

SMALL WOODS ASSOCIATION

England & Wales · Charity number 1081874

Details

Other names	SWA
Status	Registered
Legal form	Charitable company
Company number	03919849
Registered	2000-08-07
Register	View on the Charity Commission register

Contact

Address	Greenwood Centre The Old Station Station Road Coalbrookdale Telford TF8 7DR
Phone	01952432769
Email	office@smallwoods.org.uk
Website	www.smallwoods.org.uk

Activities

Objects: 1 TO PROMOTE AND FACILITATE THE USE AND SUSTAINABLE DEVELOPMENT OF SMALL WOODLANDS FOR THEIR FULL RANGE OF ECONOMIC, SOCIAL, HEALTH AND ENVIRONMENTAL BENEFITS.2 TO PROMOTE, FACILITATE AND PROVIDE ACTIVITIES THAT UTILISE WOODLANDS FOR ECONOMIC, SOCIAL, HEALTH AND ENVIRONMENTAL BENEFITS.3 TO PROMOTE, FACILITATE AND PROVIDE EDUCATION, TRAINING AND RESEARCH, AND PUBLISH OR DISTRIBUTE INFORMATION AND PROVIDE ADVICE TO SUPPORT THE ABOVE OBJECTS.4 WHERE IT IS FOR THE PROTECTION OF THE ENVIRONMENT, TO PROVIDE, MAINTAIN OR IMPROVE A PUBLIC PARK OR OTHER PUBLIC AMENITY IN THE VICINITY OF A LANDFILL SITE.

Activities: Provides education and training, membership services for all those interested in small woodlands

Classification

- **How:** Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,654,277	£1,788,548	£448,748	56
2024-03-31	£1,841,902	£1,984,889	£583,019	59
2023-03-31	£1,667,239	£1,673,584	£726,006	40
2022-03-31	£1,094,632	£1,104,283	£732,351	24
2021-03-31	£934,307	£833,026	£742,002	38

Trustees

Name	Role	Appointed
JOHN BLESSINGTON	Chair	
Alyson Anne May		2015-03-20
Dr Ben Howard		2024-03-22
Dr Elizabeth Mary Newton		2023-12-08
Michael Innes		2024-03-22

SMALL WOODS ASSOCIATION

England & Wales - Charity number 1081874

Accounts

Small Woods Association

Trustees' Report and Audited Financial Statements

For the year ended 31 March 2025

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Trustees	John Blessington Christopher Duncan Alyson May Beverly Tyley Philip Tidey Gary Battell (resigned 4 th October 2024) Liz Newton Adam Gillingham (resigned 12 th September 2024) Ben Howard (appointed 22 nd March 2024) Michael Innes (appointed 22 nd March 2024)
Company Registered Number	03919849
Charity Registration Number	1081874
Registered Office	Station Road Coalbrookdale Telford Shropshire TF8 7DR
CEO	Simon James
Company Secretary	Christopher Duncan
Independent Auditor	James Holyoak & Parker Limited 1 Knights Court Archers Way Battlefield Enterprise Park Shrewsbury SY1 3GA
Bankers	Lloyds Bank plc 113 The Border Overdale Telford TF3 4AE

Trustees' Report

The trustees, who are also the directors of Small Woods Association (Small Woods) for the purposes of company law, present their annual report and the audited financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 3 to the financial statements and comply with the charity's governing documents, the Companies Act 2006 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 2019).

Objectives and Activities

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The charity's object is to advance the conservation of small woodlands. The principal activities are raising awareness about the needs and implications of small woodland management; undertaking projects that promote their sustainability and use; using woodlands for the promotion of human health and wellbeing and the promotion of traditional woodland crafts. This is done through a number of channels: practical projects (often grant funded), training and educational courses, apprenticeships, seminars, events, an annual conference, provision of information, advice and guidance.

Achievements and performance

The charity has continued to undertake a wide range of activities and done so with the support of a committed membership, trustees and staff. The charity delivered 35 projects across the UK during the year, funded by a £1.65m turnover, which is a 10% decrease on the previous year. From April 2024 to March 2025, Small Woods membership remained strong, with 1,796 active members collectively representing over 30,000 hectares of woodland across the UK. Our members continue to play a vital role in championing sustainable woodland management and community engagement. Throughout the year, members benefited from access to a wide range of resources via the Members' Area on our website, including technical guidance, policy updates, and best practice materials. In addition, our well-regarded quarterly magazine provided news, insights, and stories from across the woodland sector, helping to keep members informed, inspired, and connected.

Coed Lleol Small Woods Wales – Delivery of the Shared Prosperity Fund

During the 2024–25 financial year, we successfully delivered programmes funded by the UK Government's Shared Prosperity Fund (SPF), working in partnership with multiple local authorities across Wales. This funding supported the expansion of our community-based nature and wellbeing programmes, enabling the continuation and growth of vital services that improve physical and mental wellbeing through woodland and outdoor engagement. Through the SPF, we delivered structured health and wellbeing activities in targeted communities, prioritising individuals facing social isolation, unemployment, long-term health conditions, and mental health challenges. The programme focused on promoting inclusive access to green spaces, building personal confidence, and providing pathways to volunteering, training, and employment.

Key outcomes achieved through SPF delivery included:

- Support for hundreds of participants in achieving improved wellbeing outcomes through regular woodland-based sessions.
- The development of local partnerships with health boards, employment services, and voluntary sector organisations to maximise reach and impact.
- The employment of local staff and facilitators, supporting the rural economy and creating community-level impact.

The SPF has allowed us to extend our reach and align with broader regional priorities around health equity, community resilience, and sustainable development. This funding continues to play a key role in delivering long-term benefits for individuals and communities across Wales.

WIMFIF Biochar and Resilient Network Project

During the 2024–25 financial year, Small Woods played a leading role in the delivery of the Woods into Management Forestry Innovation Fund (WIMFIF) Biochar and Resilient Network Project, an innovative initiative aimed at promoting woodland resilience, sustainable land use, and climate-positive practices through collaboration with landowners, community groups, and sector partners.

Funded through the Forestry Commission, the WIMFIF project focused on two key strands:

- **Biochar Innovation and Knowledge Transfer**

Small Woods supported research, training, and demonstration on the production and application of biochar, a carbon-rich by-product of sustainable woodland management. By engaging woodland owners and managers, the project raised awareness of biochar's potential to improve soil health, enhance biodiversity, and sequester carbon. On-the-ground workshops and knowledge-sharing events were held across England. Technical guidance was produced to inform and support adoption of small-scale biochar systems.

- **Resilient Woodland Network Development**

In parallel, Small Woods worked with partners to establish a Resilient Woodland Network, a collaborative platform for peer learning and best practice exchange among woodland managers, foresters, and community woodland groups. The network facilitated cross-sector engagement to address barriers to woodland management. Pilot clusters were established to test new approaches to woodland resilience, including adaptive management strategies and regenerative practices. Through the WIMFIF project, Small Woods has further strengthened its role as a sector convener and innovator, enabling practical solutions that support climate resilience, biodiversity, and the sustainable growth of the woodland economy.

This work complements the charity's broader aim of bringing more woodlands into active, sustainable management, while supporting the skills and confidence of woodland owners and practitioners to take positive action for nature and climate.

Training and Courses

During the 2024–25 financial year, Small Woods and Coed Lleol continued to deliver a diverse range of high-quality training courses across the UK, supporting individuals, communities, and professionals to develop skills in sustainable woodland management, traditional crafts, and nature-based health and wellbeing. These courses are a vital part of the charity's mission to build capacity within the woodland sector and promote sustainable practices at the community level.

Key Highlights:

- **Traditional Woodland Skills**

Courses offered at the Green Wood Centre and other training sites included coppicing, green woodworking, charcoal making, and tool sharpening. These hands-on workshops preserved traditional rural skills while supporting participants' practical confidence and engagement with woodland management.

- **Nature and Wellbeing Practitioner Training**

Coed Lleol delivered accredited and introductory training for Nature and Wellbeing Facilitators across Wales, equipping individuals to safely and effectively lead outdoor wellbeing sessions. These courses were particularly impactful in supporting workforce development in health, social care, and community development settings.

- **Professional Development**

Targeted courses for woodland owners, managers, and forestry professionals included sustainable woodland planning, biochar production, and woodland ecology. This supported better woodland outcomes and encouraged the uptake of sustainable management approaches aligned with national policy goals.

- **Community-Based Learning**

Coed Lleol also supported informal, community-based learning, offering short courses and taster sessions to increase access to nature and build local capacity for woodland engagement and volunteering.

Impact:

- Hundreds of participants across the UK benefitted from training from over 50 courses delivered this year.
- Courses supported personal and professional development, enhanced employability, and strengthened the wider woodland and wellbeing sectors.
- Participant feedback consistently highlighted improved skills, confidence, and connection to nature.

Income generated through course fees also contributed to the charity's financial sustainability and enabled reinvestment into core programmes and charitable objectives.

Financial review

It is the aim of the charity that unrestricted funds, which have not been designated for a specific use, should be maintained at a level defined in the Reserves Policy. The Trustees consider that once reserves at this level have been achieved this will ensure that, in the event of a significant drop in funding, the charity will be able to continue its activities, while consideration is given to ways in which additional funds may be raised. The level of reserves required has been approved by the board to cover 3 months of operating expenditure and closure costs. The charity will be working hard to achieve those levels of reserves over the next 3 to 5 years.

Income decreased in the year to £1,654,277 (2024: £1,841,902) and there was a larger decrease in expenditure, however the charity incurred a deficit of £134,271 for the year. This, combined with losses made over the previous 3 years continue to weigh on the charity and the level of reserves has been further depleted. The charity is facing inflationary pressures on costs and pay, and the cost of living affects our membership retention and learning pathways take up. There is also uncertainty by funders due to recent change in government, downward pressure on levels of management fees chargeable and the tendency of funders to move to short term grants available at short notice.

However, following a re-structuring at the end of the year, the current year budget is showing a break-even position for the year and the trustees are confident that this can be achieved. Negotiations with Charity Bank have concluded and the existing bank loan will now be repaid over 6 years.

