

COMMUNITY FOREST TRUST

(A Company Limited by Guarantee)

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st March 2014**

Company Registration No. 3598556

Registered Charity No. 1072706

Booth Ainsworth LLP Alpha House 4 Greek Street Stockport Cheshire

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LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER: 1072706

REGISTERED COMPANY NO 3598556

REGISTERED OFFICE 6 Kansas Avenue
Salford
M50 2GL

TRUSTEES/DIRECTORS Mr D Antrobus
Mrs C Beyga
Mr M P Boyett
Mrs S M Carson
Mr S Connor
Mr B D Crouch
Mr S B Falder
Ms H Hampton
Mr P Killeen
Mr H Matthewson
Prof. J Moverley
Prof. D P Shaw
Prof. A Simson
Mr I M Taylor

MAIN BANKERS Triodos Bank NV
Deanery Road
Bristol
BS1 5AS

AUDITORS Booth Ainsworth LLP
Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB

The Community Forest Trust's Vision, Mission, Values, Objectives and 5-year targets

Vision

Our Vision is to achieve green regeneration, underpinning sustainable, social and economic development.

Mission

Our mission is to promote and support the development of community forestry and green infrastructure within England.

Values

- *Evangelical about the Forests*
- *Passionate about green infrastructure*
- *Open, inclusive and co-operative*
- *'Down to Earth' and business-like*
- *Enjoyment*

Objectives

- *Support Community Forests and local forestry initiatives where CFT can add value through facilitating best practice*
- *Be a national voice for Community Forestry and actively promote Community Forests and Green Infrastructure*
- *Seek sustainable funding arrangements through seizing opportunities to develop new partnerships as well as consolidating existing ones and be responsive to new opportunities*
- *Take a leading role in advancing debate, policy and practice in Community Forestry and Green Infrastructure in England.*

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2014

INTRODUCTION

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ended 31st March 2014 under the Companies Act 2006 and the Charities Act 1993, together with the audited financial statements for that year. The financial statements comply with the Companies Act 2011, the Charities Governing Document and the relevant Statements of Recommended Practice (The Charities SORP 2005).

REFERENCE AND ADMINISTRATIVE INFORMATION

Community Forest Trust is a registered charity (No: 1072706) and company (No: 3598556) limited by membership guarantee. Its registered office is shown on the company information sheet.

The Trustees, who are also Directors for the purpose of company law, who served during the year, were:

Mr D Antrobus
Mrs C Beyga (appointed 20th Feb 2014)
Mr M P Boyett
Mrs S M Carson
Mr S Connor
Mr B D Crouch
Mr S B Falder
Ms H Hampton
Mr P Killeen
Mr H Matthewson
Prof J Moverley
Prof D P Shaw
Mr I M Taylor

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Bodies & Governing Document

The charity is managed by a Board of Trustees who are also Directors of the Company. The Board meets approximately four times a year and one meeting includes the AGM. The Company Secretary is appointed by the Trustees to manage the day to day running of the Trust with the support of the Director of The Mersey Forest. To facilitate effective operations, the Company Secretary and the Director of The Mersey Forest have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and project development and delivery.

The Community Forest Trust is governed by its Memorandum and Articles of Association originally dated 15th July 1998 with latest amendment dated 22nd May 2013.

Structure and Governing Documents

A subsidiary trading company, Community Forest Trust (Trading) Limited was set up and incorporated on 29th October 2012 with an unpaid share capital allotted of £1. The holder of this share is Community Forest Trust. The Company number is 8272345. The Trustees, who are also Directors for the purpose of company law, all appointed on 29th October 2012 and who served during the year, were:

Mr A Hothersall
Mr P Nolan
Mr I Taylor

Community Forest Trust (Trading) Limited has remained dormant since its incorporation to 31st March 2014.

A second subsidiary organisation - Community Forest Land Trust Limited was set up as a company limited by guarantee on 29th October 2013. Community Forest Trust is the sole member. Charitable status was applied for and granted on 28th February 2014. The Company number is 8752839 and Charity number is 1155979. The Trustees, who are also Directors for the purpose of company law, all appointed on 29th October 2013 and who served during the 4 month period to 31st March 2014, were:

Mr A Hothersall
Mr P Nolan
Mr I Taylor

Community Forest Land Trust Limited commenced financial activities in March 2014 and the first period of accounts is to 31st March 2014.

A third subsidiary organisation – Mersey Forest Foundation was set up as a company limited by guarantee on 30th July 2014. Community Forest Trust is the sole member. Charitable status is currently being applied for. The Company number is 9153749. The Trustees, who are also Directors for the purpose of company law, all appointed on 30th July 2014 are:

Mr A Hothersall
Mr P Nolan
Mr I Taylor

Recruitment and Training of Trustees

Prospective Trustees are recruited to ensure that the Board of Trustees has the requisite range of experience and skills to effectively manage the Trust. There is currently no formal procedure for the induction and training of trustees.

RISK MANAGEMENT

The monitoring and management of risk is a dynamic process and the Trust faces some level of risk in the activities, events and contracts that it engages in. The Trust has reviewed its risk management procedures and the following is a brief outline of the classification and examples of risks that the Trust has identified:

1. Governance risks - eg inappropriate organisational structure, difficulties recruiting trustees with relevant skills, conflict of interest;
2. Operational risks - eg service quality and development, contract pricing, employment issues; health and safety issues; fraud and misappropriation;
3. Financial risks - eg accuracy and timeliness of financial information, adequacy of reserves and cash flow, diversity of income sources, investment management;
4. External risks - eg public perception and adverse publicity, demographic changes, government policy;
5. Compliance with law and regulation - eg breach of trust law, employment law, and regulatory requirements of particular activities such as fund-raising or the running of care facilities.

The Trust's review of its risk management will continue to help to ensure:

- the charity's aims are achieved more effectively;
- significant risks are known and monitored enabling trustees to make a more effective contribution; and
- there is improved forward planning

OBJECTS, MISSION, VISION AND ACTIVITIES

The primary objective of the Charity as laid out in its Memorandum and Articles of Association is to promote for the benefit of the public generally any charitable purpose within the North West of England and beyond connected with the enhancement and improvement, maintenance and protection of the environment and landscape.

Our activities are reported against the additional Objects of the Charity as laid out in its Memorandum and Articles of Association.

Community Forest Trust (Trading) Limited has the following primary objective:

The company is to have unlimited capacity under section 31 of the Companies Act 2006. Notwithstanding the generality of this provision and for the avoidance of doubt the company's objects include carrying on business as a general commercial company to raise funds including donating with the benefit of gift aid any profits and carry out any other activities which may be considered to be for the benefit of the charity.

The primary objective of the subsidiary charity Community Forest Land Trust Limited as laid out in its Memorandum and Articles of Association is to promote for the benefit of the public generally any charitable purpose within the North West of England or elsewhere as the Trustees shall determine connected with the enhancement and improvement, maintenance and protection of the environment and landscape.

