

Charity Number: SC038374
Company number: SC275097

The Community Woodlands Association

Directors' Report and Financial Statements

Year ended 31 March 2012

The Community Woodlands Association

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The Community Woodlands Association

Report of the Directors for the year ended 31 March 2012

The Directors are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2012.

Legal and Administrative Information

Charity name The Community Woodlands Association

Charity number SC038374

Company number SC275097

Registered Office Old Poltalloch
Kilmartin
Lochgilphead
PA31 8RQ

Operational Address Steading Cottage
Craigfield Farm
Kintessack, Forres
IV36 2SP

Directors P Voysey
M Hunter
M Steele
M Lazzeri
J Barnett
I Knox
A Calvert
C Dixon-Spain (from February 2012)

Company Secretary G T Gray Stephens

Accountants T P Wright CA
396 Elphin
By Lairg
Sutherland
IV27 4HH

Solicitors Burness LLP
120 Bothwell Street
Glasgow G2 7JL

Bankers The Co-operative Bank plc
1 Balloon Street
Manchester M60 4EP

The Community Woodlands Association

Report of the Directors for the year ended 31 March 2012

Structure, governance and management

The Community Woodlands Association is a company limited by guarantee and not having a share capital, governed by its Memorandum and Articles of Association incorporated on 25th October 2003, and is registered as a charity with the Scottish Charity Register. In the event of the company being wound up, members are required to contribute a sum not exceeding £1.00p.

The management of the company is the responsibility of the trustees (referred to in this report and the financial statements as the directors) who are elected and co opted under the terms of the Memorandum and Articles of Association. New directors are elected annually at the AGM by vote in person or by proxy.

The company is a membership organisation and the members are responsible for electing the Board of Directors which meets on a regular basis to consider the strategic decisions. The implementation is then delegated to employees.

Aims, Objectives and Activities

The company's objects are:

- 1) The advancement of community development through the provision of support and assistance to voluntary organisations and social enterprises engaged in land and woodland management, by encouraging the involvement of individuals in such organisations, and by representing and promoting such organisations and raising public awareness of the benefits they provide.
- 2) The relief of poverty through the provision of skills training.
- 3) The advancement of education by promoting, commissioning and delivering learning and research relating to community development or land and woodland management.
- 4) The advancement of environmental protection and the promotion of sustainable development by encouraging and supporting best practice for land and woodland management in Scotland for the benefit of the natural heritage and the general public.

The association has developed a comprehensive information support service for existing and aspiring groups. During the year, monthly e-bulletins and e-newsletters are issued as well as two issues of the magazine *Woodland Voices* which highlights new initiatives, relevant policy information and forthcoming events.

Achievements and Performance

The global economic downturn continues to affect our sector, with the on-going squeeze on public sector finances biting into the availability of both grants and contracts. Consequently 2011-12 was a difficult year, financially speaking, for CWA, with previously helpful public bodies now apparently unable to support the community woodland sector.

In this context we are grateful for the continued support of Forestry Commission Scotland, and for a very significant private donation, which together with memberships and earned income, enabled continuity of CWA member services, albeit with a reduced staff, offering specialist advice and support on all aspects of woodland management and governance.

We have maintained our focus on skills training and peer networking; supporting groups to organise and deliver their own training wherever possible. In July we launched phase two of our Knowledge Share and

The Community Woodlands Association

Report of the Directors for the year ended 31 March 2012

Skills Development Programme (funded by the SRDP Skills Development Scheme, and The Robertson Trust), which will deliver 36 events over two years. The first 11 events, covering topics from Charcoal making and Green woodworking to Developing wood products and Mountain bike trail construction, and attracting a total of 281 participants, had been held by the end of March 2012.

We are mid-way through our 2 year Employability Services project, funded by the Highland Council and the Highland LEADER programme, which employs a Social Enterprise Development Officer to support employability initiatives at 10 member groups in the Highlands through business planning, funding and contract support, provision of specialist training and assistance with product development.

Networking the community woodland movement has always been central to CWA's role, with the highlight being our annual conference, held this year at the splendid (and community owned) Boat of Garten Community Hall. Delegates from community woodlands across Scotland gathered for an educational and inspirational weekend of presentations, workshops, site-visits and of course the Saturday evening ceilidh in Aviemore.

