

REGISTERED COMPANY NUMBER: SC 189325 (Scotland)
REGISTERED CHARITY NUMBER: SC 029029

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 30 September 2017
for
Laggan Forest Trust

Peter Munro & Company
Chartered Certified Accountants
15-17 High Street
Kingussie
Inverness-shire
PH21 1HS

Laggan Forest Trust

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for the Year Ended 30 September 2017

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Laggan Forest Trust

Report of the Trustees
for the Year Ended 30 September 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2017. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charity is to conserve, regenerate and promote the restoration of native and other woodlands and to maintain, improve and extend paths within and linking such woodlands in the geographical region of Laggan as an important part of Scotland's natural environment for benefit of the public.

Significant activities

Development of afforestation and woodland regeneration projects, introduction and development of interpretative sites and centres. To foster and develop community participation in woodlands, their management and use. To reintroduce trees, plants and wildlife appropriate to the native woodlands of Scotland.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Trust is currently in a stable financial position and has taken a pragmatic view with respect to holding modest and appropriate contingency reserves at the year-end. The final year of funding from the Scottish Government Strengthening Communities Fund has allowed us to continue to employ 2 members of staff, one full time, the other part-time. Key to the prioritized activities has been to ensure that visitors to the Forest Centre, be it via Open Days with our Partners, with our volunteers, the Mountain Bike trails or passing tourist traffic understand the natural environment in which they are in and are supplied with the relevant leaflets to enjoy both access and information about the Strathmashie Forest and its environment.

Activities over the past year

There has been a varied programme of activities over the past year - all supporting our overall charitable aims. These activities included joint events with the Cairngorms National Park in running a Nature Weekend, Open Days with Forest Enterprise and the Centre continuing to host two major events in the National Mountain Bike calendar, which exposed the many participants to our overall aims. Members from the local community supported a number of these events with their active participation and contribution. Additionally during the year the Orienteering course which was re-laid through part of the forest was enjoyed by many participants - young and old - with many of the natural assets of the Forest and its wildlife exposed to new families.

In February 2017, a new set of Trustees was elected to the Board with an appropriate balance of community members' capabilities very evident in Forestry, the environment and business. In addition to member trustees, one other trustee was co-opted to the board to broaden the skill and knowledge base of the Board. We also gratefully acknowledge the contribution that SNH volunteers were able to provide, to assist us in a number of projects around the Forest centre. We continue to benefit from the knowledge and experience of those very familiar with the Forest and Natural Heritage and we look forward to continuing that close working relationship. The Centre and its Cafe continues to be supported and is staffed separately part-time by residents from the community and region.

The Trust took the decision to delay replanting of that part of the forest which it owns into 2018 or 2019 with the agreement of Scottish Woodlands, who have also facilitated a small grant to assist that re-planting which will comprise an appropriate mix of different trees - conifers and broadleaf - to enhance the overall long term appearance of the area. Forest Enterprise continue to harvest the Achduchil & Feagour forests, parts of which house the mountain bike trails and we maintain regular contact with Forestry to ensure the paths and trails throughout are maintained and accessible to all.

It remains our on-going aim to ensure that all our trails and walks are open to the community members and visitors alike and we rely on our Partnership with the Forestry Commission, local businesses and volunteers to help deliver a positive experience of the forest environment.

Conclusion

It has been a constructive year with direction and support for our activities given by our community members and the public at large. We remain grateful to our funders, employees, volunteers and trustee directors for their unstinting support and trust that they will continue to support our aims in the future.

All are to be thanked for their significant efforts in enhancing the objectives of the Trust, and its relationships with our critical partners (Forest Enterprise, Cairngorms National Park Authority, Scottish Natural Heritage) as well as formulating revised plans for the coming years. At the AGM of the Trust, members provided unanimous support for the Trust to explore a potential Forest acquisition process under the Community Asset Transfer Scheme (CATS) notified to us by Forest Enterprise. This was consistent with our stated purposes and much planning for progressing this occurred throughout the year.

Looking to the future, The Trust will continue to explore how it can expand the understanding of our natural forest environment with additional facilities for children and families around the Centre as well as undertake a feasibility study for future expansion of the Trust's portfolio.

Laggan Forest Trust

Report of the Trustees for the Year Ended 30 September 2017

FINANCIAL REVIEW

Financial review

Reserve policy to date has been concerned with acquisition and development of the Forest Centre however this will be reviewed to reflect our enhanced responsibilities e.g. for staff and development activities. This will be reported and considered by our Board at our regular meetings. The Trust has a positive reserve balance on hand with no deficit anticipated however we do recognise a need to continue active fund-raising now that the project to develop the vision into reality has been resourced.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trust was set up in September 1998 and was recognised as a Scottish charity with effect from 8th June 1999. The Trust is administered in accordance with the terms of the constitution as recorded in the Memorandum and Articles of Association which states that the board of Trustees should consist of not less than 3 members and no more than 12, the majority of whom should reside within the community of Laggan's postcode.

