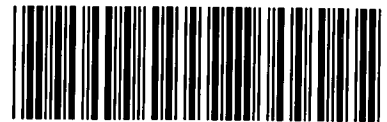


Charity Registration No. SC025690

Company Registration No. SC171271 (Scotland)

ABRIACHAN FOREST TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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ABRIACHAN FOREST TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	G Hawco S McDermid S Hesling L Lumsden MBE D Thompson A McMillan S Barr M Baglioni (Chairman)
Secretary	C Matheson
Charity number	SC025690
Company number	SC171271
Registered office	Tyeantore Abriachan INVERNESS IV3 8LD
Auditor	Johnston Carmichael LLP Clava House Cradlehall Business Park INVERNESS IV2 5GH
Bankers	Royal Bank of Scotland 29 Harbour Road INVERNESS IV1 1NU
Solicitors	Anderson MacArthur Old Bank of Scotland Buildings STORNOWAY Isle of Lewis HS1 2BG

ABRIACHAN FOREST TRUST

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ABRIACHAN FOREST TRUST

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

The directors, who are also trustees of the charity, present their report and financial statements for the year ended 31 March 2017.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and 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 (FRS 102) (effective 1 January 2015 as amended).

Objectives and activities

The main objectives of the charity are to conserve, regenerate and promote the restoration of native woodlands in the geographical region of North Loch Ness side as an important part of Scotland's natural environment for the benefit of the public.

The directors have paid due regard to guidance issued by the Charity Commission and the Office of the Scottish Charity Regulator in deciding what activities the charity should undertake.

Achievements and performance

During the year under review, the Abriachan Forest Trust continued to work successfully in the continuance of its objectives as follows:

The charity continues to play a major role in the re-forestation of the Great Glen area with native and productive tree species.

Some 48 tonnes of timber were harvested and dispatched to nearby timber processing industry, which is less than previous years. This was due to more wood processed locally to address shortage of firewood and the capacity of the new firewood processor to handle larger diameter trees. The timber was originated from LISS areas (Less Intensive Silvicultural Systems) and clearing of small scale windblown. Approximately 50 tonnes of firewood was processed and delivered to local and surrounding communities with reduced transport and low carbon footprint.

The estimated annual increment in the volume of the timber remains approximately 2,200 m³ for 2016/17. This is equivalent to approximately 1,100 tonnes of additional carbon lock up.

The Trust is a signatory to the Carbon CLEVER Declaration and aims to reduce carbon emissions from the organisation as well as promote and motivate those we work with to take action and adapt to the potential impact of climate change.

The process of restocking the forest felled in previous years is continuing in accordance with the Forest Plan which carries a statutory obligation to replant. The annual FSC (Forest Stewardship Council) audit of the management, operational practice and procedures in the forest was successfully achieved with the next annual audit scheduled for June 2017.

The charity has continued to secure amenities access for both local residents, Great Glen Way walkers and the wider public to a varied tract of the Scottish Highlands and ensures that the unique scenic and environmental value of the area is both respected and enhanced. The Peace Trail was inaugurated in September 2016 and a large recreational area created beside the main car park. The footpath network, the cycle trails, the interpretative shelters, the childrens play area, the wildlife observation hide and the picnic facilities have been maintained and improved during 2016/17.

ABRIACHAN FOREST TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

The main carpark has been resurfaced and re-shaped with increased car capacity and improved drainage. Donation boxes have been fitted at the car park and an area is to be created for the sale of firewood bags, Christmas trees and locally hand-made crafts.

The cycle trails and footpath network continue to be used by sporting and training events such as the mountain bike events and orienteering training. The archery and treasure hunts area has been improved with a thick layer of wood chipping locally produced. The classroom building itself and the annexed outdoor workshop continue to be a popular venue for a variety of workshops such as greenwood carving, training, CPD and meetings, Gaelic conversation groups, traditional crafts, art exhibitions and birthday parties.

The Abriachan Forest Trust ensures that the management of the forest takes account of the local community in the decision-making and job creation. The charity is employing 2 no. full time staffs working on education, recreation and maintenance in addition to self-employed 1 no. administration/book keeping and 2 no. forestry management. We are privileged to have a committed, flexible and expert team of professionals and enthusiastic volunteers delivering our varied social enterprise activities. The directors continue to be drawn from the local community and regular monthly directors' meetings are open to all members.

The charity continues to be the catalyst for the local community and its facilities have been recently used in the organisation of broadband improvement to the local area.