This year we were very pleased to welcome Stewart Stevenson MSP, Minister for Environment and Climate Change, who gave an upbeat and well-received keynote address. It was a valuable opportunity to promote the work of CWA and our member groups, and the Minister seemed interested and impressed by all he saw and heard, in particular by the range of wood craft products on display.

Supporting member groups to earn income from their woodlands has again been a major focus this year. Work on wood products development has progressed, whilst a number of member groups has sought advice and assistance on developing woodfuel supply businesses. There has been increasing interest in food growing in woodlands: we held a very well attended training event on soil fertility, and will be seeking to develop this strand of activity further in future years.

CWA Membership continues to grow and has now reached 202. We represent 162 community woodland groups: 132 as direct members including 2 "umbrellas" who represent a further 30 community groups. We also have 13 Associate members and 57 individual members. During the year 60% of the current membership received direct assistance on a wide range of topics, and a further 20 non-members and potential community woodland groups were assisted.

CWA staff continue to assist community woodland groups to apply for funding for development and delivery of public benefits from a range of sources, including various streams of the Scotland Rural Development Programme, whilst making the case to Government for additional (and accessible) resources. An important development in this respect has been the introduction of Community Seedcorn funds by Forestry Commission Scotland: CWA has worked closely with FCS to support and develop these funds, which are administered with a very welcome "light touch". More recently we have been very pleased to hear the announcement of a new Scottish Land Fund, which we and colleagues in the community sector have long been lobbying for; we anticipate this will enable a number of community woodland acquisitions in the coming years.

We communicate with our members through a variety of old and new media. Our monthly e-bulletin remains a cornerstone of information provision on training courses, funding, and general news, complemented by the quarterly e-newsletter and our biannual magazine "Woodland Voices" whose readership continues to grow. Our member's e-group remains a valuable source of knowledge and information, and our Facebook page is taking the community woodland movement an ever-wider audience.

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Report of the Directors for the year ended 31 March 2012

Likewise, we recognise the importance of partnership working across the wider voluntary sector, and we continue to build our links with fellow third sector intermediaries through our participation in the Scottish Community Alliance and the Scottish Social Enterprise Coalition.

Financial review

The accounts report a net deficit for the year of £11,493 (2011 – £16,754 deficit). £4,759 of this deficit arises on restricted funds, as grants received in advance of expenditure were spent. The remaining deficit represents a drawing down of unrestricted funds to maintain core services to members despite greatly reduced level of support available from certain government agencies.

Substantial unrestricted reserves are necessary for management of cashflow and the charity continues to endeavour to attain a level of reserves that would permit six months expenditure to be met.

Directors' responsibilities in relation to the financial statements

Company law requires the Directors to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and its surplus or deficit for the financial year. In doing so the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make sound judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements 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.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board and signed on its behalf by



M Lazzeri
Acting Chair of Board of Directors

Date: 27 August 2012

The Community Woodlands Association

Report of the Independent Examiners to the Trustees for the year ended 31 March 2012

I report on the accounts of the charity for the year ended 31 March 2012 which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a-c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Name T P Wright
Qualification Chartered accountant
Address 396 Elphin, By Lairg, IV27 4HH
Date 27 August 2012

The Community Woodlands Association

Statement of financial activities

Year ended 31 March 2012

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Incoming resources					
<i>From generated funds</i>					
Voluntary income	2	3,860	131,804	135,664	221,308
Investment income	3	47	-	47	78
<i>From charitable activities:</i>	4	8,200	-	8,200	8,283
Total incoming resources		12,107	131,804	143,911	229,669
Resources expended					
<i>Costs of generating voluntary income</i>					
Charitable activities	5	-	151,774	151,774	241,805
Governance costs	6	3,630	-	3,630	4,618
Total resources expended		3,630	151,774	155,404	246,423
Net incoming/outgoing resources before transfers					
		8,477	(19,970)	(11,493)	(16,754)
Transfers					
		(15,211)	15,211	-	-
Net movement in funds after transfers					
		(6,734)	(4,759)	(11,493)	(16,754)
Total funds brought forward	13	31,248	15,690	46,938	63,692
Total funds carried forward	13	24,514	10,931	35,445	46,938

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes form part of these financial statements.