Community Forest Trust's Mission and Objectives

Our mission is to promote and support the development of community forestry and green infrastructure within England

Objectives of the Community Forest Trust are to:

- Support Community Forests and local forestry initiatives where CFT can add value through facilitating best practice
- Be a national voice for community forestry and actively promote Community Forests and green infrastructure
- Seek sustainable funding arrangements through seizing opportunities to develop new partnerships as well as consolidating existing ones and be responsive to new opportunities
- Take a leading role in advancing debate, policy and practice in community forestry and green infrastructure in England

OBJECTIVE - Support Community Forests and local forestry initiatives where CFT can add value through facilitating best practice

During the year CFT supported the delivery of The Mersey Forest, Red Rose Forest, Pennine Edge Forest and the Forest of Mercia. CFT also agreed to take over the mantle from Lancashire County Council for the Lancashire Woodlands Project from 1st April 2014 and support the delivery of Green Streets in the White Rose Forest. The following activities took place in partnership with initiatives to support this objective;

Green Infrastructure Planning

Red Rose Forest and The Mersey Forest have continued to work with local authorities and other partners to help them effectively plan Green Infrastructure (GI). Through our GI planning service we're helping to increase understanding of what environmental assets we have, what benefits they bring and how they can be better targeted to maximise their benefits.

Red Rose Forest continued to develop the Trafford Forest Plan -'broad-brush' green infrastructure plan for the borough, and began using its findings to inform GI Opportunity Mapping as part of Trafford's Local Development Framework.

Red Rose Forest and The Mersey Forest worked with MD2 consultants to produce a Green Infrastructure Plan for Stockport Town Centre.

The Liverpool City Region and Warrington Green Infrastructure Framework was launched in December 2013. This for the first time provides an inventory and analysis of green infrastructure assets across the city region and Warrington. The Framework now forms a core element of the Local Nature Partnership's Action Plan. The information is being used to help develop new projects and programmes, including work to develop a programme linked to the new European Structural and Investment Funds.

The Mersey Forest continues to develop the water management aspect of green infrastructure planning. Working with the Center for Watershed Management in the USA,

the team have developed the “Urban Catchment Forestry Prospectus”, this is being used as the basis for discussions with a wide range of organisations about how urban trees can play a role in helping to manage water in our towns and cities in terms of both water quality and quantity.

Creating and Managing Woodland

Planting new areas of woodland is a major part of the Forests’ work. During the last two decades we’ve created many new woodlands in partnership with local people for them to use and enjoy. And this year has been no exception.

During the year Red Rose Forest planted over 10,000 woodland trees at over 15 sites. Much of our work this year has been supported by the government’s Big Tree Plant initiative, which aims to plant one million trees in UK towns and cities over four years. Red Rose Forest has been allocated £185,000 of Big Tree Plant funding over four years and aims to plant over 30,000 trees within that time. 2013/14 was the third year of delivery and we are well on course to meet our target.

Red Rose Forest also worked in partnership with Trees for Cities to plant over 2,000 trees at Eeas Brook in Urmston, Trafford as part of their Big Tree Plant commitments.

Projects in the forests have ranged from nurseries, schools and colleges, community gardens, fire stations, parks, resident associations, training centres, sports facilities, woodland extension planting, hospitals, street trees, allotments, and individual planting schemes.

In the Mersey Forest area over 12,000 people were involved in planting more than 20,000 trees in the past year. A large number of large street trees were planted, mainly through the Setting the Scene for Growth, Local Sustainable Transport Fund and ForeStClim programmes. In one area where planting was linked to a programme of active travel promotion, cycling to work has doubled along the tree lined routes.

Through its MORE Woods project, this year both Forests’ woodland creation work also received fantastic support from the Woodland Trust.

Woodland management activities have been carried out in Princes Spinney in Wythenshawe working with the local community and students from the University of Manchester.

Woodland management activities across the Mersey Forest included the 5000t of timber extracted from Sefton Coast Woodlands, with the Mersey Forest Team managing the contract and coordinating activity across several land ownerships.

Community Forest Trust staff member Dr Susannah Gill was awarded the “European Young Urban Forester” award, by the European Forum on Urban Forestry in recognition of her contribution to promoting urban forestry as a key response to projected climate change.

Tree Audits

The Red Rose Forest team has been carrying out tree audits for a number of years across Greater Manchester on behalf of landowners and local authorities. Tree audits map trees in an area and identify how they relate to environmental, social and economic factors. They help us to understand the tremendous asset that trees are, and to prioritise new tree planting and tree management action.

In 2013/14 Red Rose Forest continued to develop the Greater Manchester Tree Audit which is a huge dataset, probably the most extensive and detailed in the UK, that identifies the location, canopy and height of trees and woodlands across Greater

Manchester. This information will be an important tool to help deal with the future challenges that tree pests and diseases, such as ash die back, will bring.

Green Streets – Greater Manchester

Our excellent joint working in Greater Manchester with waste management specialists Viridor has continued for a fourth year with the planting of 13 street trees as part of the Viridor Street Trees project. Eight were planted close to the Heinz factory in the Kitt Green area of Wigan, and a further 5 were planted outside of Viridor's Northern Regional Office in Bolton. This was the first time that the Green Streets Team has planted trees on the pavement in Bolton.

A planting project in the vicinity of the Christie Hospital will see 11 trees planted along Wilmslow Road, this will be delivered in 2014/15. This project will build on the previous excellent work we've done in partnership with Viridor to deliver street trees around the places where it operates.

Working with Manchester City Council, CityCo and local residents group "A New Leaf" 11 beautiful Ginkgo trees were planted in large volume tree pits with permeable surfaces to increase water and oxygen flows to the underlying root zones. The permeable surfaces also provided a surface water management function. Also an innovative green roof was installed on the former toilets. The project was funded by Manchester City Council, local businesses and a very successful Crowdfunding campaign. In October 2013 the project received a Silver award from the RHS North West in Bloom competition.

The Green Streets Team also worked in partnership with London based charity Trees for Cities on two 'local food' projects. The Team worked with children from Wentworth High School in Eccles to create food growing areas within the school grounds and develop the children's and teachers' skills in relation to growing food from seed, harvesting, cooking and even wild food foraging. The project enabled the school to establish a gardening club and has resulted in improvements to certain pupil's behaviour that had previously been considered problematic.

The second food growing project saw the team work with Thames Primary School in Blackpool. This was the first time that RRF's Green Streets team had worked outside of Greater Manchester and the initiative saw the transformation of the school grounds with no greenery and large areas of tarmac into a green, vibrant food growing site with every child in the school (over 500) involved in some capacity.

