

SCOTLAND'S FINEST WOODS

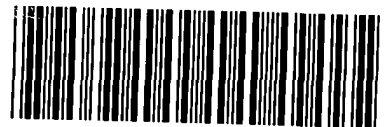
A Company limited by guarantee
And not having a Share Capital

Charity Registration No. SC039099

Company Registration No. SC294388

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

THURSDAY



SCT *S7J9J6DD* #457
22/11/2018
COMPANIES HOUSE

Directors:

Sir Patrick Hunter Blair
Christopher Inglis (Chair)
Guy Watt
Angela Douglas
Wilma Harper

Secretary/Administrator:

Angela Douglas

Bankers:

The Royal Bank of Scotland
151 High Street
Dumfries
DG1 2RA

Independent Examiner:

James Anderson C.A.
Pentland Estate
Straiton
EDINBURGH
EH20 9QH

Registered Office:

3 Salisbury House
Strathpeffer
Ross-shire
IV14 9AU

Company Registration No:

SC294388

Charity Registration No:

SC039099

Governing Document:

Memorandum and Articles of Association

**Report of the Directors
For the Year ended 30 September 2018**

The Directors are pleased to present their annual report together with the financial statements of the charity for the year ended 30 September 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association 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 (FRS102).

Structure, Governance and Management

Scotland's Finest Woods is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 8th December 2005. The liability of each member is limited to £1. The company was registered at Companies House as a private limited company on 12th December 2005 and registered as a charity by the Office of the Scottish Charity Regulator (OSCR) with effect from 20th December 2007.

Recruitment and Appointment of the Directors

The Directors of the company are also charity trustees of the purpose of charity law and under the company's Articles are known as members of the Board of Directors.

Directors are appointed by agreement among the serving Directors. The Directors are recruited to maintain a balance of skills within the Board. Appointees are usually already familiar with the operations of Scotland's Finest Woods. They then participate in an induction programme which includes meeting with the Administrator and Board of Directors to familiarise themselves with the charity and the context within which it works.

No Director is remunerated for their service as a Director.

Organisational Structure

The charity is organised so that the Directors meet to manage the company as necessary. The Board is responsible for making decisions and a record of these is contained in the minutes of each meeting.

Risk Statement

In pursuing the Charity's objectives, the Directors are responsible for publicising, running and judging an annual competition to identify Scotland's Finest Woods and for arranging an appropriate Award ceremony. They maintain and keep updated a formal risk assessment matrix that is reviewed at least annually. There are three main risks: loss of key personnel, funds failing to meet requirements and the loss of Scottish Government support through the funding provided by Forestry Commission Scotland for meeting part of the cost of running the Awards and the hosting of the Awards ceremony. Steps to minimise each of these main risks are identified with the actions required detailed to mitigate each risk.

Objectives and Activities

For the benefit of the people of Scotland as a whole:

To promote sustainable woodlands and their environs for educational, research, environmental, social and recreational purposes for the benefit of local residents, visitors and the public in general.

To promote a greater understanding and appreciation of the environmental, social and recreational potential of trees, woods and forests.

Report of the Directors (Continued)**Objectives and Activities Continued**

To promote, encourage and secure the educational value of Scotland's woodlands and its scenic and historic qualities including the provision of facilities in the interests of the physical, social and cultural welfare of the people of Scotland as a whole.

To promote and encourage others to undertake and develop innovative concepts to the benefit of the forestry industry as a whole.

Achievements and Performance

The company's principal activity is to hold an annual awards programme known as the Scotland's Finest Woods Awards to celebrate the contribution that woodlands can make to the people of Scotland and to its environment and economic prosperity.

The underlying principle of the Awards is that people from across Scotland work hard to support their local communities and the environment and the Awards provide a way to recognise and reward their achievements and so identify exemplars for others to follow.

Financial support for the Awards was provided by a range of Delivery Partners:

BSW Timber Ltd
Egger Forestry
Forestry Commission Scotland
Iggesund Forestry
James Jones & Sons Ltd
Outdoor & Woodland Learning Scotland (in-kind support)
Royal Highland & Agricultural Society of Scotland
Scottish Woodlands Ltd
Tilhill Forestry
The Woodland Trust Scotland

Smaller contributions were made by the following Supporters:

Alba Trees Ltd. (in-kind support)
Caledonia Play
Central Scotland Green Network Trust
Community Woodlands Association (in-kind support)
Confor
Institute of Chartered Foresters
Royal Scottish Forestry Society

The awards programme attracted 30 entries. The prizes were presented by Mr Fergus Ewing MSP, Cabinet Secretary for the Rural Economy and Connectivity at a reception hosted by Forestry Commission Scotland at the Royal Highland Show, Edinburgh on 22nd June 2018.

The Directors are grateful to the above partners and supporters and to the volunteer judging teams who make possible the annual Awards programme.