The Community Woodlands Association

Balance sheet

As at 31 March 2012


	Notes	£	2012 £	£	2011 £
Fixed Assets					
Tangible assets	9		1,527		1,916
Investments	10		100		100
			<u>1,627</u>		<u>2,016</u>
Current assets					
Debtors	11	20,670		5,714	
Cash at bank and in hand		<u>28,384</u>		<u>65,833</u>	
		49,054		71,547	
Creditors: falling due within one year	12	<u>15,236</u>		<u>26,625</u>	
Net Current Assets			33,818		44,922
Total Net Assets			<u>35,445</u>		<u>46,938</u>
Represented by:					
Restricted income funds	13		10,931		15,690
Unrestricted income funds	13		<u>24,514</u>		<u>31,248</u>
Total funds			<u>35,445</u>		<u>46,938</u>

The directors are satisfied that the company is entitled to exemption under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its income and expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the Board and signed on its behalf on 27 August 2012



P Voysey
Director and Treasurer

Company registration number SC275097

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2012

1. Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice 'Accounting and Reporting by Charities' (revised March 2005) and the Companies Act 2006.

The charity has availed itself of s396 of the Companies Act 2006 and adapted the Companies Act formats to reflect the nature of the charity's activities.

Donations

Donations received are recorded at the time the charity becomes entitled to the resource.

Membership fees

Membership fees received are recorded at the time of receipt.

Grants

Grants received are included in incoming resources when they are receivable, except when conditions attached to such grants have not yet been fulfilled, when the income is deferred. Grants of a capital nature are treated as a restricted fund and released to the unrestricted funds over the life of the asset.

Expenditure

Expenditure is included on the accruals basis and recognised when there is a legal or constructive obligation to pay.

Fund accounting

Restricted funds: funds held which are restricted for use for specific purposes.

Unrestricted funds: funds which the trustees are free to use, in accordance with the charitable objects.

Designated funds: funds which the trustees set aside for a specific purpose.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% per annum reducing balance
Office equipment fittings etc	-	20% per annum reducing balance

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.

Taxation

The Association is a charity for tax purposes and relief given under S.505 Income and Corporation Taxes Act 1988.

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2012

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Donations				
Donations	60	-	60	38
Grants etc				
Main Core Project	-	-	-	38,728
Transitional Core Project	-	48,570	48,570	51,945
Business Development Project	-	-	-	53,023
Employability Services	-	51,120	51,120	38,122
Skills Development	-	-	-	32,855
Arts Development	-	-	-	2,807
Skills Development phase 2	-	30,231	30,231	-
Wood products survey	-	1,283	1,283	-
Arts seedcorn	-	600	600	-
Membership fees	3,800	-	3,800	3,790
	<u>3,860</u>	<u>131,804</u>	<u>135,664</u>	<u>221,308</u>
		Note 14		

3. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Bank interest receivable	47	-	47	78
	<u>47</u>	<u>-</u>	<u>47</u>	<u>78</u>

4. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Income from charitable activities	8,200	-	8,200	8,208
Miscellaneous income	-	-	-	75
	<u>8,200</u>	<u>-</u>	<u>8,200</u>	<u>8,283</u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2012

5. Resources expended on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Charitable activities				
Wages and salaries	-	83,918	83,918	129,337
Employer's national insurance	-	8,025	8,025	12,596
Pension costs	-	3,781	3,781	5,733
Conference and training events costs	-	38,381	38,381	42,915
Travel and subsistence	-	9,589	9,589	11,682
Publicity, promotion and information provision	-	530	530	21,486
Depreciation	-	389	389	490
	-	144,613	144,613	224,239
Support costs				
Office administration and supplies	-	2,854	2,854	6,126
Insurance	-	1,781	1,781	1,720
Telephone	-	160	160	298
Training costs	-	1,170	1,170	2,728
Computer expenses	-	51	51	950
Legal and professional fees	-	-	-	3,014
Sundry expenses	-	1,145	1,145	2,730
	-	7,161	7,161	17,566
Total	-	151,774	151,774	241,805

6. Governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Accountancy fees	2,250	-	2,250	3,396
Directors' expenses	1,380	-	1,380	1,222
	3,630	-	3,630	4,618

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2012

7. Staff costs and emoluments

	2012	2011
	£	£
Wages and salaries	83,918	129,337
Employer's national insurance	8,025	12,596
Pension costs	3,781	5,733
	<u>95,724</u>	<u>147,666</u>

Particulars of employees

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2012	2011
Directors / trustees	8	11
Staff	3	5
	<u>11</u>	<u>16</u>

No employee received emoluments of more than £60,000 in the year (2011 - Nil).