Other Green Streets Projects: In March 2014 the team worked with Manchester Environmental Education Network (MEEN) to create Forest gardens within 2 Primary School grounds in East Manchester, at Old Hall Primary School and St Anne's Primary. Every child from each of the schools was involved in planting trees, bushes, vegetables and herbs, meaning just short of 1,000 children were engaged in over 3 days of planting!

Setting the Scene for Growth (SSFG) and Access to Nature in Red Rose Forest

The Access to Nature project was successfully completed in September 2013. In the Red Rose Forest area there were a total of 2,826 participants in **activities** at Nutsford Vale in Manchester and The Meadows in Salford, with over 300 participants attending more than 3 events. Highlights in the year included; a family celebration

event on The Meadows in June 2013 that attracted over 500 people – double the attendance the year before; events on Nutsford Vale during refugee week in June 2013 and work with a variety of different groups to communicate the message of asylum, home, community and friendship through engaging with nature; after-school clubs for children and young people working with a local artist to create a wooden sculpture for The Meadows, and activities during the school holidays like Easter themed activities.

The final evaluation report for the project was highly commended by the funders, Natural England, as an excellent review of a well run project.

Access to Nature in The Mersey Forest

In the Mersey Forest, 1,724 people (target 1250) were new first time visitors (44% of total) to woodlands and have been recorded through a wide range of events, activities and programmes. Of these new visitors, 386 (22%) of the new visitors have become repeat users (4 times within a year, target 300), of the remaining 78% these too may have been revisiting the sites although we have no way of recording this.

In The Mersey Forest over the 3 years a total of 3,952 people were engaged in access to nature through the project. Two family focussed events were held attracting a combined total of over 2100 visitors across the 2 events, 46% of whom had never visited the site before, they were a fantastic show case of two wonderful new woodlands, and feedback from attendees included comments that the activities were ones they could do themselves in any natural setting. Praise of the value and impact of the events was given by a wide range of people including local MPs, Councillors, Lord Mayors, local head teachers and many local residents.

A major target of the project was to involve young people outside school settings. The project in The Mersey Forest connected 1488 young people(target 200), outside of school time plus another 250 young people connected to school based projects with their local woodlands, which they were not using prior to the project. In total, on Mersey Forest sites, around 250 young people have had regular learning experiences (4 or more visits) in woodlands through Forest School sessions, via 5 local primary schools. These schools have been supported by the project to train up a member of staff as a Level 3 Forest School Leader and link with and develop a site close to their school.

Two schools, Willow Tree Primary and St Teresa's Primary, completed blocks of creative woodland art sessions at Griffin Wood, 40, year 5 pupils attended 4 sessions. Capturing the children's imagination through story telling and role playing was a really effective way to connect the children to the woodland and stimulate creative thinking. The children created homes for woodland elves and fairies using natural materials they found in the wood and new skills they learnt. These mini structures and gardens were left in situ for the regular users of the wood to find and wonder about the magical goings on.

Two groups from MIND St Helens came to Griffin Wood over a number of weeks, a men's group in the mornings and a women's group in the afternoon they undertook winter tree, wildflower ID, practical tasks such as tree management and walked around the site each session as therapy. The key outcome from the groups was better interaction within the group and increased confidence socially, their experience was positive enough for them to refer another diverse group - the Deafness Resource Centre for similar activities at the site.

Community Orchard Planting

Planting new orchards and creating food growing space in schools and on areas of shared community land has been a big part of our work once again this year. A number of projects have created a sustainable source of free local food for people to share, reducing food miles and bringing communities together.

Red Rose Forest previously secured funding from the Salford Health Improvement Service to complete a number of community orchards. In 2013/14 we continued to work with the local community and Health Improvement workers to develop a further two orchards at Irlam Community Fire Station and the newly created Ordsall Allotments. Thirty fruit trees, many of local and heritage varieties, were planted between February and March with members of the local community, the allotment and members of the fire service.

Big Tree Plant funding also enabled us to plant over 90 fruit trees and create 12 new orchards in Greater Manchester.

Meanwhile Food Growing Pilots

Two Meanwhile food growing projects are well underway in Wythenshawe and Beswick, these have been funded by INTERREG IV and Manchester City Council. Food growing has commenced on the Wythenshawe site and a polytunnel has also been installed there so that vegetables can be grown earlier and later in the season. Work on a third food growing site in Gorton will commence in Autumn 2014.

Greater Manchester Forest Network

The GM Forest Network brings together professionals working in the environmental, health, education and community development sectors. The network now has 300 members across the whole of Greater Manchester. Facilitated by Red Rose Forest, the network offers opportunities to come together and learn new skills, share best practice and discuss key issues with colleagues.

Network members also share news and information through an extremely popular email list. This year we've organised a number of training and skill share sessions covering everything from wildlife ID and orchards to woodland management and fruit tree pruning.

Crucially, at a time when many organisational budgets remain tight, the GM Forest Network continues to offer its members training and personal and professional development opportunities at low or no cost. Running alongside the network is the Greater Manchester Forest Schools Cluster Group, set up to promote the Forest School approach to play and learning across Greater Manchester. Accredited by the Forest Education Initiative, the Cluster Group has held four training sessions as well as a Forest School Seminar focused on forest schools techniques this year to spread the word among education professionals.

Greater Manchester Friends of the Forest

Friends of the Forest was set up in 2010 to bring together people who want to work with us to make Greater Manchester a greener and more pleasant place to live. We've been thrilled with the response. Now we have more than 1,000 Friends who we regularly keep in touch with via an email newsletter. We also continue to use our website www.redroseforest.co.uk to raise awareness of projects we're working on. And we send the best stories out to local press and radio/TV stations to keep them in the loop.

This year we secured more than 80 articles in publications including local newspapers and magazines. Many people regularly keep up to date with us via our Facebook fan

page and we now have more than 500 people following us on twitter. We also share photos and videos with our supporters via youtube and flickr.

Lightshaw Meadows

This project is a partnership between the Trust and Lancashire Wildlife Trust, with support provided by the Heritage Lottery Fund, the Environment Agency, the Forestry Commission, Natural England and Wigan Greenheart. Working together, we've transformed this mosaic of wetlands and open countryside in the Greenheart Regional Park to benefit people and wildlife. The funded phase of the project came to an end in September 2013 and a big Wildlife and Heritage celebration event took place at Pennington Flash Country Park in August 2013.

In order to explore the local history of the site we held a number of workshops including oral history recording where we collected stories from local people. Using material collected from the workshops we produced *Stories from the Flashes* – a memoir of life in Wigan and Leigh during its industrial era. A map *This is Greenheart* was also produced as a legacy to the project. The map leaflet highlights the locations of where to visit in Greenheart Regional Park.

Trafford Countryside Management Partnership

This partnership, which aims to involve a wide range of organisations in resourcing, managing and using Trafford's Countryside, is now in its second year. As well as many volunteer days on the 250ha of land the partnership is looking after, we have secured funding for access improvements at Urmston Meadows; begun work with a new private sector sponsor along the Trans Pennine Trail; and secured money for a pilot Willow Tit conservation project.

