

*Charity Number: SC038374*  
*Company number: SC275097*

# **The Community Woodlands Association**

**Directors' Report and Financial Statements**

*Year ended 31 March 2013*

# The Community Woodlands Association

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# The Community Woodlands Association

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## Report of the Directors for the year ended 31 March 2013

The Directors are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2013.

### Legal and Administrative Information

<b>Charity name</b>	The Community Woodlands Association
<b>Charity number</b>	SC038374
<b>Company number</b>	SC275097
<b>Registered Office</b>	Old Poltalloch Kilmartin Lochgilphead PA31 8RQ
<b>Operational Address</b>	Steading Cottage Craigfield Farm Kintessack, Forres IV36 2SP
<b>Directors</b>	J Barnett A Calvert C Dixon-Spain G Gray Stephens (appointed September 2012) M Hunter (retired September 2012) I Knox M Lazzeri C Marsh (appointed September 2012) M Steele P Voysey (retired September 2012)
<b>Company Secretary</b>	G T Gray Stephens
<b>Accountants</b>	T P Wright CA 396 Elphin By Lairg Sutherland IV27 4HH
<b>Solicitors</b>	Burness LLP 120 Bothwell Street Glasgow G2 7JL
<b>Bankers</b>	The Co-operative Bank plc 1 Balloon Street Manchester M60 4EP

# The Community Woodlands Association

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## Report of the Directors for the year ended 31 March 2013

### 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 25<sup>th</sup> October 2003, and is registered as a charity with the Office of the Scottish Charity Regulator. 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 which highlight new initiatives, relevant policy information and forthcoming events.

### Achievements and Performance

The year to March 2013 was an interesting one for British forestry, with the future of FC England the subject of a report by the Independent Panel on Forestry and the rapid spread of *Chalara fraxinea* making the headlines. In Scotland there was promising news for the community sector, with the launch of a new Scottish Land Fund, a long awaited review of the Land Reform Act and the on-going development of a Community Empowerment and Renewal Bill: CWA is engaging with all these processes to ensure that their potential to assist the sector is maximised.

The global economic situation continues to apply pressure to budgets, grants and contracts, and 2012-13 was another difficult year in which we were 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, offering specialist advice and support on all aspects of woodland management and governance.

# The Community Woodlands Association

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## Report of the Directors for the year ended 31 March 2013

### Achievements and Performance (continued)

Skills training remains a key focus of activity, with CWA's modus operandi being to support groups to organise and deliver their own training wherever possible. During the year we ran no less than 23 training events through our Knowledge Share and Skills Development Programme (funded by the SRDP Skills Development Scheme, and The Robertson Trust). Topics ranged from Greenwood working and Woodfuel processor operation to Governance training and Mountain bike trail construction, and these events attracted a total of 379 participants.

Our 2 year Employability Services project, funded by the Highland Council and the Highland LEADER programme, which employed 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, came to an end in August 2012, but we were very pleased to be able to develop this work through a new 16-month project "Enterprising Woods", funded by Highland LEADER and Awards for All. As the name suggests the project seeks to support member groups to earn income from their woodlands, and has three main strands: wood products development, food growing, and health projects in woodlands.

The CWA annual conference is always a highlight of the year's activity. In 2012 this was held at the Tweed Horizons Centre in Newton St Boswells, in the Borders, and timed to coincide with the 25-year anniversary celebrations at Wooplaw Community Woodland, Scotland's first community land buyout. Delegates from community woodlands across Scotland gathered for an educational and inspirational weekend of presentations, workshops, site-visits to Wooplaw and the Saturday evening ceilidh.

CWA Membership continues to grow and has now reached 243. We have 142 community woodland groups members, including "umbrellas" who represent a further 30 community groups. We also have 14 Associate members and 87 individual members. During the year 60% of the current membership received training or support, whilst a number of non-members and potential community woodland groups were also assisted.

An important aspect of CWA work is assisting 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. Unfortunately the SRDP Forestry Challenge Funds closed unexpectedly early, and with the various LEADER programmes winding down, funding options for groups have been limited. CWA is engaging with the development of the new SRDP programmes, and we are seeking to ensure that these have both the necessary coverage to support groups' activities and are administered with less onerous reporting and monitoring conditions. We were pleased with the continued availability of FCS's Community Seedcorn funds which have proved a very useful and accessible source of funds for many groups.

We communicate with our members through a variety of old and new media. 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. The CWA monthly e-bulletin remains an essential reference for training courses, funding, and general news, and is complemented by news from the sector contained in the quarterly e-newsletter. 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.

