cash and cash equivalents of £23,636 (2010 £36,001). For more information regarding the deficit position, please see the 'Going concern' section of the directors' report above.

Management of Risk

The directors have identified the major risks to which WCLT is exposed, and discussed how to respond to those risks. Decisions on how best to manage or mitigate those risks, or share or insure against them, have been translated into appropriate actions or procedures and have recorded these decisions in a Management of Risk Register which will be updated at least annually. The decision-making process in December demonstrated the Company's ability to manage risk.

Directors have agreed a Health and Safety Policy and conducted a Risk Assessment of WCLT's current activities. With WCLT's withdrawal from the development project there has been no need to update the policy. It will however be updated at such time as the Company acquires property (ies).

Insurance

WCLT has taken out Trustee Indemnity Insurance and Public and Products Liability Insurance. Landowners' Insurance will be put in place as and when any property acquisition goes ahead.

PLANS FOR FUTURE PERIODS

For the next financial year the aims of WCLT remain as follows

1. Secure the possibility of buying into the completed 8 intermediate affordable homes
2. Pursue the possibility of buying individual properties on the open market
3. Explore possibilities of working with a village benefactor in the development of affordable homes without compromising the integrity of the Land Trust
4. Secure funding for suitable projects
5. Finalise any relevant agreements

Conclusion

After slow but steady progress towards WCLT's goals for much of the year, withdrawal from Project 1 was a setback. However, with so much continuing support from funders and other key bodies, WCLT still looks to achieving its initial goal, albeit by a different route. In this respect negotiations with Hyde Martlet have been constructive and definitive purchase costs for the 8 homes earmarked for WCLT have been received. The costs have been modelled and discussions are under way with the various lending parties and other agencies to determine whether or not a secure financial solution sufficient to resurrect Project 1 has been identified.

Sincere thanks are due to the directors who have given their time and expertise generously and voluntarily to push WCLT's goals forward. The Company is grateful that all directors are keen to continue into next financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently in the preparation of the financial statements. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2011 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors of WCLT are directors for the purpose of company law and trustees for the purpose of charity law.

By order of the board,



Judith Lucas
Secretary and Director

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating the income & expenditure account)

For the year ended 31 March 2011

	Note	Unrestricted & Total Funds 2011 £	Unrestricted & Total Funds 2010 £
Incoming Resources	1		
Voluntary Income.			
Gifts and donations		26	-
Investment Income			
Bank Interest		198	116
Total incoming resources		224	116
Resources Expended	1		
Cost of generating funds		(3,649)	(7,210)
Charitable activities		(4,273)	(1,907)
Governance costs		(2,507)	(1,791)
Total Resources Expended		(10,429)	(10,908)
Net Expenditure for the Year		(10,205)	(10,792)
Net outgoing resources		(10,205)	(10,792)
Total funds brought forward at 1 April		4,365	15,157
Total (deficit)/funds carried forward at 31 March		(5,840)	4,365

There are no recognised gains and losses other than those in the statement of financial activities
Therefore no statement of total recognised gains and losses has been prepared.

For Companies Act purposes, turnover was £nil (2010: £nil) and total expenditure (excluding interest) is £10,429 (2010: £3,402) All the above amounts relate to continuing activities.

The notes on pages 13 to 16 form part of these accounts

Balance Sheet

Balance sheet as at 31 March 2011

	Note	31 March 2011 £	31 March 2010 £
Current assets			
Debtors	3	12,086	5,645
Prepaid expenses	4	403	1,250
Cash and cash equivalents		23,636	36,001
		36,125	42,896
Creditors – Amounts falling due within one year	5	(41,965)	(38,531)
Net current (liabilities)/assets		(5,840)	4,365
Net (liabilities)/assets		(5,840)	4,365
Funds			
Unrestricted (deficit)/funds		(5,840)	4,365
Total (Deficit)/Funds		(5,840)	4,365

For the year ending 31st March 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the requirement of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were approved and authorised for issue by the Directors on

15th Feb, 2011 and are signed on their behalf by:



Nicol Holladay
Chairman & Director



Judith Lucas
Secretary & Director

The notes on pages 13 to 16 form part of these financial statements

Notes to the Financial Statements

1. Accounting policies

a) *Basis of preparation*

The financial statements have been prepared

- under the historic cost convention,
- on the going concern basis,
- in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities: Statement of recommended practice", published in March 2005 (revised May 2008),
- applicable UK Generally Accepted Accounting Principles (UK GAAP) accounting standards,
- and Companies Acts 1985 and 2006

The principal accounting policies adopted in the preparation of the financial statements are set out below.

