

Managing Finance, Generating Income

Seminar Synopsis:

Even the most innovative, exciting third sector organisation will struggle to survive without sound financial structures to support them and organised cash-flows to keep them fuelled. In a competitive environment it is imperative that you understand the dynamics of finance and have the awareness to spot new opportunities for income streams. *Managing Finance, Generating Income* is an ideal starting point for your financial learning.



Seminar Objectives:

This two day session was for anyone interested in exploring and understanding the trading potential of their organisation, and anyone new to financial management.

CWA and the Social Enterprise Academy are working in partnership to deliver three 2 day social enterprise modules as part of the CWA Employability Services Project. These unique two day training opportunities are based on SEA modules and specifically tailored to the needs of Community Woodland groups.

Learning Outcomes:-

- Explore the potential for further income generation within your organisation
- Familiarise yourself with a number of financial management tools
- Enhance your confidence in understanding and interpreting financial reports and issues
- Develop a better understanding of compliance and best practice in finance
- Networking and knowledge share

Making the most of the location:

CWA and SEA worked in partnership with the Knoydart Foundation and Knoydart Forest Trust in hosting the event. During the training, participants attended a guided walk of the woodlands and community garden, watched the award winning KFT film “munchatreeaforest” and the 2010 film celebrating 10 years of Knoydart Foundation and community ownership. The course aimed to provide participants with ample opportunity to discuss the work of the Foundation with Trustees and network with other participants.

Tutor:

James Hilder was, until recently, Development Manager for Mull and Iona Community Trust (since its launch in 1998). He has led numerous and varied community run developments including assisting with the setup of North West Mull Community Woodland Company. He is also chair of ABSEN (Argyll & Bute Social Enterprise Network).

The Money Tree Part 1 Report

Inverie, Knoydart : 15th – 16th September 2011

Programme:

Thursday 15th September

9.30am	Meet at Mallaig pier for chartered boat to Inverie
10.00am	tea, coffee and introductions
10.30am	course
1.00pm	lunch
1.45pm	guided tour of Inverie Forest by Knoydart Forest Trust
3.00pm	tea, coffee (and scones☺)
4.00pm – 6.30pm	course
8.00pm	Dinner - delegates chose to eat at the Smiddy (not part of the course)

Friday 16th September

9.00am	course
11.00am	tea/coffee
11.15am	course
1.00pm	lunch
1.45pm	community run micro hydro - Angela (Knoydart Foundation)
3.00pm – 3.45pm	course
4.00pm	Meet at Inverie pier for boat to Mallaig

Delegates:

- Lorna Schofield Knoydart Forest Trust
- Karen Purvis Knoydart Forest Trust
- Grant Holroyd Knoydart Forest Trust
- Roger Trussell Knoydart Forest Trust
- Sam Humphrey Knoydart Forest Trust
- Jim Barr Abriachan Forest Trust
- Jean Barnett Dunnet Forestry Trust
- Fiona Saywell Culag Community Woodland Trust
- Marion Rhind Milton Community Woodland Trust/ Highland Interface
- Gemma de Groot Morar Community Trust
- Diane Oliver Community Woodlands Trust

Logistics:

Course location	-	Inverie Village Hall
Delegate accommodation	-	Knoydart Foundation Bunkhouse
Lunch and cakes	-	Knoydart Tearoom
Boat to and from Inverie	-	Jon Sellars, Sandaig

CWA chose to charter a boat in order to keep overall costs lower and make the most of the time available in 2 days on Knoydart. The ferry times would have required 2 overnight stays to complete the course and site visits.



The Money Tree Part 1 Report Inverie, Knoydart : 15th – 16th September 2011

The Course:

The course was based on the SEA Managing Finance and Generating Income module. Because of those present, James initially focused on accounts, financial management and planning.

Moving onto budgeting and setting costs; the group looked at cost structures and establishing the break-even point and full cost recovery.

The final session was spent analysing financial statements and profit and loss examples – 2 of the groups had kindly submitted previous financial statements for this purpose (thanks to Dunnet Forestry Trust and Milton Community Woodland Trust).

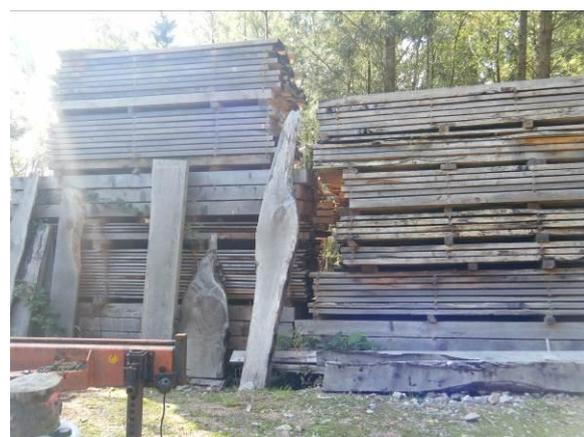


Inverie Forest and Knoydart Forest Trust:

Grant, Lorna and Karen gave a guided walk round part of the wood, highlighting the work of the Forest Trust. Knoydart Forest Trust manages Inverie Forest on behalf of Knoydart Foundation.