# The Community Woodlands Association

## Report of the Directors for the year ended 31 March 2013

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### Financial review

The accounts report a net surplus for the year of £573, comprising a deficit of £276 on unrestricted funds and a surplus of £849 on restricted funds (2012 – £11,493 deficit, comprising a deficit of £6,734 on unrestricted funds and a deficit of £4,759 on restricted funds).

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  
Chair of Board of Directors

Date: 24 August 2013

# The Community Woodlands Association

## Report of the Independent Examiners to the Trustees for the year ended 31 March 2013

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I report on the accounts of the charity for the year ended 31 March 2013 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            24 August 2013

# The Community Woodlands Association

## Statement of financial activities

Year ended 31 March 2013

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
<b>Incoming resources</b>					
<i><b>From generated funds</b></i>					
Voluntary income	2	3,180	144,108	147,288	135,664
Investment income	3	38	-	38	47
<i><b>From charitable activities:</b></i>	4	3,000	-	3,000	8,200
<b>Total incoming resources</b>		6,218	144,108	150,326	143,911
<b>Resources expended</b>					
<i><b>Costs of generating voluntary income</b></i>					
Charitable activities	5	-	148,589	148,589	151,774
Governance costs	6	1,164	-	1,164	3,630
<b>Total resources expended</b>		1,164	148,589	149,753	155,404
<b>Net incoming/outgoing resources before transfers</b>					
		5,054	(4,481)	573	(11,493)
<b>Transfers</b>					
		(5,330)	5,330	-	-
<b>Net movement in funds after transfers</b>					
		(276)	849	573	(11,493)
Total funds brought forward	13	24,514	10,931	35,445	46,938
<b>Total funds carried forward</b>	13	24,238	11,780	36,018	35,445

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 2013

	Notes	£	2013 £	£	2012 £
<b>Fixed Assets</b>					
Tangible assets	9		1,138		1,527
Investments	10		100		100
			<u>1,238</u>		<u>1,627</u>
<b>Current assets</b>					
Debtors	11	21,988		20,670	
Cash at bank and in hand		29,557		28,384	
		<u>51,545</u>		<u>49,054</u>	
<b>Creditors: falling due within one year</b>	12	16,765		15,236	
<b>Net Current Assets</b>			34,780		33,818
<b>Total Net Assets</b>			<u>36,018</u>		<u>35,445</u>
<b>Represented by:</b>					
Restricted income funds	13		11,780		10,931
Unrestricted income funds	13		24,238		24,514
<b>Total funds</b>			<u>36,018</u>		<u>35,445</u>

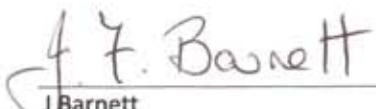
The directors are satisfied that the company is entitled to exemption under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Act.

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.

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board and signed on its behalf on 24 August 2013

  
 J Barnett  
 Director and Treasurer

Company registration number SC275097

# The Community Woodlands Association

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## Notes to the financial statements

Year ended 31 March 2013

### 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 2013

### 2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
<b>Donations</b>				
Donations	378	-	378	60
<b>Grants etc</b>				
Transitional Core Project	-	50,500	50,500	48,570
Employability Services	-	13,550	13,550	51,120
Knowledge Share phase 2	-	49,580	49,580	30,231
Arts Seedcorn	-	-	-	600
Enterprising Woods	-	21,525	21,525	1,283
Forest Research Case Studies	-	4,925	4,925	-
HIE Training Event (Blarbuie)	-	4,028	4,028	-
Membership fees	2,802	-	2,802	3,800
	<u>3,180</u>	<u>144,108</u>	<u>147,288</u>	<u>135,664</u>
		Note 14		

### 3. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Bank interest receivable	38	-	38	47
	<u>38</u>	<u>-</u>	<u>38</u>	<u>47</u>

### 4. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Income from charitable activities	3,000	-	3,000	8,200
	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>8,200</u>

# The Community Woodlands Association

## Notes to the financial statements

Year ended 31 March 2013

### 5. Resources expended on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Charitable activities				
Wages and salaries	-	76,673	76,673	83,918
Employer's national insurance	-	6,877	6,877	8,025
Pension costs	-	3,473	3,473	3,781
Conference and training events costs	-	49,136	49,136	38,381
Travel and subsistence	-	7,150	7,150	9,589
Publicity, promotion and information provision	-	-	-	530
Depreciation	-	389	389	389
Sub-contractors	-	1,440	1,440	-
	-	145,138	145,138	144,613
Support costs				
Office administration and supplies	-	1,831	1,831	2,854
Insurance	-	961	961	1,781
Telephone	-	-	-	160
Training costs	-	-	-	1,170
Computer expenses	-	-	-	51
Sundry expenses	-	659	659	1,145
	-	3,451	3,451	7,161
Total	-	148,589	148,589	151,774