Small Woods unrestricted funds on the 31st March 2025 amounted to £438,184 (2024: £515,832). Small Woods free reserves on the 31st March 2025 were £57,174 (2024: £83,792). The trustee's aim is to increase those reserves over the coming years to achieve the target set in the Reserves Policy.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those risks.

Plans for future periods

Small Woods is dedicated to promoting the sustainable management of small woodlands for environmental, economic, and social benefits, we are seeking strategic changes to our goals and initiatives for the next five years to enhance woodland stewardship, increase member engagement, and promote sustainable forestry practices for resilience and well-being. This will enable further stability diverting risk away from public funds to embrace the corporate market for investment in woodlands for management, health and wellbeing activities.

Structure, Governance and Management

Governing Documents

Small Woods is a company limited by guarantee, governed by its memorandum and articles of association, incorporated on the 4th February 2000 and registered with the Charity Commission on the 7th August 2000. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Method of Appointment of Trustees

Potential new trustees are identified by the board and approached as and when required. New trustees are briefed on the operational of the organisation at trustee meetings. An open invitation to the membership of Small Woods has been issued to recruit new members from the membership.

Induction and Training of Trustees

New trustees are provided with appropriate information, induction and training, taking into account their previous experience in the charity sector and the nature of Small Woods.

Organisational Structure and Decision Making

The Board of Trustees administers Small Woods, meets quarterly and is responsible for the strategic direction and policy of the charity. A minimum of three trustees is required for a meeting to be quorate. At present there are ten trustees from a variety of professional backgrounds.

The Board appoints the CEO who manages the day to day operations of Small Woods.

Statement of Trustees' Responsibilities in respect of the Financial Statements

The Trustees, who are the directors of Small Woods for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law require the trustees to prepare financial statements for each financial year that give a true and fair view of Small Wood's state of affairs and of its incoming and outgoing resources, including the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

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- observe the methods and principles of the Statement of Recommended Practice 'Accounting and Reporting by Charities';
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that Small Woods will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, Small Wood's financial position and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding Small Wood's assets and hence for taking steps for the prevention and detection of fraud and other irregularities.

Provision of Information to the Auditor

The Trustees who held office at the date of approval of this trustees' report confirm that, so far as they are aware:

- there is no relevant audit information of which Small Wood's auditor is unaware; and
- they have taken all the steps that they ought to have taken, as trustees, to make themselves aware of any relevant audit information and to establish that Small Wood's auditor is aware of that information.

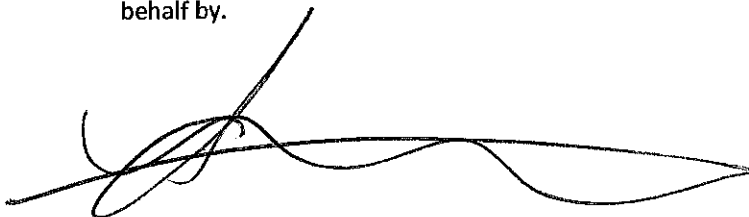
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

The auditor is James Holyoak & Parker Limited.

Approval

The Trustees have prepared this report in accordance with the provisions applicable to companies subject to the small companies regime. This report was approved by the Trustees on 12 September 2025 and signed on their behalf by.

A handwritten signature in black ink, appearing to be 'John Blessington', written over a horizontal line.

John Blessington
Trustee

Opinion

We have audited the financial statements of Small Woods Association (the 'charitable company') for the year ended 31st March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2025, 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter- Going concern

We draw attention to Note 27 in the financial statements, which indicates that the charity underwent a downsizing exercise during the year ended 31 March 2025. Forecasts show that the charity will be in a breakeven position for the next financial year and future funding applications are anticipated to be successful. As stated in Note 27, these events or conditions, along with other matters as set forth in Note 27, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter. In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit Matters

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>

This description forms part of our auditor's report.

Use of our report

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Small Woods Association

**Independent Auditors Report
to the Trustees of Small Woods Association**



Mr Robert Humphreys BEng FCA (Senior Statutory Auditor)

for and on behalf of James Holyoak & Parker Limited

Date: ...22/09/2025

Chartered Accountants

Statutory Auditor

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

James Holyoak & Parker Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Small Woods Association

Statement of Financial Activities

(Incorporating an Income and Expenditure Account)

Year ended 31 March 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Income from:							
Membership, donations & legacies	4	117,536	-	117,536	154,304	20	154,324
Charitable activities	5	99,628	1,436,959	1,536,587	93,959	1,592,191	1,686,150
Investment Income	6	154	-	154	1,428	-	1,428
Total Income		217,318	1,436,959	1,654,277	249,691	1,592,211	1,841,902
Expenditure on:							
Charitable activities	8	261,034	1,527,514	1,788,548	313,411	1,669,698	1,983,109
Loss on disposal of fixed assets	11	-	-	-	1,780	-	1,780
Total Expenditure		261,034	1,527,514	1,788,548	315,191	1,669,698	1,984,889
Net Income / (Expenditure) for the year		(43,716)	(90,555)	(134,271)	(65,500)	(77,487)	(142,987)
Transfer In / (Out) of Funds	18	(33,932)	33,932	-	(50,379)	50,379	-
Net Movement in Funds		(77,648)	(56,623)	(134,271)	(115,879)	(27,108)	(142,987)
Reconciliation of Funds							
Funds brought forward at 01 April 2024		515,832	67,187	583,019	631,711	94,295	726,006
Funds Carried Forward at 31 March 2025		438,184	10,564	448,748	515,832	67,187	583,019

The statement of financial activities shows all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 13 to 27 form part of these financial statements.

Small Woods Association

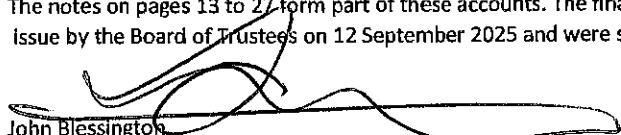
Companies House Registered Number 03919849

Balance Sheet**As at 31 March 2025**

	Note	2025	2024
		£	£
Fixed Assets			
Tangible assets	13	373,777	371,370
Investments	12	<u>100</u>	<u>100</u>
		373,877	371,470
Current Assets			
Debtors	14	223,104	363,966
Stock	7	-	1,975
Cash at bank & in hand	24	<u>105,873</u>	<u>45,390</u>
		328,977	411,331
Current Liabilities			
Creditors: Amounts falling due within one year	15	<u>(165,372)</u>	<u>(199,782)</u>
Net Current Assets		163,605	211,549
Creditors: Amounts falling due after one year	15	<u>(88,734)</u>	<u>-</u>
Net Assets		448,748	583,019
Funds of the Charity			
Unrestricted funds	20	15,174	58,792
Designated funds	17	<u>423,010</u>	<u>457,040</u>
Restricted funds	18	<u>10,564</u>	<u>67,187</u>
Total Charity funds		448,748	583,019

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The notes on pages 13 to 27 form part of these accounts. The financial statements were approved and authorised for issue by the Board of Trustees on 12 September 2025 and were signed on its behalf by:


John Blessington
Trustee

Small Woods Association

Cash Flow Statement

For the year ended 31 March 2025

	Note	2025 £	2024 £
Net cash inflow / (outflow) from operating activities	24	29,929	(106,339)
<i>Investing activities</i>			
Returns on investments and servicing of finance			
Interest received	6	154	1,428
Income from disposal of fixed assets	11	-	2,650
Payments to acquire fixed assets	13	(18,830)	(3,579)
Net cash outflow from investing activities		(18,676)	499
<i>Financing activities</i>			
Bank loan	27	49,230	49,980
Net cash inflow from financing activities		49,230	49,980
Increase in cash and cash equivalents		60,483	(55,860)
Cash or cash equivalents brought forward		45,390	101,250
Cash or cash equivalents carried forward		105,873	45,390

The notes on pages 13 to 27 form part of these financial statements.

1 General Information

The company was formed on the 4th February 2000 is limited by guarantee (No 03919849) and is a registered charity (No 1081874). The company is registered in England and Wales and the registered office is Station Road, Coalbrookdale, Telford, Shropshire, TF8 7DR

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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 associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revision and future periods, where the revision affects both current and future periods.

3 Accounting Policies

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

a Basis of Accounting

The financial statements have been prepared in accordance with;

- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) which became effective in January 2019.
- the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS 102.
- the Charities Act 2011.
- the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

b Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives.

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

c Stock

Stock for resale is valued at the lower of cost or net realisable value. Stock is sold on a first in first out basis, so the cost value is the cost of the most recent stock.

3 Principal Accounting Policies (continued)**d Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant, is recognised at the time of the donation.

Legacies are recognised on receipt or earlier if the charity has been notified of an impending distribution, the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

e Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer an economic benefit to the charity, and it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be reliably measured.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared and support costs which are not attributable to a single activity are apportioned to activities on a basis consistent with the use of the resource. Central staff costs are allocated on the basis of the time spent and depreciation charges are allocated based on the use of the asset.

f Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. As a general guide expenditure of less than £1,000 is not capitalised.

Depreciation is provided at rates to write off the cost of the asset over its estimated useful lives, as follows:

Leasehold land and buildings	2% on a straight line basis
Plant and equipment	10% on a reducing balance basis
Motor vehicles	20% on a straight line basis

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 the statement of financial activities.

g Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income or expenditure for the year. Transaction costs are expensed when incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the subsidiary so as to obtain benefits from its activities.

