

Charity Number: SC038374
Company number: SC275097

The Community Woodlands Association

Directors' Report and Financial Statements

Year ended 31 March 2017

The Community Woodlands Association

Contents of the Financial Statements *for the year ended 31 March 2017*

	Page
Report of the Directors	1 - 4
Report of the Independent Examiner	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 – 14

The Community Woodlands Association

Report of the Directors for the year ended 31 March 2017

The Directors are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2017.

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 J Barnett (retired 2 October 2016)
R Borruso
A Calvert (retired 2 October 2016)
D Campbell (retired 2 October 2016)
F Corcoran (appointed 2 November 2016)
G Gray Stephens
I Hepburn
A Lawrence
N Lowthrop
A Macleod (retired 2 October 2016)
C Marsh (retired 1 July 2016)
S Mason (appointed 2 October 2016, retired 4 January 2017)
P Noble (appointed 3 November 2016)
J Rosegrant

Company Secretary G T Gray Stephens

Accountants T P Wright
Chartered Accountant
396 Elphin, By Lairg
Sutherland, IV27 4HH

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 2017

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 2004, 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 2017 saw a number of positive developments for CWA and the community woodland sector, with a notable upsurge in interest in asset transfer as the provisions of the Community Empowerment (Scotland) Act 2015 came into force. We were very pleased to welcome Chris Marsh, our new Community Woodland Officer to the team in July 2016. Chris brings a wealth of forestry and community experience which has been invaluable when advising communities on forest management and supporting groups as part of the UK-wide 3-year Lottery-funded "Making Local Woods Work" project which is assisting eleven Scottish groups to grow as social enterprises.

The sector faces some longer term challenges, not least as a result of the EU referendum, which has created considerable uncertainty regarding the long term future of rural policy and support post-Brexit. The development of the Forestry and Land Management (Scotland) Bill, which will introduce new administrative arrangements for forestry in Scotland, could also have profound implications for our sector. CWA has been engaging in various policy debates and forums to ensure that the benefits and interests of

The Community Woodlands Association

Report of the Directors for the year ended 31 March 2017

Achievements and Performance (continued)

community woodlands are fully appreciated and considered in the design of future policy and support mechanisms.

Forestry Commission Scotland remains our primary funder; we are grateful for their continued support which together with memberships and earned income from consultancy, enables continuity of CWA member services, offering specialist advice and support on all aspects of woodland management and governance. We continue to work to ensure that community woodland groups are aware of the funding opportunities available, most notably through Forestry Commission Scotland's Community Fund, the Scottish Land Fund and the new Forestry Grants Scheme.

One of CWA's key roles is to network the sector. Our annual conference was held in October at Horizon Scotland, Forres, with financial support from Making Local Woods Work, Forestry Commission Scotland and Highlands and Islands Enterprise. 86 delegates representing 42 community groups and a number of other agencies and NGOs gathered for what proved to be an inspirational weekend, featuring networking, presentations and workshops and site-visits to Sanquhar Woods (Forres Community Woodland Trust), Wilkies Wood (Findhorn Hinterland Trust) and Darnaway Forest (Moray Estates). We also delivered two networking and training events in Argyll, supported by Forestry Commission Scotland and a seminar on hutting under contract with Highlands and Islands Enterprise.

We were very pleased to welcome 9 new member community groups during the year, as well as 15 new individual members. The CWA membership includes 153 community woodland groups directly, with a further 30 groups represented by "Umbrellas", as well as over 100 individual and Associate members. During the year over half of the current membership received direct support on a wide range of topics, whilst several new and emerging community woodland groups were assisted.

We communicate with our membership and the wider world through a mix of new and old media: our quarterly e-newsletter contains illustrated news from our members and our monthly e-bulletin is an essential reference for news, jobs, funding, events and training courses. The members' e-group remains a valuable source of knowledge and information, whilst our Facebook page (1,200+ likes) and Twitter feed (1300+ followers) take the community woodland message to an ever-expanding audience.

We are a small organisation with limited resources, but with an increasingly significant role: we look to maximise our impact by working with other community sector organisations in the Scottish Community Alliance and by promoting our members' achievements e.g. through the Scotland's Finest Woods Awards.

Future plans

CWA's priorities for 2017-18 are to enhance the provision and delivery of services to member groups and to secure the financial sustainability of the organisation.