Recruitment and appointment of new trustees

The trustees are those appointed at the annual general meeting. Appointment and removal is in accordance with the Articles of Association which requires that one third of the trustees or nearest number upwards should retire from office. No trustee can serve more than 2 consecutive terms of office without at least one year out of office. Nomination of trustees shall be by not less than two members of the company. Election shall be by vote of members who may be present in person or by proxy at the AGM each member shall have one vote for each vacancy on the board.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC 189325 (Scotland)

Registered Charity number

SC 029029

Registered office

Forestry Office
Strathmashie
Laggan
Inverness-shire
PH20 1BU

Trustees

I Hall
C S Morgan
R H Richardson
M J Sharp
V A Smith - resigned 1.1.17
K Christie - appointed 28.2.17

Company Secretary

Independent examiner

Peter Munro FCCA
Peter Munro & Company
Chartered Certified Accountants
15-17 High Street
Kingussie
Inverness-shire
PH21 1HS

Laggan Forest Trust

Report of the Trustees
for the Year Ended 30 September 2017

Approved by order of the board of trustees on and signed on its behalf by:

.....
C S Morgan - Trustee

Independent Examiner's Report to the Trustees of
Laggan Forest Trust

I report on the accounts for the year ended 30 September 2017 set out on pages six to thirteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees 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 the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees 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 by the accounts.

Independent examiner's statement

In connection with 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 to 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.

Peter Munro FCCA
Peter Munro & Company
Chartered Certified Accountants
15-17 High Street
Kingussie
Inverness-shire
PH21 1HS

Date:

Laggan Forest Trust

Statement of Financial Activities
for the Year Ended 30 September 2017

		Unrestricted fund	Restricted funds	30.9.17 Total funds	30.9.16 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	11,772	44,271	56,043	43,067
Other trading activities	3	-	-	-	765
Other income		<u>1,560</u>	<u>-</u>	<u>1,560</u>	<u>630</u>
Total		13,332	44,271	57,603	44,462
EXPENDITURE ON					
Charitable activities					
Project costs		2,262	42,954	45,216	42,878
Support costs		<u>1,468</u>	<u>802</u>	<u>2,270</u>	<u>2,150</u>
Total		3,730	43,756	47,486	45,028
NET INCOME/(EXPENDITURE)		9,602	515	10,117	(566)
RECONCILIATION OF FUNDS					
Total funds brought forward		3,395	74,017	77,412	77,978
TOTAL FUNDS CARRIED FORWARD		<u>12,997</u>	<u>74,532</u>	<u>87,529</u>	<u>77,412</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Laggan Forest Trust

Balance Sheet

At 30 September 2017

	Notes	Unrestricted fund £	Restricted funds £	30.9.17 Total funds £	30.9.16 Total funds £
FIXED ASSETS					
Tangible assets	8	4,594	70,406	75,000	75,050
Investments	9	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		4,596	70,406	75,002	75,052
CURRENT ASSETS					
Cash at bank and in hand		9,603	4,777	14,380	6,367
CREDITORS					
Amounts falling due within one year	11	<u>(1,202)</u>	<u>(651)</u>	<u>(1,853)</u>	<u>(4,007)</u>
NET CURRENT ASSETS		<u>8,401</u>	<u>4,126</u>	<u>12,527</u>	<u>2,360</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,997</u>	<u>74,532</u>	<u>87,529</u>	<u>77,412</u>
NET ASSETS		<u>12,997</u>	<u>74,532</u>	<u>87,529</u>	<u>77,412</u>
FUNDS	13				
Unrestricted funds				12,997	3,395
Restricted funds				<u>74,532</u>	<u>74,017</u>
TOTAL FUNDS				<u>87,529</u>	<u>77,412</u>

The notes form part of these financial statements

Laggan Forest Trust

Balance Sheet - continued

At 30 September 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 September 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....