Landfill Communities Fund – INEOS Projects in The Mersey Forest

A number of projects were supported this year, through the Landfill Communities Fund via INEOS ChlorVinyls and Ineos Enterprises. Total funds awarded were £24,826.

The projects ranged from woodland management by Church Wood Conservation Group through thinning works, replanting, enhancement through bulb planting and improving access through re surfacing paths works at Church Wood, Whitegate.

Woodland creation took place at Widnes Tennis Centre for future forest school sessions – with a new willow dome to create temporary shelter until the woodland matures, new paths and seating.

A community growing for health project was developed at Brookvale Community Centre with creation of raised beds, with water butts and a composting area and training sessions at the centre for those to manage the area in the future.

A new community orchard was created - Shipbrook Orchard in the Dane Valley near Northwich, with willow art features, seating, new paths and fruit trees, to be managed by a local community group with the support of TCV.

Hilton all-age Environmental Education Centre – 'Growing for Learning'

This partnership project aims to transform a former sewage works into an innovative all-age environmental education facility for the communities of Staffordshire, the West Midlands and beyond. The site provides a really exciting opportunity. At around 1.5 hectares, it has 2m security fencing to enclose the site. There is vehicular access, a large standing area to the west of the area and a substantial wet/boggy area of reed beds, which offers diversification to the biodiversity on the site. Two small brick buildings offer storage and the potential opportunity for renovation.

The vision is for a bustling, community focused resource that offers a variety of environmental education, from Forest School activity with young people at risk of exclusion, to training for the rehabilitation of offenders, to healthy eating workshops with parents and carers. An innovative permanent building is at the heart of the site, offering space for learning, training, meetings and more. Work is being undertaken on site to manage the vegetation growth and maintain access. The Forest of Mercia team has created a tree nursery on site and has begun to clear space for the installation of allotments. There is however a huge amount of work to be done to transform this site. With £180,000 Section 106 money being used to put towards this transformation, match funding opportunities are being explored to create a special, sustainable space to champion environmental education and be a central hub for environmental training and learning.

Adult and Community Learning with the Forest of Mercia

A variety of environmentally focussed training opportunities have been accessed by residents around Staffordshire. With funding through Adult and Community Learning from Staffordshire County Council, hundreds of people have taken part in courses linked with forestry, nature, horticulture, greenwood crafts and recycled and natural art. The Forest of Mercia specialises in supporting people from marginalised and hard to reach groups to access training, this has included people with mental health challenges, people with learning difficulties, residents from a women's refuge and older people from sheltered accommodation. The contract has been extended into 2014-2015.

Natural Health Service

The Mersey Forest Team has continued to develop the Natural Health Service concept, funding a pilot programme in Halton and continuing to work with a range of health professionals to promote the idea. Close working with both Liverpool Universities also provides independent and robust assessment of the impacts of the work, enabling improvements and adding to our evidence base to demonstrate the efficacy of this approach.

OBJECTIVE - Be a national voice for community forestry and actively promote Community Forests and green infrastructure

The Community Forest Trust continued to act as the national accountable body for the network of England's Community Forests (totalling 15 organisations including other community forestry initiatives). We subcontracted elements of this co-ordination work to The Mersey Forest. Outputs included regular teleconferences and an annual event that was held in Birmingham and attracted a good attendance.

We also liaised with senior government officials regarding the Government's new forestry policy. We also hosted a visit from Grown in Britain representatives to increase their understanding of the benefits of community forestry and its ability to act as a flexible and cost effective mechanism to support the delivery of the Government's forestry policy.

We also continued to engage with the national Green Infrastructure Partnership and other partners at a national level to promote the importance of green infrastructure and the role of community forestry in delivering it through partnership working.

OBJECTIVE - Seek sustainable funding arrangements through seizing opportunities to develop new partnerships as well as consolidating existing ones and be responsive to new opportunities

We agreed with Lancashire County Council that we would take responsibility for the Lancashire Woodlands Project from 1st April 2014 and we also agreed that we would work in partnership with White Rose Forest to deliver a Green Streets programme in West Yorkshire.

In 2013/14 we continued to try and influence the distribution of future EU funds to maximise the opportunities for green infrastructure and community forestry projects to be supported by the 2014 -2020 EU investment programmes. We also continued to develop a partnership with Trafford Council to deliver a pilot approach to the management of their countryside with a view to involving more people in it and developing a sustainable funding stream for the land (see above).

The forestry initiatives have become involved where appropriate in their respective Catchment Partnerships and Local Nature Partnerships. Despite the difficult funding picture for the country the initiatives have also continued to secure funding for a wide range of projects from a diverse group of funders.

OBJECTIVE - Take a leading role in advancing debate, policy and practice in community forestry and green infrastructure in England

This objective is strongly supported by delivery against all of CFT's other objectives as outlined above.

Red Rose Forest has continued its work for the Natural Capital Group (Greater Manchester's Local Nature Partnership), producing the Greater Manchester Ecosystem Services Pinch points study and also working on mapping strategic GI projects and partnerships.

In addition to this CFT worked with Manchester University and the Environment Agency on the Manchester Gully Pots project which looked at the way gully pots function in a city centre in terms of water quality. This initial work is now leading on to some key research looking at the beneficial role of street tree pits in influencing the quality and quantity of surface water run off from roads as a potential tool to tackle diffuse urban pollution and surface water flooding.

FUTURE DEVELOPMENTS

Our future activities are likely to include;

- the delivery of aspects of the Government's new Countryside Stewardship scheme
- accessing EU funds (both transnational and ERDF/ESF) in partnership with others
- continued work with the Local Nature Partnerships and the Catchment Partnerships
- the further development and delivery of urban catchment forestry
- continuation of work to secure sustainable funding streams
- further partnership working with the forestry initiatives and with new partners
- improving the quality of CFT's online presence and communications
- the continued advocacy for urban and community forestry at a national level

FINANCIAL REVIEW

A detailed breakdown of the Trust's income and expenditure and balance sheet are set out on pages 22 and 23. The Statement of Financial Activities (SOFA) and the Balance Sheet have been prepared in accordance with the Statement of Recommended Practice (SORP) 2005.

We started the year with stable finances and, despite difficult economic conditions, the Trust finished 2014 in a good financial position and with a solid base for the future.

Incoming resources

The cumulative income for the year was £1,854,329 (2013: £2,085,571).