Report of the Directors (Continued)**Prize-winners**

The prize-winners for the Scotland's Finest Woods Awards 2018 were:

Community Woodlands Award

Overall Winner of the Community Woods category and the Tim Stead Trophy and Winner of the Large Community Woodland competition:

- K-Woodlands, East Kilbride

Farm Woodland Award

Winner of the Lilburn Trophy for Farm Woodlands:

- Peter Gascoigne for Gascoigne Farm Ltd., Broughton, Peeblesshire

Highly Commended

- John Strachan for Tullo Farm, Oldmeldrum, Inverurie, Aberdeenshire

Commended

- Iain Stewart for Gain Farm, Cumbernauld, Glasgow

New Native Woods Award

Winner of the Woodland Trust Scotland Trophy for New Native Woods:

- Invercauld Estate for Craig Leek & Meall Gorm, Braemar, Aberdeenshire

Highly Commended:

- Trees for Life for Allt Fearn, Dundreggan Conservation Estate, Glen Moriston

Quality Timber Awards**New Commercial Woodlands category**

Winner of the James Jones Trophy for New Commercial Woods:

- James Jones & Sons Ltd. for Rig of Airie, New Galloway

Small Wood, Compartment or Single Stand of Trees category

Winner of the Hunter Blair Trophy for Silvicultural Excellence:

- Sandy Paterson for Senwick Wood, Kirkcudbright Bay

Whole Forest or Estate category

Joint Winners of the John Kennedy Trophy for Multi-purpose Woodlands:

- Houston Farms Partnership for Elderslie Estates, Renfrewshire and
- Hunt-Grubbe Family Trust for Kenmore Forest, By Inveraray, Argyll

Schools Award

Winner of the Crown Estate Schools Trophy:

- St. Mary's School, Melrose

Joint Runners up:

- Our Lady of Good Aid Cathedral Primary School and Nursery, Motherwell and
- The Secret Garden Outdoor Nursery, Letham, Near Cupar, Fife.

Winners receive custody of the relevant trophy for the coming year, an engraved wooden plaque to record their achievement, a certificate and a winner's cheque in support of their ongoing activities.

Report of the Directors (Continued)**Financial Review**

The financial statements follow on pages 8 to 13.

The principal funding sources are grants received from parties interested in the promotion of the objectives of the company and are shown in the financial statements.

Expenditure on these activities is disclosed in note 4 of the financial statements. A surplus resulted for the year which is added to the reserves brought forward for use in future years.

Reserves Policy

The General Reserve stands at a balance of £30,000 which is based on 100% of the likely annual costs of the charity and is retained to meet unforeseen events in the future due to a fall in income or rise in costs.

Plans for Future Periods

The Directors will seek to build on the success of the previous years of competition. In particular, the Directors will seek to continue raising the profile and relevance of the Awards and to increase the financial contributions and the diversity of those contributing to the Awards.

Key management personnel remuneration

The Directors consider that they and the Administrator as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Directors give of their time freely and no trustee remuneration or expenses were paid in the year.

Directors are required to disclose all relevant interests and register them with the Company Secretary and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

The Directors are responsible for appointing the Administrator who is not an employee and is appointed on a service contract basis. The level of the Administrator's fee is reviewed annually in accordance with rates appropriate for the role.

Directors' responsibilities in relation to the financial statements

The charity Directors are responsible for preparing Directors' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable 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 company will continue in business.

Report of the Directors (Continued)**Directors' responsibilities in relation to the financial statements Continued**

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Memorandum and Articles of Association. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Examiner

The independent examiner James Anderson C.A. of James Anderson & Co Accountants is willing to continue in office and a resolution regarding this appointment will be put to the members at the Annual General Meeting.

By Order of the Board

Angela Douglas
Director

7 November 2018

**Independent Examiner's Report to the Members
For the Year ended 30 September 2018**

I report on the accounts of the Company for the year ended 30 September 2018 which are set out on pages 8 to 13.

Respective responsibilities of the Directors and independent examiner

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

Basis of Independent examiner's statement

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

Independent examiner's statement

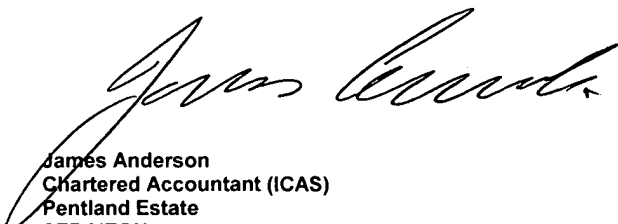
In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



James Anderson
Chartered Accountant (ICAS)
Pentland Estate
STRAITON
Edinburgh
EH20 9QH

7 November 2018

Income and Expenditure Account and Statement of Financial Activities
For the Year ended 30 September 2018

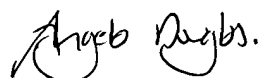
	Notes	2018 £	2017 £
Income			
Charitable activities	3	35,550	29,550
Investment income		16	10
Total Income		<u>35,566</u>	<u>29,560</u>
Expenditure			
Charitable activities	4	<u>33,952</u>	<u>28,243</u>
Total Expenditure		<u>33,952</u>	<u>28,243</u>
Net Income		1,614	1,317
Reconciliation of Funds			
Total funds brought forward		<u>31,027</u>	<u>29,710</u>
Total Funds carried forward	7	<u>32,641</u>	<u>31,027</u>

The results set out above derive wholly from the continuing operations of the company. The company has no recognised gains or losses other than as stated above. The above income and expenditure relate to unrestricted funds.