3 Principal Accounting Policies (continued)***h Impairment of fixed assets***

At each reporting end date, the charity reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment or loss. If any such indication exists, the value of the asset is estimated to determine the extent of the impairment or loss, if any.

i 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 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which includes 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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

j Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

3 Principal Accounting Policies (continued)

k Retirement benefits

Payments to the defined contribution retirement benefit schemes are charged as an expense as they fall due.

l Employee benefits

Termination benefits are recognised as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Employees are expected to take holiday and use TOIL in the financial year. In exceptional circumstances balances can be carried forward and used within a month of the next financial year. In such circumstances, the Business Manager will approve an extended period of time within which the holiday and TOIL is to be used. This would be managed on a case by case basis.

m Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

4 Membership, donations & legacies

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Donations and gifts	48,734	-	48,734	71,560
Gift Aid	8,679	-	8,679	11,791
Membership fees	60,123	-	60,123	70,973
	<u>117,536</u>	<u>-</u>	<u>117,536</u>	<u>154,324</u>

5 Charitable activity

Income 2025	Unrestricted Income £	Restricted Funds £	Total 2025 £
Grants from funders	33,850	1,320,767	1,354,617
Training courses	27,836	3,062	30,898
Other income	37,942	113,130	151,072
	<u>99,628</u>	<u>1,436,959</u>	<u>1,536,587</u>

Income 2024	Unrestricted Income £	Restricted Funds £	Total 2024 £
Grants from funders	62,079	1,506,103	1,568,182
Training courses	20,309	-	20,309
Other income	11,571	86,088	97,659
	<u>93,959</u>	<u>1,592,191</u>	<u>1,686,150</u>

6 Investment income

	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Interest receivable	154	1,428
	<u>154</u>	<u>1,428</u>

7 Stock

	2025 £	2024 £
Gift shop stock	-	1,975
	<u>-</u>	<u>1,975</u>

8 Charitable expenditure

Expenditure 2025	Unrestricted Funds £	Restricted Funds £	Total 2025 £
Staff costs	188,691	964,644	1,153,335
Project costs & associated training	28,356	327,527	355,883
Magazine costs	14,886	-	14,886
Staff, volunteer & apprentice costs	7,407	69,151	76,558
Advertising	1,372	3,929	5,301
Bank charges	10,727	-	10,727
Printing, stationery & postage	5,234	2,546	7,780
Legal, professional & accountancy	20,277	-	20,277
Telephone	1,040	1,807	2,847
Rent, power & insurance	35,677	4,094	39,771
Repairs & maintenance	11,113	3,744	14,857
IT support	4,668	7,424	12,092
Irrecoverable VAT	13,824	19,581	33,405
Sundries	17,195	7,211	24,406
Depreciation	16,423	-	16,423
Management fees	(115,856)	115,856	-
	<u>261,034</u>	<u>1,527,514</u>	<u>1,788,548</u>

Expenditure 2024 (Restated)	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Staff costs	211,321	918,826	1,130,147
Project costs & associated training	18,199	476,273	494,472
Magazine costs	16,812	-	16,812
Staff, volunteer & apprentice costs	17,813	60,131	77,944
Advertising	3,119	8,587	11,706
Bank charges	7,597	-	7,597
Printing, stationery & postage	7,123	1,275	8,398
Legal, professional & accountancy	28,982	19,596	48,578
Telephone	1,130	1,456	2,586
Rent, power & insurance	39,845	3,550	43,395
Repairs & maintenance	18,339	-	18,339
IT support	5,743	33,528	39,271
Irrecoverable VAT	16,901	30,426	47,327
Sundries	16,619	3,427	20,046
Depreciation	16,491	-	16,491
Management fees	(112,623)	112,623	-
	<u>313,411</u>	<u>1,669,698</u>	<u>1,983,109</u>

9 Analysis of Staff Costs

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	1,061,612	1,044,121
National insurance costs	71,487	66,806
Pension costs	20,236	19,220
	1,153,335	1,130,147

There were no employees whose remuneration was more than £60,000, in this or the previous year. The total salary costs of the key employees in the year was £112,415 (2024 - £176,222).

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

	2025	2024
	Nos	Nos
Average full time equivalent	37	41
Average head count	56	59

10 Net Income for the Year

	2025	2024
	£	£
This is stated after charging:		
Depreciation	16,423	16,491
Auditor's fees for audit	10,500	14,000
Auditor's fees for non-audit services	4,407	6,691

11 Disposal of fixed assets

	2025	2024
	£	£
Cost of assets	-	7,726
Depreciation to date	-	(3,296)
Income from disposal	-	2,650
Loss on disposal of fixed assets	-	1,780

12 Fixed asset investments

		Other Investments
		£
Cost or valuation		
As at 01 April 2024 & 31 March 2025		<u>100</u>
Carrying amount		
At 31 March 2025		<u>100</u>
At 31 March 2024		<u>100</u>
Other investments comprise		
	2025	2024
	£	£
Investments in subsidiaries (Note 25)	<u>100</u>	<u>100</u>

13 Tangible Fixed Assets

	Leasehold land & buildings	Plant & Equipment	Motor vehicles	Total
Cost	£	£	£	£
Brought forward	470,451	184,958	7,950	663,359
Additions	-	18,830	-	18,830
Disposals	-	-	-	-
At 31 March 2025	470,451	203,788	7,950	682,189
Depreciation				
Brought forward	147,699	139,520	4,770	291,989
Charge for year	9,409	5,424	1,590	16,423
Disposals	-	-	-	-
At 31 March 2025	157,108	144,944	6,360	308,412
Net book value				
At 31 March 2025	313,343	58,844	1,590	373,777
At 31 March 2024	322,752	45,438	3,180	371,370

Leasehold land and buildings were valued on an open market basis by Wiggins Lockett Thompson Limited Chartered Surveyors (regulated by RICS) at a value of £290,000 as at 17 August 2017. The trustees consider that this is materially in line with the reported net book value on a historic cost basis.

14 Debtors

	2025	2024
	£	£
Trade debtors	203,890	296,725
Other debtors	19,214	67,241
	223,104	363,966

15 Creditors: Amounts falling due within one year

	2025	2024
	£	£
Social security and other taxes	80,272	24,428
Trade creditors	11,805	42,549
Amount owed to subsidiary undertakings	1,758	1,758
Accruals	13,758	15,889
Government grants & deferred income	47,303	65,178
Bank loan	10,476	49,980
	165,372	199,782

Creditors: Amounts falling due after one year

	2025	2024
	£	£
Bank loan	88,734	-
	88,734	-

16 Government grants

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	<u>47,303</u>	<u>65,178</u>
Deferred income at 1 April 2024	65,178	440,987
Released from previous periods in the year	(65,178)	(440,987)
Resources deferred in the year	<u>47,303</u>	<u>65,178</u>
Balance as at 31 March 2025	<u>47,303</u>	<u>65,178</u>

Deferred income comprises income received under a contract which relates to work to be completed in future accounting periods and initial up front payments, where the work has yet to be performed or completed. The charity has no entitlement to these funds at the year end and they have therefore been deferred.

17 Designated Funds

The unrestricted funds of the charity include the following designated funds which have been set aside by the trustees for specific purposes.

	At 1 April 2024 £	Income £	Expenditure £	Transfer £	At 31 March 2025 £
Capital fund	371,370	-	-	2,407	373,777
Wind up fund	25,000	-	-	17,000	42,000
Learning Pathways	-	26,630	(41,725)	15,095	-
Mountain Warehouse	6,678	17,522	(17,675)	(6,525)	-
Social Forestry Commercial	6,972	7,245	(6,984)	-	7,233
Veterans (AFC)	3,338	-	-	(3,338)	-
Wesleyan	43,682	-	-	(43,682)	-
	<u>457,040</u>	<u>51,397</u>	<u>(66,384)</u>	<u>(19,043)</u>	<u>423,010</u>

	At 1 April 2023 £	Income £	Expenditure £	Transfer £	At 31 March 2024 £
Capital fund	299,803	-	-	71,567	371,370
Wind up fund	27,191	-	-	(2,191)	25,000
Apprenticeship	36,931	-	-	(36,931)	-
Coppice Restoration	665	-	-	(665)	-
Learning Pathways	(21,738)	9,518	(32,661)	44,881	-
Lost Woods	911	-	-	(911)	-
Mountain Warehouse	-	17,203	(10,525)	-	6,678
Social Forestry Commercial	-	9,536	(2,564)	-	6,972
Veterans (AFC)	3,097	500	(259)	-	3,338
Wesleyan	18,731	28,353	(3,402)	-	43,682
	<u>365,591</u>	<u>65,110</u>	<u>(49,411)</u>	<u>75,750</u>	<u>457,040</u>

17 Designated Funds (continued)

Capital fund: - To match the value of the net book value of the fixed assets.

Wind up Fund: - To maintain a fund to enable the payment of redundancy and associated costs if required.

Mountain Warehouse: - Fund no longer required.

Social Forestry Commercial: - Activity to continue around delivering various courses and programs.

Veterans (AFC): - Fund no longer required.

Wesleyan: - Fund no longer required.