The top 20 funders, in terms of funds received in the year, were:

| | |
|------------------------------|---------|
| Liverpool City Council | 510,000 |
| Cheshire West & Chester | 175,385 |
| Groundwork London | 172,680 |
| Environment Agency | 172,000 |
| Heritage Lottery Fund | 134,427 |
| Natural England | 86,953 |
| Salford City Council | 67,814 |
| Staffordshire County Council | 52,643 |
| Trafford Council | 52,155 |
| Cory Environmental Trust | 38,300 |
| Trees for Cities | 38,250 |
| Entrust | 29,240 |
| Forestry Commission | 28,497 |
| Viridor | 24,000 |
| The Ashden Trust | 20,000 |
| Telford & Wrekin Council | 13,950 |
| Manchester City Council | 12,391 |
| Marketing Cheshire | 12,191 |
| University of Manchester | 11,652 |
| Warrington Borough Council | 7,299 |

2013/2014 Highlights:

During the year, the total incoming resources were £ 1,844,319 (Group: £1,854,329)

The total resources expended in the year were £2,196,790 (Group: £2,205,086)

The funds as at the 31st March 2014 were:

| | |
|------------------------|--------------------------------|
| Bank: current accounts | £ 74,195 (Group: £74,195) |
| Bank: deposit accounts | £1,583,331 (Group: £1,593,341) |
| Unrestricted reserves | £ 200,010 (Group: £200,010) |
| Restricted reserves | £1,283,542 (Group: £1,285,256) |

RESERVES POLICY

Reserves are considered to be that part of the Trust's funds which are freely available for its general purposes after it has met its commitments and covered its other planned expenditure. These unrestricted funds are needed to cover administrative, fundraising and support costs without which the Trust could not function.

The Trustees consider it prudent that unrestricted reserves should be sufficient to cover the potential liabilities of closing the organisation down in a fair and professional manner. This is currently estimated to be approximately £90,000. The level of unrestricted reserves is monitored and reviewed by the Trustees during the year. In the year ended 31st March 2014 the Trust continued to address the need to develop reserves and its available funds were retained in its current account, with a view to investing surplus cash in short term deposit accounts to maximise the return on income.

The Trust's financial reserves policy is reviewed annually. Each year the Directors consider a financial projection prior to reviewing financial reserve levels for the following year and the preparation and approval of an annual budget. Financial forecasts for the current year are updated for each Board meeting

INVESTMENT POLICIES

The charity has a policy of keeping any surplus funds in short term deposits, which can be accessed readily. On-line banking assists the monitoring of these accounts with a view to achieving best interest rates for amounts held on deposit whilst at the same time ensuring cash flow requirements are met.

Where the Trust is holding restricted reserves (e.g. endowments) an appropriate proportion of the funds available may be invested in longer term investment products of reputable UK financial institutions to obtain more favourable long term returns from secure investments. In the year further investments have also been made in a Dutch bank with more favourable interest rates for longer term deposits. This bank is regulated by the UK's Financial Conduct Authority (FCA).

STATEMENT OF PUBLIC BENEFIT

In meeting these objects the charity's public benefit aim to maintain, complete and apply for funding that supports projects as detailed above. The charity has met its objectives by sticking to the guidelines of the grants applied for.

In setting out policy and planning these activities the trustees have given consideration to the Charity Commission's general guidance on public benefit.

The Charities Act identifies thirteen charitable purposes as being for the public benefit. Community Forests North West meet the public benefit principles by focusing on three of those charitable purposes:

- a) the advancement of education.
- b) the advancement of health or the saving of lives.
- c) the advancement of environmental protection or improvement.

STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

The trustees are responsible for their annual report, and the preparation of the financial statements for each financial year which give a true and fair view of the incoming resources and application of those resources to the charity and group during the year, and of the state of affairs at the end of the financial year. In preparing these financial statements the trustees are required to:

- ensure that suitable accounting policies are established and applied consistently;
- make judgements and estimates which are reasonable and prudent
- state whether the applicable accounting standards and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees have overall responsibility for ensuring that the charity has appropriate systems and controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statement comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for their proper application as required by charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- all assets are safeguarded against unauthorised use or disposition and are properly applied;
- proper records are maintained and financial information used within the charity, or for publication, is reliable;
- the charity complies with relevant laws and regulations.

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Trustees.

STATEMENT OF DISCLOSURE TO AUDITOR

- (a) So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Booth Ainsworth LLP have agreed to offer themselves for reappointment as auditors of the charity.

Approved on behalf of the Trustees

.....
S Falder Chairman Date.....

.....
A Hothersall Co Secretary Date.....

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY FOREST TRUST
FOR THE YEAR ENDED 31st MARCH 2014**

We have audited the financial statements of Community Forest Trust for the year ended 31st March 2014 which comprises the Group Statement of Financial Activities, the Charity and Group Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of Trustees' Responsibilities on page 18, the trustees (who are also the directors of the company for the purposes of company law) are responsible for preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2014 and of the incoming resources and application of resources, including its income and expenditure, for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY FOREST TRUST
FOR THE YEAR ENDED 31st MARCH 2014 (continued)**

- the information given in the Directors'/Trustees' Annual Report is consistent with the financial statements.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration required by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements and the trustees' report in accordance with the small companies regime.

Paul Bradbury

For and on behalf of Booth Ainsworth LLP

Chartered Accountants

Statutory Auditors

Date:

Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB

Consolidated
Statement of Financial Activities (Incorporating the Income and Expenditure Account)
For the period ended 31 March 2014

| | Notes | Unrestricted Designated Funds £ | Restricted Funds £ | Total Funds Mar-14 £ | Total Funds Mar-13 £ |
|---|-------|--|--------------------------|-------------------------------|-------------------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 2 | 50 | 18,348 | 18,398 | 18,428 |
| Activities for generating funds | 3 | 1,249 | - | 1,249 | 4,872 |
| Investment income | 4 | 10,208 | 3,874 | 14,082 | 5,424 |
| Incoming resources from charitable activities | 5 | 10,522 | 1,810,078 | 1,820,600 | 2,056,847 |
| Total incoming resources | | 22,029 | 1,832,300 | 1,854,329 | 2,085,571 |
| Resources expended | | | | | |
| Costs of generating funds: | | | | | |
| Costs of generating voluntary income | 6 | - | - | - | (21,424) |
| Charitable activities | 7 | (5,308) | (2,189,804) | (2,195,112) | (1,446,122) |
| Governance costs | 8 | (8,174) | (1,800) | (9,974) | (7,100) |
| Total resources expended | | (13,482) | (2,191,604) | (2,205,086) | (1,474,647) |
| Net incoming/(outgoing) resources | | | | | |
| Transfers between funds | 10 | 8,547 | (359,304) | (350,757) | 610,924 |
| | | 12,939 | (12,939) | - | - |
| Net income/(expenditure) for the year | | 21,486 | (372,242) | (350,757) | 610,924 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 178,524 | 1,657,498 | 1,836,022 | 1,225,098 |
| Total funds carried forward | | 200,010 | 1,285,256 | 1,485,266 | 1,836,022 |