'A' frame house built by KFT for their staff



Milled timber from the forest and potential location for future timber storage, workshop, office and accommodation facility



Up to the viewpoint via the new mountain bike track Current firewood storage facilities

Some key points that delegates will give further consideration to following the walk include:

- Ringbarking
- Activity holidays
- Paid guided walks
- Fungi forays
- Firewood – local market possibilities – eg Morar
- Plot sales/ shared equity – housing and working woodlands
- Legacy endowments
- Quarries
- Giving visitors/ holiday home owners the opportunity to donate

Knoydart Renewables:

Angela from the Knoydart Foundation gave a very insightful presentation into the highs and lows of providing community run power to the local community.

Knoydart Renewables is a trading subsidiary of Knoydart Foundation and responsible for running a hydro scheme which provides all electricity on the peninsula. The groups discussed the cost implications of several scenarios as well as a set of management accounts.



Feedback:

10 feedback questionnaires were completed. All 10 felt that the event met their expectations. In terms of the location, organisation, catering and facilities; scores were 'very good'/ 'good' with 2 'fair' for facilities.

Delegates attended the course to:

- Get a better grip on financial insight of running a social enterprise. Feedback on ideas for generating income for our project
- Make me a more useful/ professional director
- Gain ideas for income generation and a refresher on good accounting practice
- New to actively taking part in volunteering with a social enterprise, I wanted an insight into the differences in financial accounting and how to assist with sustainability
- Gain a better understanding of what social enterprise is and how it works
- Increase financial knowledge
- Help me understand the management of finances more fully and discuss opportunities for income generation
- Network
- Improve my financial skills
- See how other community woodlands are run
- Meet others working in the social enterprise sector
- To further develop skills in financial management particularly with reference to successful social enterprise

Delegates felt they gained the following benefits:

- Thinking time
- I can now attend AGMs locally and critically appraise balance sheets with more understanding! Increased confidence
- Increased accounting confidence
- A better understanding of what a social enterprise is and how it works
- Excellent networking with other participants
- Some alternative ideas
- Renewed focus on profitability
- Some new accounting/ project evaluation tools
- Useful preparation prior to a major project
- A better grip financial insight of running a social enterprise and feedback on ideas for generating income for our project.
- Feel inspired by exchanging ideas and experiences with other participants
- The tour was very useful too, I have more awareness now of what is going on with the woodlands and their trading possibilities re firewood and timber
- More confidence in putting together budgets and producing cash flow forecasts
- Ideas for income generation
- Insight into how other people do things
- Consolidation of existing knowledge
- Networking

Delegates will use their new skills and experience to go on to:

- Use for our Trust and projects
- Report back to directors and discuss our viewpoints
- Ask more searching questions
- Accelerate action on Trust work
- Rethink/ review land disposals/ equity sharing
- Investigate quarry options? – eco friendly

- Pursue firewood growth more aggressively
- Use them in both volunteering and my employed post
- Hopefully use them! To make our forest trust to be more self-sustaining/ less grant dependant
- Keep a closer scrutiny on the profitability of my organisation
- Become more involved with local groups
- It will enable me to assist fully in the financial running of the organisation I work for
- Put them into practice to help our organisation move forward as an effective and successful social enterprise to increase our capacity to thrive with less dependence on grant funding

Delegates would like CWA to run further training in:

- Project management
- Forestry management
- Tree identification
- Company structures – practical look into advantages and disadvantages particularly for small organisations in rural setting
- Funding ???

All 10 would recommend others to take part in similar events, because:

- There are people who would learn a lot about what goes on behind the scenes if they attended this type of event
- Excellent financial course
- Good for sharing
- Informed and engaging presenter
- Nice balance between general knowledge and detail
- The course provided a step by step approach to financial management with real life examples from the social enterprise sector highlighting not only successes but also pitfalls in the process.
- It's extremely valuable to learn about other organisations and what works for them (and also what doesn't)

Other general comments included:

- Excellent tutor
- Great to visit Knoydart and see the results of many years of community effort – puts everything into a 'real context'. Good to combine exchange element with active learning
- Good atmosphere among participants – relaxed and friendly
- Good interaction and exchange of views
- Weather was stunning – which always helps
- Knoydart Forest Trust were good hosts
- The tutor was outstanding
- Thanks for allowing me on the course – although our trust has no woodlands, I still learned a lot about generating income and finance
- James (trainer) made what could have been a very dull topic both interesting and relevant
- Opportunity to meet and share experiences with other groups was also very valuable
- Very enjoyable couple of days.