18 Analysis of Movements in Restricted Funds

Analysis of Movements in Restricted Funds - Current Year

	At 1 April 2024 £	Income £	Expenditure £	Transfers Funds £	At 31 March 2025 £
Amser RCT	-	10,668	(9,422)	(1,246)	-
Anglesey AONB	-	12,778	(16,223)	3,445	-
Anglesey SPF	6,564	180,435	(189,534)	2,535	-
Apprenticeships	2,999	17,000	(32,394)	12,395	-
Arts Council Wales	-	22,733	(21,976)	(757)	-
BLG RIF	-	6,543	(6,288)	(255)	-
Blaenau Gwent SPF	375	47,278	(46,251)	(1,402)	-
CAVO	-	10,000	(9,686)	(314)	-
Carms SPF (UWTSD)	2,681	50,822	(53,680)	177	-
Carms Twig Pentremawr	-	1,600	(1,505)	-	95
Carms Twig Ynys Dewela	-	13,980	(12,096)	(1,884)	-
Conwy	-	51,834	(53,193)	1,359	-
FSC	-	13,880	(14,372)	492	-
Local Places for Nature Swansea	-	8,744	(9,038)	294	-
Lost Peatlands	2,534	47,896	(47,207)	-	3,223
Lost Woods	9,714	40,238	(55,221)	5,269	-
Mercian Biodiversity Project	-	93,755	(110,798)	17,043	-
NPT SPF	-	222,130	(223,603)	1,473	-
National Forest NPT	-	3,948	(1,414)	(2,534)	-
National Forest Wales	-	16,350	(16,244)	(106)	-
PAVO	-	6,711	(6,960)	249	-
Pembrokeshire SPF	-	240,379	(245,960)	5,581	-
Powys SPF Feasibility Study	-	2,495	(2,236)	(259)	-
Reaching Communities	10,000	84,826	(94,826)	-	-
Swansea SPF	-	30,362	(29,358)	(1,004)	-
Taliesin Woodland Hubs	-	684	(459)	(225)	-
Veterans Foundation	-	17,501	(17,501)	-	-
WIMFIF Biochar FC	23,015	48,464	(70,062)	(1,417)	-
WIMFIF Resilient Networks FC	2,059	79,810	(79,493)	(2,376)	-
West Glamorgan Neurodiversity RIF	-	8,280	(6,290)	(1,990)	-
West Glamorgan RIF	-	38,147	(38,307)	160	-
Wye Valley	-	6,688	(5,917)	(771)	-
Willey Estate	7,246	-	-	-	7,246
Sub-total Restricted Funds	67,187	1,436,959	(1,527,514)	33,932	10,564

18 Analysis of Movements in Restricted Funds - Previous Year

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Amser Carers Fund	-	9,952	(9,914)	(38)	-
Anglesey AONB	-	11,429	(11,427)	(2)	-
Anglesey SPF	-	69,113	(62,549)	-	6,564
Apprenticeships	-	5,000	(38,932)	36,931	2,999
Arts Council Wales	-	1,261	(1,261)	-	-
BBO	(1,700)	3,236	(1,264)	(272)	-
Blaenau Gwent SPF	-	30,053	(29,679)	-	374
Breaking Barriers	-	44,354	(43,220)	(1,134)	-
Carms SPF (UWTSD)	-	14,772	(12,091)	-	2,681
Energize	-	6,500	(5,967)	(533)	-
ENRaW Green Infrastructure (GI)	-	82,370	(74,776)	(7,594)	-
ENRaW OH/HAF	50,942	485,478	(550,354)	13,934	-
FSC	(317)	4,500	(4,286)	103	-
Local Places for Nature Swansea	-	9,502	(9,082)	(420)	-
Lost Peatlands	-	39,773	(37,238)	-	2,535
Lost Woods	-	41,106	(32,303)	911	9,714
Mercian Biodiversity Project	25,161	78,824	(114,207)	10,222	-
NEIRF EA Carbon Sequestration	(3,360)	50,013	(49,731)	3,078	-
NHS Shropshire Young Children	3,057	-	(4,387)	1,330	-
NPT SPF	-	53,396	(54,070)	674	-
NPT Third Sector	-	25,000	(24,144)	(856)	-
NRW	9,967	163,460	(168,658)	(4,769)	-
Pembrokeshire SPF	-	30,090	(31,900)	1,810	-
Powys SPF Feasibility Study	-	46,105	(47,272)	1,167	-
Reaching Communities	(3,571)	78,365	(64,794)	-	10,000
Safer, Stronger Community (T&W)	-	2,764	(371)	(2,393)	-
Social Enterprise	-	-	(544)	544	-
Social Forestry	1,360	800	(151)	(2,009)	-
Swansea Coast	-	6,556	(6,136)	(420)	-
Swansea SPF	-	2,138	(2,138)	-	-
T&W Holiday Fund	(313)	-	(62)	375	-
Veterans Foundation	-	8,799	(8,799)	-	-
West Glamorgan RIF	(171)	37,294	(37,123)	-	-
WIMFIF Biochar FC	2,533	61,677	(41,195)	-	23,015
WIMFIF Resilient Networks FC	3,461	67,580	(68,982)	-	2,059
Wye Valley AONB	-	20,951	(20,691)	(260)	-
Willey Estate	7,246	-	-	-	7,246
	<u>94,295</u>	<u>1,592,211</u>	<u>(1,669,698)</u>	<u>50,379</u>	<u>67,187</u>

Purpose of Restricted Funds

Core:

Apprenticeships: - Funds received to run apprenticeship schemes in the charity.

Woodland Management:

FSC: - Provision of an advisory service to small woodland owners in England and Wales.

Lost Woods: - To transform woods in the Weald by community engagement, woodland management promotion and training.

18 Analysis of Movements in Restricted Funds (continued)

Woodland Management (continued)

- Mercian Biodiversity:** - Woodland biodiversity development program in Severn and Trent catchment areas.
- NEIRF:** - Research into potential financial benefits from woodland management.
- Willey Estate:** - Proposal to establish a tree nursery.
- WIMFIF Biochar FC:** - Research into making and using biochar.
- WIMFIF Resilient Networks FC:** - Research into establishing better links between owners of woodlands and users of woods via networks.
- Wye Valley AONB:** - Project aimed at one off engagement sessions to promote AONB and support wellbeing of participants.

Social Forestry:

- Anglesey SPF & AONB:** - Project to focus on improving skills, community resilience and wellbeing for those furthest from the employment market.
- Arts Council Wales:** - Partnership project with Swansea Health Board (Arts in Nature Coordinator), Swansea Print Workshop and Race Council Cymru 'Arts in Nature on Prescription'.
- Breaking Barriers:** - To explore access by people from diverse backgrounds to nature based activities in South Wales.
- Blaenau Gwent SPF:** - 6-week green crafts / woodland skills programme and one off engagement sessions.
- Carms SPF (UWTSD):** - Wellbeing projects and monthly engagement sessions to support the development and improvement of the Green Health Hub at Cynefin.
- Carms TWIG:** - Provision of nature engagement activity days in Carmarthenshire.
- ENRaW Green Infrastructure:** - Third party to deliver wellbeing programs.
- ENRAW OH/HAF:** - Social forestry project across Wales, supporting health and wellbeing programs, promotion of woodland management and the establishment of woodland hubs.
- Local Places for Nature Swansea:** - Working with Swansea Council to encourage community participation and engagement to enable people to experience and value nature, leading to wider initiatives.
- Lost Peatlands:** - Social forestry associated with a peatland restoration project in South Wales.
- National Forest NPT:** - Provision of woodland engagement sessions in NPT in conjunction with NPT Council.
- National Forest Wales:** - This ambitious project aims to bring benefit to local communities while improving nature and wildlife habitat in woodlands across the Dyfi Biosphere Reserve in mid Wales.
- NPT Third Sector Fund:** - Wellbeing project targeting adults with mental health support needs and neuro diversity.
- NPT SPF:** - Wellbeing programmes, offering a series of engagement and volunteering activity days and woodland infrastructure and improvements.
- NRW:** - Social forestry development program, including infrastructure to support its wider adoption.
- Pembrokeshire SPF:** - Project to improve skills, community resilience and wellbeing for those furthest from the employment market.
- Powys SPF Feasibility Study:** - A feasibility study project that asks - 'How can the new community hospital and wellbeing centre in Machynlleth act as a springboard for outdoor activities for community health and wellbeing.
- Reaching Communities:** - Social forestry project focused on mental health improvement through green wood craft.
- Swansea SPF:** - Wellbeing projects targeting adults with mental health support needs.
- Veterans Foundation:** - Project supporting veterans engagement in social forestry.
- West Glamorgan RIF:** - Young people's project, working with marginalised groups and those not in mainstream education.

Transfers

- Funds have been moved from the general reserves where a project has shown a deficit in the year and there is no expectation of receiving any further funding to cover those costs.
- Where a project has been completed, the funders objectives achieved and there is no expectation of further cost or repayment, the surplus funds are moved into the general reserves.

19 Analysis of Net Assets Between Funds

Fund balances at 31 March 2025

	General £	Designated £	Restricted £	Capital £	Total £
Tangible assets	-	-	-	373,777	373,777
Investments	100	-	-	-	100
Current assets / (liabilities)	15,074	49,233	10,564	-	74,871
Net assets at 31 March 2025	15,174	49,233	10,564	373,777	448,748

Fund balances at 31 March 2024

	General £	Designated £	Restricted £	Capital £	Total £
Tangible assets	-	-	-	371,370	371,370
Investments	100	-	-	-	100
Current assets / (liabilities)	58,692	85,670	67,187	-	211,549
Net assets at 31 March 2024	58,792	85,670	67,187	371,370	583,019

20 Unrestricted Funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
Capital fund	371,370	-	-	2,407	373,777
Other designated funds	85,670	51,397	(66,384)	(21,450)	49,233
General funds	58,792	165,921	(194,650)	(14,889)	15,174
	515,832	217,318	(261,034)	(33,932)	438,184

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Capital fund	299,803	-	-	71,567	371,370
Other designated funds	65,788	65,110	(49,411)	4,183	85,670
General funds	266,120	184,581	(265,780)	(126,129)	58,792
	631,711	249,691	(315,191)	(50,379)	515,832

21 Operating Lease Commitments

As at the 31 March 2025 the charity had the following total minimum lease payments committed under operating leases.

	Equipment 2025 £	2024 £
Operating leases which expire:		
Within one year	236	236
Within two to five years	529	765
	765	1,001

The lease is a 5 year contract for the use of a multifunctional printer.

22 Related Parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity in this year or in the previous one.

23 Pension Commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund and amounted to £20,236 (2024: £19,220). There was a liability at the end of the year of £3,149 (2024: £3,962).

24 Trustees' Remuneration

No remuneration or benefits have been paid to the trustees of the charity in the year under review or in the prior year. Travel expenses were paid to one trustee of £Nil (2024 £275).