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

Pages 23 to 31 form part of these statutory accounts

**Consolidated Balance Sheet
As at 31 March 2014**

| | Notes | Group | | Charity | |
|---|-------|------------------|------------------|------------------|------------------|
| | | Mar-14 | Mar-13 | Mar-14 £ | Mar-13 £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | 126,188 | 204,777 | 126,188 | 204,777 |
| Investments | 13 | 1 | 1 | - | - |
| Current assets | | | | | |
| Debtors | 14 | 378,030 | 276,173 | 378,030 | 276,173 |
| Cash at bank | | 1,667,536 | 1,827,722 | 1,657,526 | 1,827,722 |
| | | 2,045,566 | 2,103,895 | 2,035,556 | 2,103,895 |
| Creditors: amounts falling due within one year | 15 | (563,400) | (270,973) | (555,104) | (270,973) |
| Net current assets | | 1,482,165 | 1,832,922 | 1,480,451 | 1,832,922 |
| Total assets less current liabilities | | 1,608,353 | 2,037,699 | 1,606,639 | 2,037,699 |
| Deferred government grants | 16 | (109,417) | (188,006) | (109,417) | (188,006) |
| Revaluation reserve | 17 | (13,671) | (13,671) | (13,671) | (13,671) |
| Net assets | | 1,485,266 | 1,836,022 | 1,483,552 | 1,836,022 |
| Funds | | | | | |
| Unrestricted designated funds | 18 | 200,010 | 178,524 | 200,010 | 178,524 |
| Restricted funds | | 1,285,256 | 1,657,498 | 1,283,542 | 1,657,498 |
| Total funds | 19 | 1,485,266 | 1,836,022 | 1,483,552 | 1,836,022 |

The accounts have been prepared in accordance with provisions applicable to the company subject to the small companies regime with part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective from April 2008).

These financial statements were approved by the members of the committee on the and are signed on their behalf by:

.....

S Falder - Chairman

.....

A Hothersall - Co Secretary

Notes to the financial statements

For the year ended 31 March 2014

1. Accounting Policies

Basis of Accounting

The financial statements have been 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" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Group Financial Statements

The financial statements consolidate the results of the charity and its subsidiary Community Forest Land Trust on a line-by-line basis. A separate Statement of Financial Activities, and income and expenditure account, for the charity itself are not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Incoming resources

Voluntary income, including donations, gifts and legacies, and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from activities for generating funds, investment income and from charitable activities are recognised on a receivable basis.

Funds structure

The trust continues to ring fence the restricted funds and unspent funds are held in the balance sheet at the year end waiting to be matched with the expenditure in the forthcoming year.

The reserves are made up of restricted and unrestricted income funds. See Note 18.

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2014

Notes to the financial statements
For the year ended 31 March 2014
(continued)

2. Voluntary income

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2014 £ | Total Funds 2013 £ |
|------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Donations | 50 | 18,348 | 18,398 | 18,428 |
| Donated services | - | - | - | - |
| | <u>50</u> | <u>18,348</u> | <u>18,398</u> | <u>18,428</u> |

3. Incoming resources from activities for generating funds

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2014 £ | Total Funds 2013 £ |
|-------------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Dedicate a tree project | 1,249 | - | 1,249 | 4,229 |
| Charities Tax Reclaim | - | - | - | 643 |
| | <u>1,249</u> | <u>-</u> | <u>1,249</u> | <u>4,872</u> |

4. Investment income

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2014 £ | Total Funds 2013 £ |
|-----------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Bank interest received | 10,198 | 3,874 | 14,072 | 5,374 |
| Bank interest received subsidiary | 10 | - | 10 | - |
| Other | - | - | - | 50 |
| | <u>10,208</u> | <u>3,874</u> | <u>14,082</u> | <u>5,424</u> |

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2014

Notes to the financial statements
For the year ended 31 March 2014
(continued)

5. Incoming resources from charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2014 £ | Total Funds 2013 £ |
|--|----------------------------|--------------------------|--------------------------|--------------------------|
| CFT Projects | | | | |
| National Working Agreement | - | 6,000 | 6,000 | 12,000 |
| Marketing and Fundraising Communications | 5,308 | 10,426 | 15,734 | - |
| Community Environment Fund | - | 7,211 | 7,211 | 290,905 |
| FC Forest Partnership | - | (4,875) | (4,875) | 13,000 |
| Community Forest Land Trust | 5,214 | 3,072 | 8,286 | - |
| Red Rose Forest Projects | | | | |
| i-trees | - | - | - | 98,306 |
| Lightshaw Meadows | - | 89,940 | 89,940 | 100,513 |
| Lightshaw Copse Field | - | 6,120 | 6,120 | - |
| GM Tree Heritage | - | 46,450 | 46,450 | - |
| Big Tree Plant | - | 224,617 | 224,617 | 31,811 |
| Value + | - | 45,879 | 45,879 | 10,200 |
| Port Salford Greenway | - | 4,653 | 4,653 | - |
| Red Rose Forest Staff | - | 47,633 | 47,633 | 54,381 |
| Forest Network Training | - | (76) | (76) | - |
| Access to Nature RRF | - | 36,061 | 36,061 | 61,546 |
| Salford Community Orchards | - | - | - | 55,069 |
| Trafford Countryside Management | - | 47,400 | 47,400 | - |
| Bickershaw North | - | 2,298 | 2,298 | - |
| Summer of UK Wildlife | - | 10,083 | 10,083 | - |
| Green Streets | - | 158,769 | 158,769 | 111,773 |
| Viridor Green Streets | - | 18,037 | 18,037 | 45,000 |
| 6 other projects £12k income or less | - | 100 | 100 | 29,408 |
| Mersey Forest Projects | | | | |
| Mersey Forest | - | 4,403 | 4,403 | - |
| Access to Nature MF | - | 41,073 | 41,073 | 75,154 |
| Mersey Forest Staff | - | 148,951 | 148,951 | 178,208 |
| Griffin Wood | - | 2,818 | 2,818 | - |
| ForeSt Clim | - | (863) | (863) | 72,354 |
| Climate Proof Cities | - | 10,582 | 10,582 | - |
| Green Infrastructure Unit | - | 10,000 | 10,000 | - |
| Mersey Forest Fund | - | (20,000) | (20,000) | - |
| Alt Restoration Fund | - | 666,999 | 666,999 | 717,000 |
| Telford & Wrekin Local GI Needs Study | - | 13,950 | 13,950 | - |
| Natural Health Service | - | 36,523 | 36,523 | - |
| Entrust (8 projects) | - | 57,540 | 57,540 | 16,198 |
| Mab Lane Community Woodlands | - | 11,600 | 11,600 | - |
| Hybrid Parks | - | 4,591 | 4,591 | - |
| Wood Allotments | - | 20,000 | 20,000 | - |
| SSFG Mab Lane | - | 4,635 | 4,635 | - |
| SSFG Northwood | - | 300 | 300 | - |
| 8 other projects £15k or less | - | - | - | 44,521 |
| Setting the Scene for Growth (Joint RRF & MF) | - | (21,398) | (21,398) | 37,500 |
| Forest of Mercia | - | 56,099 | 56,099 | 2,000 |
| Lancashire Woodlands Project | - | 2,405 | 2,405 | - |
| White Rose Forest | - | 72 | 72 | - |
| | <u>10,522</u> | <u>1,810,078</u> | <u>1,820,600</u> | <u>2,056,847</u> |