The outdoor learning provision offered in the forest has continued over the past year with pupils and young people referred by the Local Authority to an elaborated curriculum programme tailored to their individual needs. Regular reviews ensure they progress and make a successful transition back to school or on to other providers. The current restriction on public spending has meant that the overall number of pupil referrals has decreased in recent months so alternative partnerships and sources of funding have had to be sourced to sustain some of the opportunities available for those who benefit from the programme.

Similarly throughout the year, the Forest School and group leaders have supported and encouraged hard to reach adults by providing them with a variety of opportunities. The regularity of their attendance means they become less socially isolated, more motivated to develop new skills, find volunteering placements and, in some cases, employment. The success of this aspect of provision will be developed over the next year.

Financial review

The charity has generated a deficit for the year of £35,550 (2016 - £62,870). This is after a non-cash depreciation charge of £20,806 (2016 - £19,434) and replanting costs of £25,608 (2016 - £55,000). It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between nine and twelve months' expenditure. The policy of the charity is to hold a minimum of £75,000. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year, with free reserves at the year end totalling £106,220 (2016 - £130,966).

Total unrestricted funds at the year end amount to £577,177 (2016 - £608,818). Unrestricted funds have also been designated for specific purposes totalling £75,000 (2016 - £70,000). The replanting fund of £25,000 relates to an amount set aside by the trustees for essential replanting of woodland in the next two years. The contingency fund of £50,000 relates to an amount set aside for potential fluctuations in the timber market and extreme weather conditions, which could result in a reduction to income over the next three years. A detailed analysis of designated funds can be found at note 17. The charity also holds restricted funds at the year end amounting to £134,937 (2016 - £143,846). Restricted funds represent balances for which the terms and conditions of the relevant award carry ongoing restrictions as outlined by the donor. The carried forward balances will be expended in future periods in line with the terms and conditions of the award. Funds held in relation to the forest workshop and playpark, the forest school annexe and the Carbon Clever community grant arise from the funds spent in prior periods to fund the purchase of fixed assets. The related restricted fund balances will reduce year on year in line with the relevant accounting policy for depreciation. A detailed analysis of restricted funds can be found in note 16.

ABRIACHAN FOREST TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

The Company's Memorandum and Articles of Association enables it to invest monies not immediately needed for its purposes or activities in such investments and securities as considered to be advantageous to the Company, subject to conditions and consents by law.

Structure, governance and management

The charity is a company limited by guarantee that was established by a Memorandum and Articles of Association which established the objects and powers of the charitable company.

The directors who served during the year and up to the date of signature of the financial statements were:

G Hawco
S McDermid
S Hesling
L Lumsden MBE
D Thompson
A McMillan
S Barr
M Baglioni (Chairman)

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

On appointment new directors are advised of their responsibilities under the Memorandum and Articles of Association and OSCR recommendations.

The number of members of the Abriachan Forest Trust shall not be less than five.

Directors are appointed by the members at the AGM. The board must consist of at least 3 and not more than 12 directors. The Chairman is elected by the directors.

The board of directors meet every month to discuss the business of the Company and to receive reports on the various areas of activity.

Regular risk assessments are carried out to allow the directors to assess the major risks to which the charity is exposed, and they are satisfied that systems are in place to mitigate exposure to the major risks.

Auditor

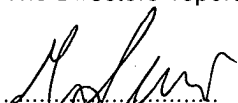
The auditor, Johnston Carmichael LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

The Directors' report was approved by the Board of Directors.



M Baglioni (Chairman)

Director

Dated: 21/07/2017

ABRIACHAN FOREST TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2017

The trustees (who are also the directors of Abriachan Forest Trust for the purposes of company law) are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ABRIACHAN FOREST TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND MEMBERS OF ABRIACHAN FOREST TRUST

We have audited the financial statements of Abriachan Forest Trust for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's 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 charitable company, the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, set out on page 4, the trustees (who are also the directors of Abriachan Forest Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Annual Report has been prepared in accordance with applicable legal requirements.