25 Reconciliation of Surplus for the year to Net Operating Cash Flows

	2025 £	2024 £
Surplus / (Deficit) for the year	(134,271)	(142,987)
Depreciation charges	16,423	16,491
loss on disposal of fixed assets	-	1,780
Less interest received	(154)	(1,428)
Decrease/(Increase) in debtors	140,862	380,704
Increase/(Decrease) in creditors	22,969	16,885
Increase/(Decrease) in Gov Grant deferred income	(17,875)	(375,809)
Decrease/(Increase) in stock	1,975	(1,975)
Net Operating Cash Flows	29,929	(106,339)

Analysis of cash and bank deposits

	2025 £	2024 £
Cash in hand	748	384
Bank deposits	105,125	45,006
	105,873	45,390

26 Subsidiaries

These financial statements are separate financial statements for the Small Woods Association. Details of the charity's subsidiary at 31 March 2025 are as follows;

Name of undertaking	Registered Office	Nature of business	Class of Shares	% Held
Heartwoods Limited Company Number 04407512	England & Wales	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiary excluded from consolidation was as follows:

Name of undertaking	Profit / (Loss)	Capital & Reserves
	£	£
Heartwoods Limited	-	358

27 Going Concern

The charity underwent a downsizing exercise at the end of the year, as a number of projects came to an end. The charity has and continues to apply for funding for projects and anticipates that further applications will be successful.

The budget for the current year shows a breakeven position. Therefore the charity is confident that it will be able to meet financial obligations as they fall due.

28 Bank Loan

The charity took out an additional bank loan of £49,230 during the year, making a total bank loan of £99,210.

The loan was originally due to be repaid in March 2025. Subsequently the terms have been renegotiated and the loan is now being repaid by equal monthly installments over 6 years.

SMALL WOODS ASSOCIATION

England & Wales - Charity number 1081874

Accounts

Small Woods Association

Trustees' Report and Audited Financial Statements

For the year ended 31 March 2024

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Trustees	John Blessington Phil Burton (ceased 4 th December 2023) Christopher Duncan Alyson May Beverly Tyley Philip Tidey Peter Watson (resigned 23 rd June 2023) Gary Battell Liz Newton (appointed 8 th December 2023) Adam Gillingham (appointed 8 th December 2023) Ben Howard (appointed 12 th April 2024) Michael Innes (appointed 12 th April 2024)
Company Registered Number	03919849
Charity Registration Number	1081874
Registered Office	Station Road Coalbrookdale Telford Shropshire TF8 7DR
CEO	Simon James (appointed 1 st January 2024) Ian Baker (resigned 31 st December 2023)
Company Secretary	Christopher Duncan
Independent Auditor	James Holyoak & Parker Limited 1 Knights Court Archers Way Battlefield Enterprise Park Shrewsbury TF8 7DR
Bankers	Lloyds Bank plc 113 The Border Overdale Telford TF3 4AE

Trustees' Report

The trustees, who are also the directors of Small Woods Association (Small Woods) for the purposes of company law, present their annual report and the audited financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 3 to the financial statements and comply with the charity's governing documents, the Companies Act 2006 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 2019).

Objectives and Activities

The charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. The charity's object is to advance the conservation of small woodlands. The principal activities are raising awareness about the needs and implications of small woodland management; undertaking projects that promote their sustainability and use; using woodlands for the promotion of human health and wellbeing and the promotion of traditional woodland crafts. This is done through a number of channels: practical projects (often grant funded); training and educational courses; apprenticeships; seminars; events; an annual conference; information, advice and guidance.

Achievements and performance

The charity has continued to undertake a wide range of activities and done so with the support of a committed membership, trustees and staff. The charity was delivering 43 projects across the UK during the year, funded by a £1.84m turnover, which was a 10.5% increase on the previous year. The charity was able to continue supporting people during the year with over 2,370 people supported through health and wellbeing activities, all of whom are dealing with some sort of challenge or crisis, who received help that enabled them to progress in their lives.

The area of woodland represented through our members is now over 32,800 hectares. All of our members have access to advice and information on sustainable woodland management provided by the charity, and 1,778 members had access information, advice and guidance through our increasingly well-regarded magazine and newsletter. The charity continues to deliver webinars and meetings online, with 270 members attending 19 events.

Connecting woodlands and people for wellbeing supported by the Enabling Natural Resources and Well-being scheme drew to a close, a pan Wales project leading on innovative, with substantial participation in health and wellbeing activities in the outdoors. Health and wellbeing engagement for woodland in England and Wales continues through lottery funding and the local authority funded shared prosperity fund.

Small Woods benefited from the efforts of a range of volunteers, both those involved in practical woodland work, such as our coppice volunteers at the Green Wood Centre and Edge Wood, and those able to provide professional input to the charity, such as the volunteers from Cap Gemini who are supporting the charity in the development of its IT. Altogether we are now supported by over 20 regular volunteers.

Woodlands into management continues to be a strong focus. Utilising the Mercian project to engage woodland owners, farmers and local authorities and offering them incentives to make biodiversity gains through a 'challenge' model. Further sector engagement achieved through the WIMFIF and NEIRF projects have seen novel programmes of collaborative working with like organisations to bring influence and support to woodland owners, managers and workers to realise more woodland into management.

Financial review

It is the aim of the charity that unrestricted funds, which have not been designated for a specific use, should be maintained at a level defined in the Reserves Policy. The Trustees consider that once reserves at this level have been achieved that will ensure that, in the event of a significant drop in funding, the charity will be able to continue its activities, while consideration is given to ways in which additional funds may be raised. The level of reserves required has been approved by the board to cover 3 months of operating expenditure and closure costs. The charity will be working hard to achieve those levels of reserves over the next 3 to 5 years.

Whilst income has increased in the year to £1,841,902 (2023: £1,667,239), expenditure has increased further and a deficit of £142,987 was incurred during the year. This, combined with losses made over the previous 3 years continue to weigh on the charity. The charity is facing inflationary pressures on costs and pay, and the cost of living affects our membership retention and learning pathways take up. There is also uncertainty by funders due to recent general election, downward pressure on levels of management fees chargeable and the tendency of funders to move to short term grants available at short notice.

Cashflow forecast analysis has indicated possible low funds requiring resolution, with the best option being a cash loan. The loan is required where we carry projects financially for extended periods before claim windows open and is available through a drawdown agreement of £250,000 with the Charity Bank. The facility can be drawn down as and when we require the cash to cover cashflow shortfalls.

The charity made a business interruption insurance claim due to Covid restrictions and received a partial payment in 2023/24. This claim is ongoing, but we have not accrued for any further payments.

Small Woods unrestricted funds on the 31st March 2024 amounted to £515,832 (2023: £631,711). Small Woods free reserves on the 31st March 2024 were £83,692 (2023: £242,899). The trustee's aim is to increase those reserves over the coming years to achieve the target set in the Reserves Policy.

The charity management and finance teams have devoted resources through the year to addressing the findings from the previous year's audit report, which has been very helpful. A number of system improvements have been implemented, along with a Financial Management Systems review, which continued into the current year.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Small Woods is dedicated to promoting the sustainable management of small woodlands for environmental, economic, and social benefits, we are seeking strategic changes to our goals and initiatives for the next five years to enhance woodland stewardship, increase member engagement, and promote sustainable forestry practices for resilience and well-being. This will enable further stability diverting risk away from public funds to embrace the corporate market for investment in woodlands into management and health and wellbeing activities.

Structure, Governance and Management

Governing Documents

Small Woods is a company limited by guarantee, governed by its memorandum and articles of association, incorporated on the 4th February 2000 and registered with the Charity Commission on the 7th August 2000. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Method of Appointment of Trustees

Potential new trustees are identified by the board and approached as and when required. New trustees are briefed on the operational of the organisation at trustee meetings. An open invitation to the membership of Small Woods has been issued to recruit new members from the membership.

Induction and Training of Trustees

New trustees are provided with appropriate information, induction and training, taking into account their previous experience in the charity sector and the nature of Small Woods Association.

Organisational Structure and Decision Making

The Board of Trustees administers Small Woods, meets quarterly and is responsible for the strategic direction and policy of the charity. A minimum of three trustees is required for a meeting to be quorate. At present there are ten trustees from a variety of professional backgrounds.

The Board appoints the CEO who manages the day to day operations of Small Woods.

Statement of Trustees' Responsibilities in respect of the Financial Statements

The Trustees, who are the directors of Small Woods for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law require the trustees to prepare financial statements for each financial year that give a true and fair view of Small Wood's state of affairs and of its incoming and outgoing resources, including the income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Statement of Recommended Practice 'Accounting and Reporting by Charities';
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that Small Woods will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, Small Wood's financial position and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding Small Wood's assets and hence for taking steps for the prevention and detection of fraud and other irregularities.

Provision of Information to the Auditor

The Trustees who held office at the date of approval of this trustees' report confirm that, so far as they are aware:

- there is no relevant audit information of which Small Wood's auditor is unaware; and
- they have taken all the steps that they ought to have taken, as trustees, to make themselves aware of any relevant audit information and to establish that Small Wood's auditor is aware of that information.

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

Auditor

The auditor is James Holyoak & Parker Limited.

Approval

The Trustees have prepared this report in accordance with the provisions applicable to companies subject to the small companies regime. This report was approved by the Trustees on 18th September 2024 and signed on their behalf by.

John Blessington
Trustee

**Independent Auditors Report
to the Trustees of Small Woods Association**

Opinion

We have audited the financial statements of Small Woods Association (the 'charitable company') for the year ended 31st March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2024, 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 27 in the financial statements, which indicates that the company incurred significant cashflow issues during the year ended 31 March 2024. Forecasts show that there will be further significant pressures on cashflow going forwards. As stated in Note 27, these events or conditions, along with other matters as set forth in Note 27, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit Matters

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially

Small Woods Association

Independent Auditors Report to the Trustees of Small Woods Association

misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

Small Woods Association

Independent Auditors Report to the Trustees of Small Woods Association

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> This description forms part of our auditor's report.