Notes to the financial statements
For the year ended 31 March 2014
(continued)

8. Governance Costs

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2014 £ | Total Funds 2013 £ |
|---------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Audit & Accountancy | 2,950 | 1,800 | 4,750 | 7,100 |
| Subsidiary costs | 5,224 | - | 5,224 | - |
| | <u>8,174</u> | <u>1,800</u> | <u>9,974</u> | <u>7,100</u> |

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2014

Notes to the financial statements
For the year ended 31 March 2014
(continued)

7. Charitable Activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2014 £ | Total Funds 2013 £ |
|--|----------------------------|--------------------------|--------------------------|--------------------------|
| CFT Projects | | | | |
| National Working Agreement | - | 5,394 | 5,394 | 16,179 |
| Marketing and Fundraising | 5,308 | 16,489 | 21,797 | 21,424 |
| Communications | - | (1,376) | (1,376) | - |
| Community Environment Fund | - | 103,216 | 103,216 | 8,172 |
| FC Forest Partnership | - | 11,145 | 11,145 | 14,647 |
| Community Forest Land Trust | - | 3,072 | 3,072 | - |
| Red Rose Forest Projects | | | | |
| i-trees | - | 29,755 | 29,755 | 92,035 |
| Lightshaw Meadows | - | 92,703 | 92,703 | 212,442 |
| Lightshaw Copse Field | - | 63 | 63 | 172 |
| GM Tree Heritage | - | 37,948 | 37,948 | - |
| Big Tree Plant | - | 204,337 | 204,337 | 24,735 |
| Value + | - | 36,648 | 36,648 | 19,431 |
| Port Salford Greenway | - | 19,768 | 19,768 | (3,115) |
| Red Rose Forest Staff | - | 47,475 | 47,475 | 54,381 |
| Forest Network Training | - | 63 | 63 | 1,299 |
| Access to Nature RRF | - | 46,994 | 46,994 | 52,310 |
| Salford Community Orchards | - | 11,003 | 11,003 | 6,748 |
| Trafford Countryside Managemen | - | 19,648 | 19,648 | - |
| Bickershaw North | - | 2,096 | 2,096 | - |
| Summer of UK Wildlife | - | 10,083 | 10,083 | - |
| Green Streets | - | 22,216 | 22,216 | 108,995 |
| Viridor Green Streets | - | 40,938 | 40,938 | 24,412 |
| Completed projects | - | - | - | 22,238 |
| Mersey Forest Projects | | | | |
| Mersey Forest | - | - | - | 4,445 |
| Access to Nature MF | - | 41,073 | 41,073 | 71,966 |
| Mersey Forest Staff | - | 150,309 | 150,309 | 176,853 |
| Griffin Wood | - | 11,670 | 11,670 | 13,671 |
| ForeSt Clim | - | - | - | 69,845 |
| Climate Proof Cities | - | 10,582 | 10,582 | 1,432 |
| Green Infrastructure Unit | - | 10,000 | 10,000 | 15,000 |
| Mersey Forest Fund | - | 21,240 | 21,240 | 15,678 |
| Alt Restoration Fund | - | 878,683 | 878,683 | 80,038 |
| Telford & Wrekin Local GI Needs | - | 18,600 | 18,600 | - |
| Natural Health Service | - | 36,523 | 36,523 | - |
| Entrust 13 projects | - | 60,440 | 60,440 | 19,553 |
| Mab Lane Community Woodlands | - | 4,000 | 4,000 | - |
| Hybrid Parks | - | 4,591 | 4,591 | - |
| SSFG Mab Lane | - | 58,103 | 58,103 | - |
| SSFG Northwood | - | 90 | 90 | - |
| Setting the Scene for Growth (Joint RRF & MF) | | 90,731 | 90,731 | 299,136 |
| Forest of Mercia | - | 33,180 | 33,180 | 2,000 |
| Lancashire Woodlands Project | - | 239 | 239 | - |
| White Rose Forest | - | 72 | 72 | - |
| | <u>5,308</u> | <u>2,189,804</u> | <u>2,195,112</u> | <u>1,446,122</u> |

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2014

Notes to the financial statements
For the year ended 31 March 2014
(continued)

8. Governance Costs

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2014 £ | Total Funds 2013 £ |
|---------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Audit & Accountancy | 2,950 | 1,800 | 4,750 | 7,100 |
| Subsidiary costs | 5,224 | - | 5,224 | - |
| | <u>8,174</u> | <u>1,800</u> | <u>9,974</u> | <u>7,100</u> |

9. Net incoming / (outgoing) resources for the year

This is stated after charging:

| | 2014 £ | 2013 £ |
|-----------------------------|---------------|---------------|
| Staff pension contributions | 8,524 | 8,535 |
| Audit fees | 2,750 | 2,600 |
| | <u>11,274</u> | <u>11,135</u> |

10. Funds Transfer

The net transfers between unrestricted and restricted funds in the year was £12,939 (2013: £5,372) with the analysis shown in note 18. There were restricted funds which closed at the year end so balance transfers were made to unrestricted funds. Similarly there were funds requiring a transfer from unrestricted to close the project at the year end.

11. Staff costs and emoluments

Total staff costs were as follows:

| | 2014 £ | 2013 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 280,464 | 307,377 |
| Social security costs | 23,448 | 27,791 |
| Other pension costs | 8,535 | 8,535 |
| Seconded Staff | 46,515 | 45,906 |
| | <u>358,962</u> | <u>389,609</u> |

Particulars of employees:

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

| | 2014 | 2013 |
|-----------------|-----------|-----------|
| Number of staff | <u>10</u> | <u>11</u> |

No employee received emoluments of more than £60,000 during the year (2013 - Nil)

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2014

12. Tangible fixed assets

| | Land and buildings 2014 £ | Total 2014 £ |
|-------------------------------------|--|-------------------------|
| Cost or valuation | | |
| At 1st April 2013 | 204,777 | 204,777 |
| Revaluation | (79,940) | (79,940) |
| Additions | 1,351 | 1,351 |
| | <u>126,188</u> | <u>126,188</u> |
| At 31st March 2014 | | |
| Depreciation | | |
| At 1st April 2013 & 31st March 2014 | - | - |
| Net book value | | |
| At 31st March 2014 | <u>126,188</u> | <u>126,188</u> |
| At 31st March 2013 | <u>204,777</u> | <u>204,777</u> |

Middlefield Farm was acquired in 2006 for £78,079 and was revalued by P Wilson & Co Chartered Surveyors on 31 March 2007 at £91,750. The land is now called Griffin Wood.