8. Directors remuneration and expenses

None of the directors (or any persons connected with them) received any remuneration during the year (2011 - nil). Total directors' expenses amounting to £1,380 were paid (2011 - £1,222).

9. Tangible fixed assets

	Plant and machinery £	Office equipment fittings etc £	Total £
Cost			
At 1 April 2011	248	3,192	3,440
At 31 March 2012	<u>248</u>	<u>3,192</u>	<u>3,440</u>
Depreciation			
At 1 April 2011	139	1,385	1,524
Charge for year	28	361	389
At 31 March 2012	<u>167</u>	<u>1,746</u>	<u>1,913</u>
Net Book Value			
At 31 March 2012	<u>81</u>	<u>1,446</u>	<u>1,527</u>
At 31 March 2011	<u>109</u>	<u>1,807</u>	<u>1,916</u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2012

10. Investments

Unlisted investments (unrestricted fund)

	2012	2011
<i>Historic cost and market value</i>	£	£
At 1 April	100	100
At 31 March	<u>100</u>	<u>100</u>

The investment comprises a 100% shareholding in Community Woodland Enterprise CIC, a community interest company established as a trading subsidiary of the Community Woodlands Association. The company was dormant as at 31 March 2012.

11. Debtors: falling due within one year

	2012	2011
	£	£
Sundry debtors and prepayments	20,670	5,714
	<u>20,670</u>	<u>5,714</u>

12. Creditors: falling due within one year

	2012	2011
	£	£
Sundry creditors and accruals	15,236	26,625
	<u>15,236</u>	<u>26,625</u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2012

13. Reserves

	At 01/04/11 £	Income £	Expenditure £	Transfers £	At 31/03/12 £
Restricted funds					
Transitional Core Project	-	48,570	(74,658)	26,088	-
Employability Services	15,690	51,120	(48,711)	(7,011)	11,088
Skills Development phase 2	-	30,231	(26,500)	(3,888)	(157)
Wood products survey	-	1,283	(1,305)	22	-
Arts seedcorn	-	600	(600)	-	-
	<u>15,690</u>	<u>131,804</u>	<u>(151,774)</u>	<u>15,211</u>	<u>10,931</u>
Unrestricted funds					
Accumulated unrestricted fund	31,248	12,107	(3,630)	(15,211)	24,514
	<u>31,248</u>	<u>12,107</u>	<u>(3,630)</u>	<u>(15,211)</u>	<u>24,514</u>
Total reserves	<u><u>46,938</u></u>	<u><u>143,911</u></u>	<u><u>(155,404)</u></u>	<u><u>-</u></u>	<u><u>35,445</u></u>

Represented by:

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Fixed assets	-	1,527	1,527	1,916
Investments	100	-	100	100
Current assets	26,664	22,390	49,054	70,744
Creditors: falling due within one year	(2,250)	(12,986)	(15,236)	(26,625)
Total funds	<u><u>24,514</u></u>	<u><u>10,931</u></u>	<u><u>35,445</u></u>	<u><u>46,135</u></u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2012

14. Analysis of Restricted Funds income received, by project and funder

The charity is grateful to acknowledge income received from its supporters as follows:

	£
Transitional Core Project	
Highlands & Islands Enterprise Community Land Unit	1,170
Forestry Commission Scotland	16,500
Private donation	30,000
Delegate fees	900
	<hr/> 48,570 <hr/>
Employability Services	
Highland Council	28,000
Highland LEADER	23,120
	<hr/> 51,120 <hr/>
Skills Development phase 2	
Scottish Government SRDP Skills Development Scheme	14,583
The Robertson Trust	10,000
Cairngorms National Park Authority	2,000
Forestry Commission Scotland	2,000
Highlands & Islands Enterprise Community Land Unit	1,648
	<hr/> 30,231 <hr/>
Wood products survey	
Highlands & Islands Enterprise Community Land Unit	1,283
	<hr/> 1,283 <hr/>
Arts seedcorn	
Forestry Commission Scotland	600
	<hr/> 600 <hr/>
Total	<hr/> <hr/> 131,804 <hr/> <hr/>

15. Ultimate controlling party

The Community Woodlands Association is a company limited by guarantee. The liability of members is limited and is not to exceed £1. The ultimate controlling party is therefore considered to be the board of trustees.