Use of our report

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Robert Humphreys BEng FCA (Senior Statutory Auditor)
for and on behalf of James Holyoak & Parker Limited

Date:

Chartered Accountants
Statutory Auditor

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

James Holyoak & Parker Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Small Woods Association

Statement of Financial Activities

Year ended 31 March 2024

(Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2024	Unrestricted Funds	Restricted Funds	Total Funds 2023
		£	£	£	£	£	£
Income from:							
Membership, donations & legacies	4	154,304	20	154,324	135,515	200	135,715
Charitable activities	5	93,959	1,592,191	1,686,150	136,074	1,394,098	1,530,172
Investment Income	6	1,428	-	1,428	1,352	-	1,352
Total Income		249,691	1,592,211	1,841,902	272,941	1,394,298	1,667,239
Expenditure on:							
Charitable activities	7	313,411	1,669,698	1,983,109	331,904	1,341,680	1,673,584
Loss on disposal of fixed assets	10	1,780	-	1,780	-	-	-
Total Expenditure		315,191	1,669,698	1,984,889	331,904	1,341,680	1,673,584
Net Income / (Expenditure) for the year		(65,500)	(77,487)	(142,987)	(58,963)	52,618	(6,345)
Transfer In / (Out) of Funds	18	(50,379)	50,379	-	56,678	(56,678)	-
Net Movement in Funds		(115,879)	(27,108)	(142,987)	(2,285)	(4,060)	(6,345)
Reconciliation of Funds							
Funds brought forward at 01 April 2023		631,711	94,295	726,006	633,996	98,355	732,351
Funds Carried Forward at 31 March 2024		515,832	67,187	583,019	631,711	94,295	726,006

The statement of financial activities shows all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 12 to 26 form part of these financial statements.

Balance Sheet

As at 31 March 2024

	Note	2024	2023
		£	£
Fixed Assets			
Tangible assets	12	371,370	388,712
Investments	11	<u>100</u>	<u>100</u>
		371,470	388,812
Current Assets			
Debtors	13	363,966	744,670
Stock	14	1,975	-
Cash at bank & in hand	24	<u>45,390</u>	<u>101,250</u>
		411,331	845,920
Current Liabilities			
Creditors: Amounts falling due within one year	15	<u>(199,782)</u>	<u>(508,726)</u>
Net Current Assets		<u>211,549</u>	<u>337,194</u>
Net Assets		<u>583,019</u>	<u>726,006</u>
Funds of the Charity			
Unrestricted funds		58,792	266,120
Designated funds	17	<u>457,040</u>	<u>365,591</u>
Restricted funds	18	67,187	94,295
Total Charity funds		<u>583,019</u>	<u>726,006</u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The notes on pages 12 to 26 form part of these accounts. The financial statements were approved and authorised for issue by the Board of Trustees on the 18th September 2024 and were signed on its behalf by:

John Blessington
Trustee

Small Woods Association

Cash Flow Statement

For the year ended 31 March 2024

	Note	2024 £	2023 £
Net cash inflow / (outflow) from operating activities	24	(106,339)	(250,071)
<i>Investing activities</i>			
Returns on investments and servicing of finance			
Interest received	6	1,428	1,352
Income from disposal of fixed assets	10	2,650	-
Payments to acquire fixed assets	12	(3,579)	(30,499)
Net cash outflow from investing activities		499	(29,147)
<i>Financing activities</i>			
Bank loan	28	49,980	-
Net cash inflow from financing activities		49,980	-
Increase in cash and cash equivalents		(55,860)	(279,218)
Cash or cash equivalents brought forward		101,250	380,468
Cash or cash equivalents carried forward		45,390	101,250

The notes on pages 12 to 26 form part of these financial statements.

1 General Information

The company was formed on the 4th February 2000 is limited by guarantee (No 03919849) and is a registered charity (No 1081874). The company is registered in England and Wales and the registered office is Station Road, Coalbrookdale, Telford, Shropshire, TF8 7DR

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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 associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revision and future periods, where the revision affects both current and future periods.

3 Accounting Policies

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

a Basis of Accounting

The financial statements have been prepared in accordance with;

- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) which became effective in January 2019.
- the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS 102.
- the Charities Act 2011.
- the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

b Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives.

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

c Stock

Stock for resale is valued at the lower of cost or net realisable value. Stock is sold on a first in first out basis, so the cost value is the cost of the most recent stock.

3 Principal Accounting Policies (continued)

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant, is recognised at the time of the donation.

Legacies are recognised on receipt or earlier if the charity has been notified of an impending distribution, the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

e Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer an economic benefit to the charity, and it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be reliably measured.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared and support costs which are not attributable to a single activity are apportioned to activities on a basis consistent with the use of the resource. Central staff costs are allocated on the basis of the time spent and depreciation charges are allocated based on the use of the asset.

f Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. As a general guide expenditure of less than £1,000 is not capitalised.

Depreciation is provided at rates to write off the cost of the asset over its estimated useful lives, as follows:

Leasehold land and buildings	2% on a straight line basis
Plant and equipment	10% on a reducing balance basis
Motor vehicles	20% on a straight line basis

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 the statement of financial activities.

g Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income or expenditure for the year. Transaction costs are expensed when incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the subsidiary so as to obtain benefits from its activities.

3 Principal Accounting Policies (continued)

h Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment or loss. If any such indication exists, the value of the asset is estimated to determine the extent of the impairment or loss, if any.

i 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 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which includes 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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

j Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

3 Principal Accounting Policies (continued)

k Retirement benefits

Payments to the defined contribution retirement benefit schemes are charged as an expense as they fall due.

l Employee benefits

Termination benefits are recognised as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Employees are expected to take holiday and use TOIL in the financial year. In exceptional circumstances balances can be carried forward and used within a month of the next financial year. In such circumstances, the Business Manager will approve an extended period of time within which the holiday and TOIL is to be used. This would be managed on a case by case basis.

m Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

4 Membership, donations & legacies

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Donations and gifts	71,540	20	71,560	43,995
Gift Aid	11,791	-	11,791	10,125
Membership fees	70,973	-	70,973	81,595
	154,304	20	154,324	135,715

5 Charitable activity

Income 2024

	Unrestricted Income £	Restricted Funds £	Total 2024 £
Grants from funders	62,079	1,506,103	1,568,182
Training courses	20,309	-	20,309
Other income	11,571	86,088	97,659
	93,959	1,592,191	1,686,150

Income 2023

	Unrestricted Income £	Restricted Funds £	Total 2023 £
Grants from funders	70,241	1,263,016	1,333,257
Training courses	15,035	1,874	16,909
Other income	50,798	129,208	180,006
	136,074	1,394,098	1,530,172

6 Investment income

	Unrestricted Funds 2024 £	Unrestricted Funds 2023 £
Interest receivable	1,428	1,352
	1,428	1,352

7 Charitable expenditure

Expenditure 2024	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Staff costs	211,321	918,826	1,130,147
Project costs & associated training	19,191	483,250	502,441
Magazine costs	16,812	-	16,812
Staff, volunteer & apprentice costs	18,904	47,091	65,995
Advertising	3,119	8,587	11,706
Bank charges	7,597	-	7,597
Printing, stationery & postage	7,407	1,275	8,682
Legal, professional & accountancy	28,982	19,596	48,578
Telephone	1,130	1,456	2,586
Rent, power & insurance	39,845	3,550	43,395
Repairs & maintenance & computer supplies	25,023	39,184	64,207
Irrecoverable VAT	16,901	30,426	47,327
Sundries	13,311	3,834	17,145
Depreciation	16,491	-	16,491
Management fees	(112,623)	112,623	-
	<u>313,411</u>	<u>1,669,698</u>	<u>1,983,109</u>

Expenditure 2023	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Staff costs	273,690	794,811	1,068,501
Project costs & associated training	33,256	262,565	295,821
Magazine costs	17,032	-	17,032
Staff, volunteer & apprentice costs	10,827	43,274	54,101
Advertising	8,959	12,310	21,269
Bank charges	799	-	799
Printing, stationery & postage	5,133	2,595	7,728
Legal, professional & accountancy	20,613	23,788	44,401
Telephone	788	6,430	7,218
Rent, power & insurance	28,349	5,571	33,920
Repairs & maintenance & computer supplies	18,143	25,052	43,195
Irrecoverable VAT	8,638	22,716	31,354
Sundries	19,068	12,421	31,489
Depreciation	16,756	-	16,756
Management fees	(130,147)	130,147	-
	<u>331,904</u>	<u>1,341,680</u>	<u>1,673,584</u>

8 Analysis of Staff Costs

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	1,044,121	986,366
National insurance costs	66,806	63,775
Pension costs	19,220	18,360
	<u>1,130,147</u>	<u>1,068,501</u>

There were no employees whose remuneration was more than £60,000, in this or the previous year. The total salary costs of the key employees in the year was £176,222.

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

	2024	2023
	Nos	Nos
Average full time equivalent	41	37
Average head count	59	61

9 Net Income for the Year

	2024	2023
	£	£
This is stated after charging:		
Depreciation	16,491	16,756
Auditor's fees for audits	14,000	19,000
Auditor's fees for non-audit services	6,691	4,415

10 Disposal of fixed assets

	2024	2023
	£	£
Cost of assets	7,726	-
Depreciation to date	3,296	-
Income from disposal	2,650	-
Loss on disposal of fixed assets	<u>1,780</u>	<u>-</u>

11 Fixed asset investments

		Other Investments
		£
Cost or valuation		
As at 01 April 2023 & 31 March 2024		<u>100</u>
Carrying amount		
At 31 March 2024		<u>100</u>
At 31 March 2023		<u>100</u>
Other investments comprise		
	2024	2023
	£	£
Investments in subsidiaries (Note 25)	<u>100</u>	<u>100</u>

12 Tangible Fixed Assets

	Leasehold land & buildings	Plant & Equipment	Motor vehicles	Total
Cost	£	£	£	£
Brought forward	470,451	189,105	7,950	667,506
Additions	-	3,579	-	3,579
Disposals	-	7,726	-	7,726
At 31 March 2024	470,451	184,958	7,950	663,359
Depreciation				
Brought forward	138,290	137,324	3,180	278,794
Charge for year	9,409	5,492	1,590	16,491
Disposals	-	3,296	-	3,296
At 31 March 2024	147,699	139,520	4,770	291,989
Net book value				
At 31 March 2024	322,752	45,438	3,180	371,370
At 31 March 2023	332,161	51,781	4,770	388,712

Leasehold land and buildings were valued on an open market basis by Wiggins Lockett Thompson Limited Chartered Surveyors (regulated by RICS) at a value of £290,000 as at 17 August 2017. The trustees consider that this is materially in line with the reported net book value on a historic cost basis.