C S Morgan -Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure 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 cost 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land at Strathmashie	- nil%
Plant and machinery	- 20% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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 included in the notes to the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 30 September 2017

2. DONATIONS AND LEGACIES

	30.9.17	30.9.16
	£	£
Donations	10,129	479
Grants	44,271	39,516
Training courses income	1,248	2,700
Sale of orienteering maps	-	372
Misc cafe sales	381	-
Commission	14	-
	<u>56,043</u>	<u>43,067</u>

Grants received, included in the above, are as follows:

	30.9.17	30.9.16
	£	£
Highland Council	-	400
Forestry Commission Conservancy	3,245	-
Scottish Government DTAS	<u>41,026</u>	<u>39,116</u>
	<u>44,271</u>	<u>39,516</u>

3. OTHER TRADING ACTIVITIES

	30.9.17	30.9.16
	£	£
Fundraising events	<u>-</u>	<u>765</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.9.17	30.9.16
	£	£
Depreciation - owned assets	<u>50</u>	<u>50</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2017 nor for the year ended 30 September 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 September 2017 nor for the year ended 30 September 2016.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	30.9.17	30.9.16
Staff	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,551	39,516	43,067
Other trading activities	765	-	765
Other income	<u>630</u>	<u>-</u>	<u>630</u>
Total	4,946	39,516	44,462
EXPENDITURE ON			
Charitable activities			
Project costs	3,740	39,138	42,878
Support costs	<u>2,150</u>	<u>-</u>	<u>2,150</u>
Total	5,890	39,138	45,028
NET INCOME/(EXPENDITURE)	(944)	378	(566)
RECONCILIATION OF FUNDS			
Total funds brought forward	4,339	73,639	77,978
TOTAL FUNDS CARRIED FORWARD	<u>3,395</u>	<u>74,017</u>	<u>77,412</u>

8. TANGIBLE FIXED ASSETS

	Land at Strathmashie £	Plant and machinery £	Totals £
COST			
At 1 October 2016 and 30 September 2017	<u>75,000</u>	<u>6,152</u>	<u>81,152</u>
DEPRECIATION			
At 1 October 2016	-	6,102	6,102
Charge for year	<u>-</u>	<u>50</u>	<u>50</u>
At 30 September 2017	<u>-</u>	<u>6,152</u>	<u>6,152</u>
NET BOOK VALUE			
At 30 September 2017	<u>75,000</u>	<u>-</u>	<u>75,000</u>
At 30 September 2016	<u>75,000</u>	<u>50</u>	<u>75,050</u>

9. FIXED ASSET INVESTMENTS

Investments represents 100% of the share capital of the Laggan Forest Trust Forest Company Ltd.

Notes to the Financial Statements - continued
for the Year Ended 30 September 2017

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.17	30.9.16
	£	£
Prepayments and accrued income	<u>-</u>	<u>-</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.17	30.9.16
	£	£
Trade creditors	152	2,324
Social security and other taxes	498	481
Other creditors	2	2
Deferred income	-	-
Accrued expenses	<u>1,202</u>	<u>1,200</u>
	<u>1,854</u>	<u>4,007</u>

12. LOANS

An analysis of the maturity of loans is given below:

	30.9.17	30.9.16
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>-</u>	<u>-</u>

13. MOVEMENT IN FUNDS

	At 1.10.16	Net movement in funds	At 30.9.17
	£	£	£
Unrestricted funds			
General fund	3,395	9,602	12,997
Restricted funds			
Other restricted funds	3,482	515	3,997
Land at Strathmashie	70,406	-	70,406
Enterprise Growth	29	-	29
Play Area	<u>100</u>	<u>-</u>	<u>100</u>
	74,017	515	74,532
	<u>77,412</u>	<u>10,117</u>	<u>87,529</u>

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	13,332	(3,730)	9,602
Restricted funds			
Other restricted funds	44,271	(43,756)	515
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>57,603</u>	<u>(47,486)</u>	<u>10,117</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2017.

Laggan Forest Trust

Detailed Statement of Financial Activities
for the Year Ended 30 September 2017

	30.9.17 £	30.9.16 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	10,129	479
Grants	44,271	39,516
Training courses income	1,248	2,700
Sale of orienteering maps	-	372
Misc cafe sales	381	-
Commission	<u>14</u>	<u>-</u>
	56,043	43,067
Other trading activities		
Fundraising events	-	765
Other income		
Rental income	<u>1,560</u>	<u>630</u>
Total incoming resources	57,603	44,462
EXPENDITURE		
Charitable activities		
Wages	38,526	34,018
Annual office rent	600	600
Office utilities charge	3,610	4,079
Telephone, internet & website	361	150
Postage and stationery	7	92
Advertising	180	764
Sundries	121	286
Development costs	299	44
Conference fees	-	77
Orienteering expenses	-	207
Training expenses	1,462	2,511
Plant and machinery	<u>50</u>	<u>50</u>
	45,216	42,878
Support costs		
Management		
Insurance	802	506
Governance costs		
Accountancy and legal fees	<u>1,468</u>	<u>1,644</u>
Total resources expended	47,486	45,028
Net income/(expenditure)	<u><u>10,117</u></u>	<u><u>(566)</u></u>

This page does not form part of the statutory financial statements