We will continue and seek to extend our participation in the Making Local Woods Work project, develop our provision of consultancy services and investigate innovative proposals to diversify future income streams.

The Community Woodlands Association

Report of the Directors for the year ended 31 March 2017

Financial review

The results for the year are set out in the following financial statements.

Substantial unrestricted reserves are necessary for management of cash flow 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

J Rosegrant
Chair of Board of Directors

Date: 20 October 2017

The Community Woodlands Association

Report of the Independent Examiners to the Trustees *for the year ended 31 March 2017*

I report on the accounts of the charity for the year ended 31 March 2017 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 20 October 2017

The Community Woodlands Association

Statement of financial activities

Year ended 31 March 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Incoming resources					
<i>From generated funds</i>					
Voluntary income	2	4,720	56,476	61,196	72,611
Investment income	3	1,552	-	1,552	109
<i>From charitable activities:</i>	4	21,776	-	21,776	3,715
Total incoming resources		28,048	56,476	84,524	76,435
Resources expended					
<i>Costs of generating voluntary income</i>					
Charitable activities	5	3,374	70,801	74,175	75,989
Governance costs	6	4,215	-	4,215	3,249
Total resources expended		7,589	70,801	78,390	79,238
Net incoming/outgoing resources before transfers					
		20,459	(14,325)	6,134	(2,803)
Transfers					
		(19,516)	19,516	-	-
Net movement in funds after transfers					
		942	5,192	6,134	(2,803)
Total funds brought forward	13	23,454	-	23,454	26,257
Total funds carried forward	13	24,396	5,192	29,588	23,454

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 2017

	Notes	£	2017 £	2016 £
Fixed Assets				
Tangible assets	9		461	578
Investments	10		100	100
			<u>561</u>	<u>678</u>
Current assets				
Debtors	11	8,780	2,560	
Cash at bank and in hand		26,639	38,459	
		<u>35,419</u>	<u>41,019</u>	
Creditors: falling due within one year	12	6,392	18,243	
Net Current Assets			<u>29,027</u>	<u>22,776</u>
Total Net Assets			<u><u>29,588</u></u>	<u><u>23,454</u></u>
Represented by:				
Restricted income funds	13		5,192	-
Unrestricted income funds	13		24,396	23,454
Total funds			<u><u>29,588</u></u>	<u><u>23,454</u></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 20 October 2017

I Hepburn
Director and Treasurer

Company registration number SC275097

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2017

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

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 2017

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Donations				
Donations	1,216	-	1,216	1,330
Grants etc				
Main Core Project	-	35,000	35,000	35,000
HIE Training and woodland products	-	2,193	2,193	6,613
CWA Conference 2015	-	-	-	6,885
CWA Conference 2016	-	9,937	9,937	-
"A Wood of Our Own" networking	-	3,196	3,196	2,957
Branching out Argyll	-	-	-	4,950
Renewables co-operative research	-	-	-	11,937
Plean (Stirling) - options appraisal	-	3,150	3,150	-
Economic Scoping Project	-	3,000	3,000	-
Membership fees	3,504	-	3,504	2,939
	<u>4,720</u>	<u>56,476</u>	<u>61,196</u>	<u>72,611</u>
		Note 14		

3. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Bank interest receivable	2	-	2	9
Gift aid from subsidiary	1,550	-	1,550	100
	<u>1,552</u>	<u>-</u>	<u>1,552</u>	<u>109</u>

4. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Income from charitable activities	21,776	-	21,776	3,715
	<u>21,776</u>	<u>-</u>	<u>21,776</u>	<u>3,715</u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2017

5. Resources expended on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Charitable activities				
Wages and salaries	-	48,516	48,516	41,512
Employer's national insurance	-	998	998	1,327
Pension costs	-	2,213	2,213	1,716
Conference and training events costs	1,654	11,447	13,101	12,704
Travel and subsistence	1,721	4,788	6,509	3,610
Consultancy	-	-	-	11,937
Depreciation	-	117	117	146
	<u>3,374</u>	<u>68,080</u>	<u>71,454</u>	<u>72,952</u>
Support costs				
Office administration and supplies	-	1,088	1,088	1,319
Insurance	-	1,035	1,035	998
Training costs	-	-	-	105
Recruitment costs	-	403	403	-
Sundry expenses	-	195	195	615
	<u>-</u>	<u>2,721</u>	<u>2,721</u>	<u>3,037</u>
Total	<u>3,374</u>	<u>70,801</u>	<u>74,175</u>	<u>75,989</u>

6. Governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Accountancy fees	1,000	-	1,000	1,000
Directors' meeting and travel expenses	3,215	-	3,215	2,249
	<u>4,215</u>	<u>-</u>	<u>4,215</u>	<u>3,249</u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2017

7. Staff costs and emoluments

	2017 £	2016 £
Wages and salaries	48,516	41,512
Employer's national insurance	998	1,327
Pension costs	2,213	1,716
	<u>51,727</u>	<u>44,555</u>

Particulars of employees

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

	2017	2016
Directors / trustees	11	11
Staff	2	2
	<u>13</u>	<u>13</u>

No employee received emoluments of more than £60,000 in the year (2016 - Nil).

8. Directors remuneration and expenses

None of the directors (or any persons connected with them) received any remuneration during the year (2016 - nil). Total directors' and meeting expenses amounting to £3,215 were paid (2016 - £2,249).

9. Tangible fixed assets

	Plant and machinery £	Office equipment fittings etc £	Total £
Cost			
At 1 April 2016	248	3,192	3,440
At 31 March 2017	<u>248</u>	<u>3,192</u>	<u>3,440</u>
Depreciation			
At 1 April 2016	227	2,635	2,862
Charge for year	6	111	117
At 31 March 2017	<u>233</u>	<u>2,746</u>	<u>2,979</u>
Net Book Value			
At 31 March 2017	<u>15</u>	<u>446</u>	<u>461</u>
At 31 March 2016	<u>21</u>	<u>557</u>	<u>578</u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2017

10. Investments

Unlisted investments (unrestricted fund)

	2017	2016
<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 made a profit of £1,550 during the year ended 31 March 2017, gift-aided to the parent-company charity and recorded as investment income in the Statement of Financial Activities.

11. Debtors: falling due within one year

	2017	2016
	£	£
Sundry debtors and prepayments	8,780	2,560
	<u>8,780</u>	<u>2,560</u>

12. Creditors: falling due within one year

	2017	2016
	£	£
Sundry creditors and accruals	6,392	18,243
	<u>6,392</u>	<u>18,243</u>

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2017

13. Reserves

	At 01/04/16	Income	Expenditure	Transfers	At 31/03/17
	£	£	£	£	£
Restricted funds					
Main Core Project	-	35,000	(58,425)	23,425	-
HIE Training and woodland products	-	2,193	(1,477)	(716)	-
CWA Conference 2016	-	9,937	(9,494)	(443)	-
"A Wood of Our Own" networking	-	3,196	(446)	(2,750)	-
Plean (Stirling) - options appraisal	-	3,150	(958)	-	2,192
Economic Scoping Project	-	3,000	-	-	3,000
	-	56,476	(70,800)	19,516	5,192
Unrestricted funds					
Accumulated unrestricted fund	23,454	28,048	(7,589)	(19,516)	24,396
	23,454	28,048	(7,589)	(19,516)	24,396
Total reserves	23,454	84,524	(78,390)	-	29,588

Represented by:

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2017	2016
	£	£	£	£
Fixed assets	-	461	461	578
Investments	100	-	100	100
Current assets	25,296	10,123	35,419	41,019
Creditors: falling due within one year	(1,000)	(5,392)	(6,392)	(18,243)
Total funds	24,396	5,192	29,588	23,454

The Community Woodlands Association

Notes to the financial statements

Year ended 31 March 2017

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

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

	£
Main Core Project	
Forestry Commission Scotland	35,000
HIE Training and woodland products	
Highlands and Islands Enterprise	2,193
CWA Conference 2016	
Forestry Commission Scotland	3,000
Highlands and Islands Enterprise	2,000
Making Local Woods Work	3,000
Delegate fees	1,937
	9,937
"A Wood of Our Own" networking	
Forestry Commission Scotland	3,196
Plean (Stirling) - options appraisal	
Forestry Commission Scotland	3,150
Economic Scoping Project	
Forestry Commission Scotland	3,000
Total	56,476

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.