As the Company is a charity, the wording of the statutory formats required by the Companies Act 1985 have been appropriately amended in order to give a true and fair view. This is in accordance with Paragraph 3 (3) of Part 1, Section A of Schedule 4 to the Companies Act 1985.

b) *Funds structure*

All funds held by the charity are unrestricted general funds. These are funds that can be used in accordance with the objects of the charity at the discretion of the directors.

c) *Incoming resources*

Income in the current and prior years includes interest receivable in relation to interest on balances held with banks. Interest is recognised on an accruals basis. During the current year, the charity has also received a charitable donation.

d) *Resources expended*

Expenditure is recognised on an accruals basis.

Expenditure is directly categorised as either expenditure on charitable activities, in generating funds or maintaining governance of the Company. There is no general allocation of costs.

Charitable activities includes all expenditure related to the development of affordable housing. This includes planning costs, legal costs associated with creating contracts, etc.

Costs from generating funds relate to the cost of fund raising. Included within these costs are the costs of marketing WCLT's activities to the local community in order to encourage charitable donations. Also included in the prior year are the accrued interest costs on a development loan (£7,500). The interest is due only where planning permission is granted, otherwise no interest is payable.

Governance costs include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include costs associated with company administration and legal fees incurred in obtaining charity registration.

1. Accounting policies (*continued*)

No further analysis of the resources expended is given within the notes to the accounts. Given the small values expended, it is considered by the directors that any further analysis will not provide useful information to the user.

2. Turnover

Turnover is the amount receivable for the provision of goods and services falling within the Company's ordinary activities, i.e. principally the provision of affordable housing.

The Company did not generate any turnover during the year.

3. Debtors

	31 March 2011 £	31 March 2010 £
Other debtors	6	-
Expenses recoverable from other parties	12,080	3,750
Set-up costs recoverable from related parties (note 9)	-	1,895
	12,086	5,645

During the year, the Company paid for costs in relation to the design and development of the current development location. At the year end £12,080 was outstanding from other parties. These costs were recovered from other parties involved in the development post year end.

4. Prepaid expenses

	31 March 2011 £	31 March 2010 £
Future development costs paid for in advance	-	1,250
Insurance costs	403	-
	403	1,250

5. Creditors – Amounts falling due within one year

	31 March 2011 £	31 March 2010 £
Bank loans (principal)	30,000	30,000
Other creditors	2,411	-
Accrued interest charges in relation to bank loans	7,500	7,500
Accrued expenses	2,054	1,031
	41,965	38,531

During the prior year the Company drew down on a development facility to finance costs up to the granting of planning permission (£30,000)

6. Company limited by guarantee

Wickham Community Land Trust is a company limited by guarantee and has no share capital. As at 31 March 2011 there were 8 (eight) members. Every member promises, if the Company is wound-up, to contribute such sum (not exceeding £10) as may be demanded of him or her towards any deficit.

7. Director Information

No remuneration was paid to the directors during the year (2010: £nil)

8. Capital commitments

At 31st March 2011 there were no capital commitments (2010: none)

9. Related party transactions

Wickham Community Development Fund

Wickham Community Development Fund ('WCDF'), company registration number 30654R, is an Industrial and Provident Society,

WCDF is a not for profit organisation whose Rules have been drawn up to comply with regulations determined by the Financial Services Authority (FSA)

WCDF's aims are broader than those of the Company, and WCDF plans to accomplish a range of activities in the fullness of time. However, during the current year its main aim was raising funds through a share issue, to part-finance the current development project of the Company.

The current management board of WCDF is a subset of the Company's board, and consequently WCDF is defined as a Related Party in accordance with the SORP and Accounting Standard FRS 8, "Related Party Disclosures"

Wickham Community Land Trust

A Registered Charity and Company Limited by Guarantee

Trustees Report & Financial Statements for the year ended 31 March 2011

Company Reg No 06608621

Charity Number 1134897

9. Related party transactions *(continued)*

During the year, the Company incurred set-up costs on behalf of WCDF totalling £1,754 (2010 £1,895)

These costs were expected to be repaid by WCDF to the Company following the share issue by WCDF, as discussed in the Directors' Report on page 4. However, as discussed on pages 6 and 8, the share issue did not proceed and therefore the directors consider the amounts owed to WCLT may not be recoverable and have duly provided against them. The balance in debtors (note 3) is therefore £nil (2010: £1,895)