ABRIACHAN FOREST TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

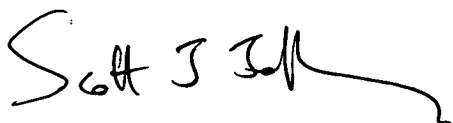
TO THE TRUSTEES AND MEMBERS OF ABRIACHAN FOREST TRUST

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records 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 specified 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 in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Scott Jeffrey (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

26 July 2017

Chartered Accountants
Statutory Auditor

.....
Clava House
Cradlehall Business Park
INVERNESS
IV2 5GH

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ABRIACHAN FOREST TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:						
Donations and legacies	3	21,889	-	79,474	101,363	51,692
Charitable activities	4	21,844	-	-	21,844	62,231
Investments	5	1,701	-	-	1,701	2,315
Other	6	2,499	-	-	2,499	-
Total income:		47,933	-	79,474	127,407	116,238
Expenditure on:						
Charitable activities						
Woodland management	7	48,966	25,608	88,383	162,957	179,108
Net expenditure		(1,033)	(25,608)	(8,909)	(35,550)	(62,870)
Gross transfers between funds		(30,608)	30,608	-	-	-
Net expenditure for the year/ Net movement in funds		(31,641)	5,000	(8,909)	(35,550)	(62,870)
Reconciliation of Funds						
Fund balances at 1 April 2016		608,818	70,000	143,846	822,664	885,534
Fund balances at 31 March 2017		577,177	75,000	134,937	787,114	822,664

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ABRIACHAN FOREST TRUST

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	10		597,672		616,978
Current assets					
Stocks	12	2,700		2,250	
Debtors	13	29,476		46,103	
Cash at bank and in hand		170,569		163,479	
		202,745		211,832	
Creditors: amounts falling due within one year	14	(13,303)		(6,146)	
Net current assets			189,442		205,686
Total assets less current liabilities			787,114		822,664
The funds of the charity:					
Restricted funds	16		134,937		143,846
<u>Unrestricted funds</u>					
Designated funds	17	75,000		70,000	
General unrestricted funds		577,177		608,818	
			652,177		678,818
			787,114		822,664

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Directors on 21/07/2017


M Baglioni (Chairman)
Trustee

Company Registration No. SC171271

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Abriachan Forest Trust is a private company limited by guarantee incorporated in Scotland. The registered office is Tyeantore, Abriachan, Inverness, IV3 8LD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), 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 (FRS 102) (effective 1 January 2015 as amended), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity is a Public Benefit Entity as defined by FRS 102.

The charity has availed itself of s396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Abriachan Forest Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least the next 12 months. Thus the charity continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, including income from government grants, is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Where the charity is deemed to be entitled to income in an earlier or later period, the income is accrued or deferred respectively as appropriate.

1.5 Expenditure

Charitable activities

Expenditure on charitable activities includes all expenditure on the work carried out to allow the charity to continue with the furtherance of its objectives.

Also included within charitable activities expenditure are governance costs which are the costs associated with the strategic management of the charity as opposed to the day-to-day management. Expenditure is allocated to activity on a direct basis.

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay, when it is probable that a transfer of economic benefits will arise and when the amount can be measured reliably. The charity is registered for Value Added Tax and, accordingly, expenditure is shown net of Value Added Tax.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and buildings	5% straight line
Plant and machinery	25% straight line and 20% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

1.8 Stocks

Stock is valued at the lower of cost and net realisable value.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and short term deposits held with banks.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest method. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

Employees' benefits are recognised as an expense and a liability in the period in which the employee services are delivered.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the statement of financial activities on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Critical accounting estimates and judgements

Depreciation

The depreciation of tangible fixed assets is a key area of estimation. The useful life and residual value of fixed assets is considered and a depreciation rate applied accordingly. Details of the depreciation policies applied can be found in the accounting policies section of the notes to the financial statements.

During the year depreciation of £20,806 (2016 - £19,434) was charged and tangible fixed assets had a carrying value of £597,672 (2016 - £616,978).

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donations and gifts	4,810	1,000	5,810	7,517
Grants receivable for core activities	17,079	78,474	95,553	44,175
	<u>21,889</u>	<u>79,474</u>	<u>101,363</u>	<u>51,692</u>
For the year ended 31 March 2016	<u>28,660</u>	<u>23,032</u>		<u>51,692</u>

Grants received in the year include the following:

Restricted grants:

Highland Council £1,494 (2015 - £5,862)
 Highlife Highland £nil (2015 - £2,470)
 Forestry Commission £10,515 (2016 - £10,000)
 Millenium Seed Bank Partnership £nil (2016 - £1,700)
 Big Lottery £10,000 (2016 - £nil)
 NHS Highland £5,000 (2016 - £nil)
 Robertson Trust £15,000 (2016 - £nil)
 SSE £21,500 (2016 - £nil)
 EB Scotland £13,365 (2016 - £nil)
 Bord na Gaidhlig - £1,600 (2016 - £nil)

Unrestricted grants:

Scottish Government £17,079 (2016 - £24,143)

Government grants are received in relation to the carrying on of activities in accordance with the charity's objectives.