The remaining freehold land is disclosed at its revalued amount.

The land at Viridor Wood was acquired in 2000, for £350,367 and revalued by P W Smith BSc FRICS FAAV on 31 March 2000 at £1,250. This land should have been subject to a formal external valuation during 2005, in accordance with FRS 15 "Tangible Fixed Assets". This was not commissioned by the trustees on the grounds that the cost of such an exercise would be disproportionate to the benefits. The land at Horrocks Hill and Hurst Farm was acquired during 2002, for £317,642, and was revalued by P Wilson & Company on 31 March 2002 at £750 and £1,100 respectively. The land at Horrocks Hill Farm is now called Horrocks Wood. Similarly the land at Hurst Farm is now called Hurst Wood.

999 year leases were granted to the Minister of Agriculture Fisheries and Food (acting on behalf of Forest Enterprise) over each piece of land. The leases place onerous obligations on use, consistent with the aims and objectives of the Trust.

The land at Lightshaw Meadows was purchased for £109,927 and the expense this year of £1,351 was for the legal costs associated with purchasing the access strip to the Meadow. The majority of this land has been leased to Lancashire Wildlife Trust on a 999 yr lease so has been revalued accordingly

13. Investments

The charity holds 1 share of £1 each in its wholly owned trading subsidiary company Community Forest Trust (Trading) Limited which is incorporated in the United Kingdom. The trading company has remained dormant since its incorporation on 29th October 2012.

| | 2014 £ | 2013 £ |
|------------------------------|-------------------|-------------------|
| Shares in trading subsidiary | <u>1</u> | <u>1</u> |

Balance Sheet

The assets and liabilities of the dormant trading subsidiary:

| | 2014 £ | 2013 £ |
|-------------------------|-------------------|-------------------|
| Current assets: debtors | <u>1</u> | <u>1</u> |
| Share Capital | <u>1</u> | <u>1</u> |

**Notes to the financial statements
For the year ended 31 March 2014
(continued)**

| | | |
|---|-----------------------|-----------------------|
| 14. Debtors | 2014 | 2013 |
| | £ | £ |
| Trade debtors | 261,551 | 210,903 |
| Accrued income | 108,097 | 56,898 |
| Prepayments | 8,382 | 8,372 |
| | <u>378,030</u> | <u>276,173</u> |
| | | |
| 15. Creditors: Amounts due within one year | | |
| <u>Group</u> | 2014 | 2013 |
| | £ | £ |
| Trade creditors | 546,292 | 56,813 |
| VAT | 5,136 | 18,884 |
| Other creditors including accruals | 11,972 | 195,276 |
| | <u>563,400</u> | <u>270,973</u> |
| | | |
| <u>Charity</u> | 2014 | 2013 |
| | £ | £ |
| Trade creditors | 546,292 | 56,813 |
| VAT | 5,136 | 18,884 |
| Other creditors including accruals | 3,676 | 195,276 |
| | <u>555,104</u> | <u>270,973</u> |
| | | |
| 16. Government grants | 2014 | Total |
| | £ | £ |
| Received and receivable: | | |
| At 1st April 2014 | 188,006 | 188,006 |
| Revaluation | (79,940) | (79,940) |
| Addition | 1,351 | 1,351 |
| | <u>109,417</u> | <u>109,417</u> |
| At 31st March 2014 | | |
| Amortisation: | | |
| At 31st March 2013 and 31st March 2014 | - | - |
| | <u>109,417</u> | <u>109,417</u> |
| Net balance at 31st March 2014 | | |

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2014

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2014

Community Forest Trust Limited
Registered Company No. 3598556

Notes to the financial statements
For the year ended 31 March 2014
(continued)

17. Revaluation Reserve

| | 2014 £ | Total £ |
|--|----------------------|----------------------|
| Received and receivable: | | |
| At 1st April 2013 | 13,671 | 13,671 |
| At 31st March 2014 | <u>13,671</u> | <u>13,671</u> |
| Amortisation: | | |
| At 31st March 2013 and 31st March 2014 | <u>-</u> | <u>-</u> |
| Net balance at 31st March 2014 | <u><u>13,671</u></u> | <u><u>13,671</u></u> |

This reserve relates to the revaluation of Griffin Wood

18. Income funds

| | Balance at 1 Apr 2013 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 Mar 2014 £ |
|--------------------|-------------------------------|----------------------------|----------------------------|----------------|--------------------------------|
| Unrestricted funds | <u>178,524</u> | 16,805 | (8,258) | 12,939 | <u>200,010</u> |
| Restricted funds | <u>1,657,498</u> | 1,829,228 | (2,188,532) | (12,939) | <u>1,285,255</u> |

19. Analysis of net assets between funds

| | Tangible fixed assets £ | Net current Assets £ | Other net liabilities £ | Total £ |
|----------------------------------|-------------------------------|----------------------------|-------------------------------|-------------------------|
| Unrestricted Income Funds | - | 200,010 | - | 200,010 |
| Restricted Income Funds | 126,188 | 1,159,067 | - | 1,285,255 |
| Total Funds | <u>126,188</u> | <u>1,359,078</u> | <u>-</u> | <u>1,485,266</u> |

20. Related party transactions

Some of the trustees have been nominated by the organisations who created and/or fund the charity. A significant number of transactions, particularly relating to funding, are therefore related party transactions. It is not practical to list all of these in the notes to the financial statements.

No trustees received any personal benefit from any of these transactions

21. Company limited by guarantee

The liability of the members is limited.

Income and Expenditure Account - Charity Only
For the year ended 31 March 2014

| | 2014 | 2013 |
|--------------------------------|-------------------------|-----------------------|
| | £ | £ |
| Income | | |
| Interest Received | 1,831,961 | 2,080,147 |
| | <u>14,072</u> | <u>5,424</u> |
| Total incoming resources | 1,846,033 | 2,085,571 |
| Expenditure | | |
| Grants payable | 254,617 | 529,117 |
| Subcontractors | 1,445,088 | 521,859 |
| Salaries incl NI & pension | 312,437 | 321,129 |
| Accommodation costs | 26,952 | 26,362 |
| Advertising & publicity | 84,815 | 17,404 |
| Office costs | 11,714 | 12,574 |
| Recruitment & training | 2,309 | 1,840 |
| Travel & subsistence | 13,766 | 11,683 |
| Audit, accountancy, payroll | 5,830 | 9,865 |
| Legal and professional fees | 18,378 | 9,697 |
| Insurance | 6,220 | 6,367 |
| IT services | 12,971 | 6,285 |
| Banking & investment fees | <u>1,692</u> | <u>465</u> |
| | 2,196,789 | 1,474,647 |
| Net surplus / (deficit) | <u>(350,756)</u> | <u>610,924</u> |