13 Debtors

	2024	2023
	£	£
Trade debtors	296,725	614,162
Prepayments	-	1,918
Other debtors	67,241	128,590
	363,966	744,670

14 Stock

	2024	2023
	£	£
Gift shop stock	1,975	-
	1,975	-

15 Creditors: Amounts falling due within one year

	2024	2023
	£	£
Social security and other taxes	24,428	24,284
Trade creditors	42,549	28,507
Amount owed to subsidiary undertakings	1,758	1,758
Other creditors	-	6,000
Accruals	15,889	7,190
Government grants & deferred income	65,178	440,987
Bank loan	49,980	-
	199,782	508,726

16 Government grants

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	65,178	440,987
Deferred income at 1 April 2023	440,987	323,500
Released from previous periods in the year	(440,987)	(16,500)
Resources deferred in the year	65,178	133,987
Balance as at 31 March 2024	65,178	440,987

Deferred income comprises income received under a contract which relates to work to be completed in future accounting periods and initial up front payments, where the work has yet to be performed or completed. The charity has no entitlement to these funds at the year end and they have therefore been deferred.

17 Designated Funds

The unrestricted funds of the charity include the following designated funds which have been set aside by the trustees for specific purposes.

	At 1 April 2023 £	Income £	Expenditure £	Transfer £	At 31 March 2024 £
Capital fund	299,803	-	-	71,567	371,370
Wind up fund	27,191	-	-	(2,191)	25,000
Apprenticeship	36,931	-	-	(36,931)	-
Coppice Restoration	665	-	-	(665)	-
Learning Pathways	(21,738)	9,518	(32,661)	44,881	-
Lost Woods	911	-	-	(911)	-
Mountain Warehouse	-	17,203	(10,525)	-	6,678
Social Forestry Commercial	-	9,536	(2,564)	-	6,972
Veterans (AFC)	3,097	500	(259)	-	3,338
Wesleyan	18,731	28,353	(3,402)	-	43,682
	365,591	65,110	(49,411)	75,750	457,040

	At 1 April 2022 £	Income £	Expenditure £	Transfer £	At 31 March 2023 £
Capital fund	316,559	-	(16,756)	-	299,803
Wind up fund	27,191	-	-	-	27,191
Apprenticeship	2,945	44,315	(10,329)	-	36,931
Coppice Restoration	665	-	-	-	665
Learning Pathways	-	15,539	(37,277)	-	(21,738)
Lost Woods	399	1,361	(849)	-	911
Wesleyan	-	28,353	(9,622)	-	18,731
Veterans (AFC)	11,413	9,500	(7,768)	(10,048)	3,097
	359,172	99,068	(82,601)	(10,048)	365,591

17 Designated Funds (continued)

Capital fund: - To match the value of the net book value of the fixed assets.

Wind up Fund: - To maintain a fund to enable the payment of redundancy and associated costs if required.

Mountain Warehouse: - To fund the volunteer day in 2024/25.

Social Forestry Commercial: - Activity around delivering various commercial courses and programs.

Veterans (AFC): - To cover expected costs up to July 2024.

Wesleyan: - Match funding for the Willey Estate project, due to take place in 2024/25.

18 Analysis of Movements in Restricted Funds

Analysis of Movements in Restricted Funds - Current Year

	At 1 April 2023	Income	Expenditure	Transfers Funds	At 31 March 2024
	£	£	£	£	£
Amser Carers Fund	-	9,952	(9,914)	(38)	-
Anglesey AONB	-	11,429	(11,427)	(2)	-
Anglesey SPF	-	69,113	(62,549)	-	6,564
Apprenticeships	-	5,000	(38,932)	36,931	2,999
Arts Council Wales	-	1,261	(1,261)	-	-
BBO	(1,700)	3,236	(1,264)	(272)	-
Blaenau Gwent SPF	-	30,053	(29,679)	-	374
Breaking Barriers	-	44,354	(43,220)	(1,134)	-
Carms SPF (UWTSD)	-	14,772	(12,091)	-	2,681
Energize	-	6,500	(5,967)	(533)	-
ENRaW Green Infrastructure (GI)	-	82,370	(74,776)	(7,594)	-
ENRaW OH/HAF	50,942	485,478	(550,354)	13,934	-
FSC	(317)	4,500	(4,286)	103	-
Local Places for Nature Swansea	-	9,502	(9,082)	(420)	-
Lost Peatlands	-	39,773	(37,238)	-	2,535
Lost Woods	-	41,106	(32,303)	911	9,714
Mercian Biodiversity Project	25,161	78,824	(114,207)	10,222	-
NEIRF EA Carbon Sequestration	(3,360)	50,013	(49,731)	3,078	-
NHS Shropshire Young Children	3,057	-	(4,387)	1,330	-
NPT SPF	-	53,396	(54,070)	674	-
NPT Third Sector	-	25,000	(24,144)	(856)	-
NRW	9,967	163,460	(168,658)	(4,769)	-
Pembrokeshire SPF	-	30,090	(31,900)	1,810	-
Powys SPF Feasibility Study	-	46,105	(47,272)	1,167	-
Reaching Communities	(3,571)	78,365	(64,794)	-	10,000
Safer, Stronger Community (T&W)	-	2,764	(371)	(2,393)	-
Social Enterprise	-	-	(544)	544	-
Social Forestry	1,360	800	(151)	(2,009)	-
Swansea Coast	-	6,556	(6,136)	(420)	-
Swansea SPF	-	2,138	(2,138)	-	-
T&W Holiday Fund	(313)	-	(62)	375	-
Veterans Foundation	-	8,799	(8,799)	-	-
West Glamorgan RIF	(171)	37,294	(37,123)	-	-
Sub-total Restricted Funds	81,055	1,442,003	(1,538,830)	50,639	34,867

18 Analysis of Movements in Restricted Funds (continued)

	At 1 April 2023	Income	Expenditure	Transfers Funds	At 31 March 2024
	£	£	£	£	£
WIMFIF Biochar FC	2,533	61,677	(41,195)	-	23,015
WIMFIF Resilient Networks FC	3,461	67,580	(68,982)	-	2,059
Wye Valley AONB	-	20,951	(20,691)	(260)	-
Willey Estate	7,246	-	-	-	7,246
	<u>94,295</u>	<u>1,592,211</u>	<u>(1,669,698)</u>	<u>50,379</u>	<u>67,187</u>

Analysis of Movements in Restricted Funds - Previous Year

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
AONB	-	12,623	(10,617)	(2,006)	-
BBO	1,578	53,264	(56,542)	-	(1,700)
Biochar	-	(190)	(2,317)	2,507	-
Biomass	-	-	(634)	634	-
Coed Lleol	61,860	976,147	(987,065)	-	50,942
CWM TAF Nature Network	-	4,760	(2,603)	(2,157)	-
FSC	-	-	(317)	-	(317)
Landau Community Grants	1,366	12,000	(16,937)	-	(3,571)
Mercian Biodiversity	14,054	126,508	(65,401)	(50,000)	25,161
NEIRF	-	18,529	(21,889)	-	(3,360)
NHS Shropshire Young Children	-	7,000	(3,943)	-	3,057
NRW	-	84,521	(74,554)	-	9,967
Social Enterprise	4,927	19,261	(18,532)	(5,656)	-
Social Forestry Contracts	-	1,874	(514)	-	1,360
Safer Stronger Community	-	1,236	(1,236)	-	-
T&W Holiday Fund	-	11,030	(11,343)	-	(313)
West Glamorgan RIF	-	32,232	(32,403)	-	(171)
WIMFIF Biochar	-	14,496	(11,963)	-	2,533
WIMFIF Resilient Networks	-	19,007	(15,546)	-	3,461
Willey Estate (Shropshire)	14,570	-	(7,324)	-	7,246
	<u>98,355</u>	<u>1,394,298</u>	<u>(1,341,680)</u>	<u>(56,678)</u>	<u>94,295</u>

Purpose of Restricted Funds

Core:

Apprenticeships: - Funds received to run apprenticeship schemes in the charity.

Woodland Management:

FSC: - Provision of an advisory service to small woodland owners in England and Wales.

Lost Woods: - To transform woods in the Weald by community engagement, woodland management promotion and training.

18 Analysis of Movements in Restricted Funds (continued)

Woodland Management (continued)

- Mercian Biodiversity:** - Woodland biodiversity development program in Severn and Trent catchment areas.
- NEIRF:** - Research into potential financial benefits from woodland management.
- Willey Estate:** - Proposal to establish a tree nursery.
- WIMFIF Biochar FC:** - Research into making and using biochar.
- WIMFIF Resilient Networks FC:** - Research into establishing better links between owners of woodlands and users of woods via networks.
- Wye Valley AONB:** - Project aimed at one off engagement sessions to promote AONB and support wellbeing of participants.