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

4 Income from charitable activities

	2017 £	2016 £
Timber sales	7,561	22,231
Leisure and Education	14,283	40,000
	<u>21,844</u>	<u>62,231</u>
Analysis by fund		
Unrestricted funds	<u>21,844</u>	
For the year ended 31 March 2016		
Unrestricted funds		<u>62,231</u>

5 Income from investments

	Unrestricted funds £	Total 2017 £	Total 2016 £
Interest receivable	<u>1,701</u>	<u>1,701</u>	<u>2,315</u>
For the year ended 31 March 2016	<u>2,315</u>		<u>2,315</u>

6 Other income

	2017 £	2016 £
Net gain on disposal of tangible fixed assets	<u>2,499</u>	<u>-</u>

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

7 Expenditure on charitable activities Woodland management

	Woodland management £	Support costs £	Governance costs £	Total 2017 £	Total 2016 £
Staff costs	30,044	-	-	30,044	-
Depreciation	20,806	-	-	20,806	19,434
	<u>50,850</u>	<u>-</u>	<u>-</u>	<u>50,850</u>	<u>19,434</u>
Other costs	91,635	16,647	3,825	112,107	159,674
	<u>142,485</u>	<u>16,647</u>	<u>3,825</u>	<u>162,957</u>	<u>179,108</u>
Analysis by fund					
Unrestricted funds	30,545	14,596	3,825	48,966	
Designated funds	25,608	-	-	25,608	
Restricted funds	86,332	2,051	-	88,383	
	<u>142,485</u>	<u>16,647</u>	<u>3,825</u>	<u>162,957</u>	
For the year ended 31 March 2016					
Unrestricted funds	74,963	16,229	3,400		94,592
Designated funds	55,000	-	-		55,000
Restricted funds	29,450	66	-		29,516
	<u>159,413</u>	<u>16,295</u>	<u>3,400</u>		<u>179,108</u>

The other support costs of £16,647 (2016 - £16,295) comprise insurance of £9,809 (2016 - £8,935), postage and stationery of £335 (2016 - £399), bookkeeping and admin of £6,408 (2016 - £6,386), bank charges of £95 (2016 - £95) and rent of £nil (2016 - £480).

Governance costs include payments to the auditor of £2,050 (2016 - £2,000) for audit fees and £1,775 (2016 - £1,400) for other accountancy services.

8 Directors

None of the Directors or key management personnel (or any persons connected with them) received any remuneration or had expenses paid on their behalf or reimbursed to them. In the prior year one director received reimbursed expenses totalling £1,835.

During the year £16,295 (2016 - £17,030) was paid to A McMillan, Director for contracting works.

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2017 Number	2016 Number
Employees	1	-
Employment costs	2017 £	2016 £
Wages and salaries	30,044	-

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 April 2016	639,437	161,757	801,194
Additions	-	1,500	1,500
Disposals	-	(3,500)	(3,500)
At 31 March 2017	639,437	159,757	799,194
Depreciation and impairment			
At 1 April 2016	65,157	119,059	184,216
Depreciation charged in the year	11,654	9,152	20,806
Eliminated in respect of disposals	-	(3,500)	(3,500)
At 31 March 2017	76,811	124,711	201,522
Carrying amount			
At 31 March 2017	562,626	35,046	597,672
At 31 March 2016	574,280	42,698	616,978

All the assets held are for use by the Abriachan Forest Trust.

Land and buildings include woodlands, with a net book value of £406,365, which are not depreciated.

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

11	Financial instruments	2017 £	2016 £
	Carrying amount of financial assets		
	Measured at amortised cost	190,793	200,586
		<u></u>	<u></u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	3,742	6,146
		<u></u>	<u></u>

During the year total interest income of £1,701 (2016 - £2,315) was recognised in relation to financial assets measured at amortised cost.

12	Stocks	2017 £	2016 £
	Timber	2,700	2,250
		<u></u>	<u></u>

The cost of stocks recognised as an expense during the year was £808 (2016 - £3,498).