### 6. Governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Accountancy fees	750	-	750	2,250
Directors' expenses	414	-	414	1,380
	1,164	-	1,164	3,630

# The Community Woodlands Association

## Notes to the financial statements

Year ended 31 March 2013

### 7. Staff costs and emoluments

	2013	2012
	£	£
Wages and salaries	76,673	83,918
Employer's national insurance	6,877	8,025
Pension costs	3,473	3,781
	<u>87,023</u>	<u>95,724</u>

### Particulars of employees

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

	2013	2012
Directors / trustees	8	8
Staff	3	3
	<u>11</u>	<u>11</u>

No employee received emoluments of more than £60,000 in the year (2012 - Nil).

### 8. Directors remuneration and expenses

None of the directors (or any persons connected with them) received any remuneration during the year (2012 - nil). Total directors' expenses amounting to £414 were paid (2012 - £1,380).

### 9. Tangible fixed assets

	Plant and machinery £	Office equipment fittings etc £	Total £
<b>Cost</b>			
At 1 April 2012	248	3,192	3,440
At 31 March 2013	<u>248</u>	<u>3,192</u>	<u>3,440</u>
<b>Depreciation</b>			
At 1 April 2012	167	1,746	1,913
Charge for year	28	361	389
At 31 March 2013	<u>195</u>	<u>2,107</u>	<u>2,302</u>
<b>Net Book Value</b>			
At 31 March 2013	<u>53</u>	<u>1,085</u>	<u>1,138</u>
At 31 March 2012	<u>81</u>	<u>1,446</u>	<u>1,527</u>

# The Community Woodlands Association

## Notes to the financial statements

Year ended 31 March 2013

### 10. Investments

Unlisted investments (unrestricted fund)

	2013	2012
<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 2013.

### 11. Debtors: falling due within one year

	2013	2012
	£	£
Sundry debtors and prepayments	21,988	20,670
	<u>21,988</u>	<u>20,670</u>

### 12. Creditors: falling due within one year

	2013	2012
	£	£
Sundry creditors and accruals	16,765	15,236
	<u>16,765</u>	<u>15,236</u>

# The Community Woodlands Association

## Notes to the financial statements

Year ended 31 March 2013

### 13. Reserves

	At 01/04/12 £	Income £	Expenditure £	Transfers £	At 31/03/13 £
<b>Restricted funds</b>					
Transitional Core Project	-	50,500	(73,299)	22,799	-
Employability Services	11,088	13,550	(17,310)	(7,328)	-
Knowledge Share phase 2	(157)	49,580	(34,060)	(8,477)	6,886
Enterprising Woods	-	21,525	(19,452)	2,821	4,894
Forest Research Case Studies	-	4,925	(1,440)	(3,485)	-
HIE Training Event (Blarbuie)	-	4,028	(3,028)	(1,000)	-
	<u>10,931</u>	<u>144,108</u>	<u>(148,589)</u>	<u>5,330</u>	<u>11,780</u>
<b>Unrestricted funds</b>					
Accumulated unrestricted fund	24,514	6,218	(1,164)	(5,330)	24,238
	<u>24,514</u>	<u>6,218</u>	<u>(1,164)</u>	<u>(5,330)</u>	<u>24,238</u>
<b>Total reserves</b>	<u>35,445</u>	<u>150,326</u>	<u>(149,753)</u>	<u>-</u>	<u>36,018</u>

### Represented by:

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Fixed assets	-	1,138	1,138	1,527
Investments	100	-	100	100
Current assets	27,138	24,407	51,545	49,054
Creditors: falling due within one year	(3,000)	(13,765)	(16,765)	(15,236)
Total funds	<u>24,238</u>	<u>11,780</u>	<u>36,018</u>	<u>35,445</u>

# The Community Woodlands Association

## Notes to the financial statements

Year ended 31 March 2013

### 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	
Forestry Commission Scotland	20,000
Private donation	30,000
Delegate fees	500
	<u>50,500</u>
Employability Services	
Highland LEADER	<u>13,550</u>
Knowledge Share phase 2	
Scottish Government SRDP Skills Development Scheme	34,595
The Robertson Trust	10,000
Forestry Commission Scotland	3,000
Highlands & Islands Enterprise	1,985
	<u>49,580</u>
Enterprising Woods	
Highland LEADER	10,950
Awards for All	8,375
Forestry Commission Scotland	2,200
	<u>21,525</u>
Forest Research Case Studies	
Forest Research	<u>4,925</u>
HIE Training Event (Blarbuie)	
Highlands & Islands Enterprise	<u>4,028</u>
Total	<u><u>144,108</u></u>

### 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.