Balance Sheet
As at 30 September 2018

	Notes	2018 £	2017 £
Current Assets			
Bank		<u>33,139</u>	<u>31,513</u>
Creditors			
Amount falling due within one year	6	<u>498</u>	<u>486</u>
Net Assets		<u>32,641</u>	<u>31,027</u>
Reserves			
Unrestricted Funds	7	<u>32,641</u>	<u>31,027</u>

These annual accounts have not been audited because the company is entitled to the exemption provided by S477 of the Companies Act 2006 and members have not required the company to obtain an audit of its accounts for the period in accordance with S476 of the Companies Act 2006. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with S386 of the Companies Act 2006. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with S396 Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company. These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime. The financial statements on pages 8 to 13 were approved on 7 November 2018 and signed on its behalf by



Angela Douglas Director

Notes to the Financial Statements**For the Year ended 30 September 2018****1. Statutory information**

Scotland's Finest Woods is a private company, limited by guarantee with charitable status and registered in Scotland. The company's registration number and registered office address can be found on the Reference and Administrative Details page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102) and the Companies Act 2006.

Scotland's Finest Woods meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Judgements and estimates

In preparing the financial statements, the Directors are required to make estimates and assumptions which affect reported income, expenditure, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Going concern

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Donated services

In accordance with the Charities SoRP (FRS102) general volunteer time is not recognised in the accounts.

Notes to the Financial Statements (continued)
For the Year ended 30 September 2018**Accounting Policies Continued****Income**

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Sponsorships and grants are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that income received is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

Expenditure

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fund accounting

Unrestricted funds can be used on any activity within the charitable objectives of the charity.

Designated funds are unrestricted funds of the charity which the Directors have decided at their discretion to use for a specific purpose.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is in note 7 to the financial statements.

Cash at bank and in hand

Cash at bank and cash in hand includes costs and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the Financial Statements (continued)
For the Year ended 30 September 2018

Account Policies Continued

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

	2018 £	2017 £
3. Income - Charitable Activities		
Grants & Sponsorship		
Forestry Commission Scotland	19,000	17,000
Woodland Trust Scotland	3,000	3,000
BSW Timber Ltd	1,000	1,000
Iggesund Forestry	1,500	1,500
Egger Forestry Products Ltd	1,800	1,800
James Jones & Sons Ltd	2,000	2,000
Scottish Woodlands Ltd	3,000	1,500
Royal Highland & Agricultural Society of Scotland	2,500	-
Tilhill Forestry	750	750
Confor	200	200
Institute of Chartered Foresters	200	200
Royal Scottish Forestry Society	200	200
Central Scotland Green Network Trust	200	200
Caledonia Play	200	200
	<u>35,550</u>	<u>29,550</u>
4. Expenditure - Charitable Activities		
Plaques & trophy maintenance	1,278	1,393
Prize money	8,000	5,750
Judging expenses	2,723	1,740
Awards ceremony	1,615	1,385
Administrator's fee	14,500	12,500
Media & event consultant	4,440	4,200
Insurance	469	424
Website & internet costs	237	220
Miscellaneous outlays	192	145
Independent Examiner	498	486
	<u>33,952</u>	<u>28,243</u>

5. Related party transactions and trustees' expenses and remuneration

The Directors give freely of their time and expertise without any form of remuneration for acting as a Director in this and the previous year.

One Director acts as administrator and receives a fee for this service as described below:

Administrator's fee

Angela Douglas £14,500 (2017 - £12,500)

Notes to the Financial Statements (continued)
For the Year ended 30 September 2018

	2018 £	2017 £
6. Creditors		
<i>Amounts falling due within one year</i>		
Accruals	498	486

7. Statement of Funds

	Balance 30/09/17 £	Incoming Resources £	Outgoing Resources £	Transfer £	Balance 30/09/18 £
Unrestricted Funds					
Income & expenditure account	1,027	35,566	33,952	-	2,641
General Reserve	30,000	-	-	-	30,000
	<u>31,027</u>	<u>35,566</u>	<u>33,952</u>	<u>-</u>	<u>32,641</u>

The Income & Expenditure balance is an unrestricted fund which is for use for the objects of the charity. The General Reserve is a fund designated by the Directors to be retained to meet unforeseen and statutory obligations which might arise in the future. The Directors consider the formation of this fund to be prudent and not available for the normal activities of the Charity. The target for this fund is based on 100% of likely annual running costs.