13	Debtors	2017 £	2016 £
	Trade debtors	3,029	12,964
	Other debtors	17,195	25,193
	Prepayments and accrued income	9,252	7,946
		<u></u>	<u></u>
		29,476	46,103
		<u></u>	<u></u>

14	Creditors: amounts falling due within one year	Notes	2017 £	2016 £
	Other taxation and social security		2,769	-
	Deferred income	15	6,792	-
	Trade creditors		218	82
	Other creditors		115	3,362
	Accruals		3,409	2,702
			<u></u>	<u></u>
			13,303	6,146
			<u></u>	<u></u>

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

15 Deferred income

	2017 £	2016 £
Analysis of deferred income:		
Opening deferred income at 1 April 2016	-	-
Released in the year	-	-
Deferred in the year	6,792	-
Closing deferred income at 31 March 2017	6,792	-

Deferred income relates to amounts received in advance for classes which will be run between June 2017 and June 2018.

16 Restricted funds

The income funds of the charity include restricted funds, comprising the following balances of donations and grants, held on trust for specific purposes:

	Balance at 1 April 2016 £	Movement in funds Income Expenditure		Balance at 31 March 2017 £
	£	£	£	£
Forest Workshop and Playpark	131,880	-	(11,453)	120,427
Forest Annexe	4,054	-	(320)	3,734
Branching Out	1,445	-	(1,445)	-
Carbon Clever in Our Community	1,575	-	-	1,575
RBG Kew Seed Collecting	1,700	-	(3,200)	(1,500)
Carbon Clever Community Grant Fund	3,192	-	(638)	2,554
Roots to Resilience: Early Days	-	10,000	(10,000)	-
Branching Out: Moving On Further	-	5,000	(5,000)	-
Robertson Trust - Volunteer Co-ordinator	-	15,000	(14,875)	125
SSE Community Fund	-	21,500	(17,572)	3,928
FCS Branching Out	-	10,515	(10,515)	-
Abriachan Habitat Improvement	-	13,365	(13,365)	-
FCS Road Repairs	-	1,000	-	1,000
Abriachan Green Woodworking Club	-	1,494	-	1,494
Cafaidh Gaidhlig	-	1,600	-	1,600
	143,846	79,474	(88,383)	134,937

Forest Workshop and Playpark and Forest Annexe - represents restricted funds held within tangible fixed assets.

RBG Kew Seed Collecting - represents funds received towards the collection of seeds. The fund is in deficit at the year end however income will be received in April 2017 to cover the shortfall.

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

16 Restricted funds

(Continued)

Roots to Resilience: Early Days - funding to support and inspire the parenting of children (under 8 year olds) living in deprived areas.

Branching Out: Moving On Further - represents funds to help those suffering from mental illness build resilience through independent activity.

Robertson Trust - Volunteer Co-ordinator - represents the funding of a volunteer co-ordinator responsible for arranging programmes to help vulnerable people.

SSE Community Fund - represents funds used to develop a volunteering programme to support vulnerable people.

FCS Branching Out - represents funds used to undertake professional development training and support for new and existing Branching Out leaders.

Abriachan Habitat Improvement - represents funds used to restore habitats at Abriachan Forest.

17 Designated funds

The income from funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2016 £	Movement in funds		Transfers £	Balance at 31 March 2017 £
		Income £	Expenditure £		
Replanting Fund	70,000	-	(25,608)	(19,392)	25,000
Contingency Fund	-	-	-	50,000	50,000
	<u>70,000</u>	<u>-</u>	<u>(25,608)</u>	<u>30,608</u>	<u>75,000</u>

Replanting Fund - represents funds set aside by the trustees for essential replanting of woodland. The expenditure relates to the cost of replanting incurred in the year. The transfer to unrestricted funds is to reduce the designated fund to reflect the replanting costs expected to be incurred in future periods.

Contingency Fund - represents funds set aside by the trustees to cover potential fluctuations in the timber market and extreme weather conditions, which could result in a reduction to income.

ABRIACHAN FOREST TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

18 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Tangible assets	470,957	-	126,715	597,672
Current assets	119,523	75,000	8,222	202,745
Creditors: amounts falling due within one year	(13,303)	-	-	(13,303)
	<u>577,177</u>	<u>75,000</u>	<u>134,937</u>	<u>787,114</u>

19 Control

The charity is controlled by the directors on behalf of the members of the charity.

20 Related party transactions

During the year £16,295 (2016 - £17,030) was paid to A McMillan, Director, for contracting works.

During the year subcontracting costs of £1,200 (2016 - £360) were paid to K Barr, daughter of the Trustee S Barr.