Social Forestry:

- Anglesey SPF & AONB:** - Project to focus on improving skills, community resilience and wellbeing for those furthest from the employment market.
- Arts Council Wales:** - Partnership project with Swansea Health Board (Arts in Nature Coordinator), Swansea Print Workshop and Race Council Cymru 'Arts in Nature on Prescription'.
- Breaking Barriers** - To explore access by people from diverse backgrounds to nature based activities in South Wales.
- Blaenau Gwent SPF:** - 6-week green crafts / woodland skills programme and one off engagement sessions.
- Carms SPF (UWTSD):** - wellbeing projects and monthly engagement sessions to support the development and improvement of the Green Health Hub at Cynefin.
- Cwm Taf Nature Network** - Social forestry in Rhondda Cynon Taf.
- ENRaW Green Infrastructure:** - Third party to deliver wellbeing programs.
- ENRAW OH** - Social forestry project across Wales, supporting health and wellbeing programs, promotion of woodland management and the establishment of woodland hubs.
- Lost Peatlands** - Social forestry associated with a peatland restoration project in South Wales.
- NPT Third Sector Fund:** - Wellbeing project targeting adults with mental health support needs and neuro diversity.
- NPT SPF:** - Wellbeing programmes, offering a series of engagement and volunteering activity days and woodland infrastructure and improvements.
- NRW** - Social forestry development program, including infrastructure to support its wider adoption.
- Pembrokeshire SPF:** - Project to improve skills, community resilience and wellbeing for those furthest from the employment market.
- Powys SPF Feasibility Study:** - A feasibility study project that asks - 'How can the new community hospital and wellbeing centre in Machynlleth act as a springboard for outdoor activities for community health and wellbeing.
- Reaching Communities** - Social forestry project focused on mental health improvement through green wood craft.
- Swansea SPF:** - Wellbeing projects targeting adults with mental health support needs.
- Veterans Foundation** - Project supporting veterans engagement in social forestry.
- West Glamorgan RIF** - Young people's project, working with marginalised groups and those not in mainstream education.

Transfers

Funds have been moved into restricted funds where a project has shown a deficit in the year and there is no expectation of receiving any further funding to cover those costs.

Where a project has been completed, the funders objectives achieved and there is no expectation of further cost or repayment, the funds are moved into the general reserves.

The transfer into the Apprenticeships arose as the previous Designated Fund has been transferred into a Restricted Fund. The ENRaW OH/HAF required a subsidy from the charity to fulfil the objectives of the project.

19 Analysis of Net Assets Between Funds

Fund balances at 31 March 2024

	General £	Designated £	Restricted £	Capital £	Total £
Tangible assets	-	-	-	371,370	371,370
Investments	100	-	-	-	100
Current assets / (liabilities)	58,692	85,670	67,187	-	211,549
Net assets at 31 March 2024	58,792	85,670	67,187	371,370	583,019

Fund balances at 31 March 2023

	General £	Designated £	Restricted £	Capital £	Total £
Tangible assets	88,910	-	-	299,802	388,712
Investments	100	-	-	-	100
Current assets / (liabilities)	177,112	38,597	94,294	27,191	337,194
Net assets at 31 March 2023	266,122	38,597	94,294	326,993	726,006

20 Operating Lease Commitments

As at the 31 March 2024 the charity had the following total minimum lease payments committed under operating leases.

	Equipment 2024 £	2023 £
Operating leases which expire:		
Within one year	236	236
Within two to five years	765	1,001
	1,001	1,237

The lease is a 5 year contract for the use of a multifunctional printer.

21 Related Parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity in this year or the previous one.

22 Pension Commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs charge represents contributions payable by the charity to the fund and amounted to £19,220 (2023: £18,360). There was a liability at the end of the year of £3,962 (2023: £4,192).

23 Trustees' Remuneration

No remuneration or benefits have been paid to the trustees of the charity in the year under review or in the prior year. Travel expenses were paid to one trustee of £275 (2023 £Nil).

24 Reconciliation of Surplus for the year to Net Operating Cash Flows

	2024	2023
	£	£
Surplus / (Deficit) for the year	(142,987)	(6,345)
Depreciation charges	16,491	16,756
loss on disposal of fixed assets	1,780	-
Less interest received	(1,428)	(1,352)
Decrease/(Increase) in debtors	380,704	(392,094)
Increase/(Decrease) in creditors	16,885	15,477
Increase/(Decrease) in Gov Grant deferred income	(375,809)	117,487
Increase in stock	(1,975)	-
Net Operating Cash Flows	(106,339)	(250,071)

Analysis of cash and bank deposits

	2024	2023
	£	£
Cash in hand	384	111
Bank deposits	45,006	101,139
	45,390	101,250

25 Subsidiaries

These financial statements are separate financial statements for the Small Woods Association. Details of the charity's subsidiary at 31 March 2024 are as follows;

Name of undertaking	Registered Office	Nature of business	Class of Shares	% Held
Heartwoods Limited Company Number 04407512	England & Wales	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiary excluded from consolidation was as follows:

Name of undertaking	Profit / (Loss)	Capital & Reserves
	£	£
Heartwoods Limited	358	100

26 Post Balance Sheet Event

A number of projects are due to end in the succeeding year. The charity is applying for alternative funding to continue these projects. However as a prudent measure, contingency plans are being put in place if those funding applications are not successful.

27 Going Concern

Projections have shown that there will be some significant pressures on cashflow in the foreseeable future. The charity is currently undergoing a downsizing exercise and has organised a drawdown arrangement. The charity is applying for further funding and is hopeful that some will be successful. Therefore the charity is confident that it will be able to meet financial obligations as they fall due.

28 Bank Loan

The charity took out a bank loan of £49,980 during the year, due to be repaid in March 2025.

A breach of the terms of the loan has been identified in relation to the cash position of the organisation and that interest cover should be 1:1. However, Small Woods have been fully transparent in providing the bank with regular cashflow updates and a revised budget when requesting to extend the loan to December 2025. As a result, financial information has been made available on a variety of occasions which would indicate the cash position being in breach. The bank have agreed the extension in principle and have not indicated a breach of the covenant of the loan. No action has been taken by the bank.

SMALL WOODS ASSOCIATION

England & Wales - Charity number 1081874

Accounts

Charity registration number 1081874

Company registration number 03918849 (England and Wales)

SMALL WOODS ASSOCIATION

UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

SMALL WOODS ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

John Blessington
Phil Burton
Christopher Duncan
Alyson May
Beverly Tyley
Mr Alastair Squire
Philip Tidey
Peter Watson
Gary Battell

Secretary

Christopher Duncan

Charity number

1081874

Company number

03919849

Registered office

Smallwoods Association
Coalbrookdale
Telford
Shropshire
TF8 7DR

Auditor

James Holyoak & Parker Limited
1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

SMALL WOODS ASSOCIATION

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SMALL WOODS ASSOCIATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also the directors of Small Woods Association for the purpose of company law, are responsible for preparing the Trustees 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 charity 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL WOODS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SMALL WOODS ASSOCIATION

Opinion

We have audited the financial statements of Small Woods Association (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2023 and of its incoming resources and application of resources, 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SMALL WOODS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SMALL WOODS ASSOCIATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of trustees responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

SMALL WOODS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SMALL WOODS ASSOCIATION

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

James Holyoak & Parker Limited

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**Chartered Accountants
Statutory Auditor**

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

James Holyoak & Parker Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SMALL WOODS ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 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 2019).

Objectives and activities

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The charity's object is to advance the conservation of small woodlands. The principal activities are raising awareness about the needs and implications of small woodland management; undertaking projects that promote their sustainability and use; using woodlands for the promotion of human health and wellbeing and the promotion of traditional woodland crafts. This is done through a number of channels: practical projects (often grant funded); training and educational courses; apprenticeships; seminars; events; an annual conference; information, advice and guidance.

Achievements and performance

The charity has continued to undertake a wide range of activities and done so with the support of a committed membership, trustees and staff. The charity was delivering 39 projects across the UK during the year, supported by the £1.67m turnover, which was a 52% increase on the previous year. The charity was able to support more people during the year with, for example, over 2,800 people supported through health and wellbeing activities, a near doubling of support to individuals, all of whom are dealing with some sort of challenge or crisis, who received help that enabled them to progress in their lives.

The area of woodland represented through our members is now over 30,000 hectares. All of our members have access to advice and information on sustainable woodland management provided by the charity, and 2,700 members had access information, advice and guidance through our increasingly well-regarded magazine and newsletter. The charity continues to deliver webinars and meetings online, with 299 members attending 18 events.

One of the largest projects Small Woods has ever undertaken, the ENRAW Outdoor Health and Green Infrastructure Project, continued delivery in 2022/23 (delivery commenced in 21/22). Through this we received over £1.5m from Welsh Government, via their European Programme. This project enabled Small Woods to expand its health and wellbeing and its woodland management work in Wales significantly and led to a significant increase in the people we were able to support; this programme accounting for the majority of the increase in people supported by the charity.

Small Woods benefited from the efforts of a range of volunteers, both those involved in practical woodland work, such as our coppice volunteers at the Green Wood Centre and Edge Wood, and those able to provide professional input to the charity, such as the volunteers from Cap Gemini who are supporting the charity in the development of its IT. Altogether we are now supported by over 50 regular volunteers.

Financial review

SMALL WOODS ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 three and six month's expenditure. The Trustees 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. In addition a wind up fund is maintained to cover costs such as redundancy should the charity ever be dissolved.

A deficit of £6,345 was incurred during the year. Losses made over the previous 2-3 years due to the pandemic continue to weigh on the charity. Consequently, the charity has made a business interruption insurance claim and are hopeful of positive settlement in 2023/24. This claim is still ongoing and we are increasingly hopeful that it will be settled in the charity's favour, there is no guarantee, nor is there any guarantee about timescale. Pay policy is set by an externally conducted benchmarking exercise, which compares salaries to other similar bodies and roles.

The previous year was the first in which the charity breached the £1m threshold, which brought with it additional levels of scrutiny through audit. The charity management and finance teams have devoted resources through the year to addressing its findings, which have been very helpful. A number of system improvements have been implemented, along with a Financial Management Systems review, which continued into the following year.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

The year's activities represents a continued period of stability for the charity and one on which it can build for the future. Notification was awaited at the end of the reporting period of funding for a number of new projects, which will help the charity to grow its reputation for addressing our charitable objects through creative and innovative developments. The charity's financial stability and growing reputation both contribute to its ability to take on such challenging new projects.

The charity has active working relationships with a wide range of charities and other bodies in the forestry and health sectors. Many of its future activities will deepen these relationships.

Structure, governance and management

Small Woods Association is a registered charity and private company with no issued share capital/company limited by guarantee, incorporated in England and Wales. The registered office is Station Road, Coalbrookdale, Telford, Shropshire, TF8 7DR. The registered company number is 03919849 (England and Wales), and the registered charity number is 1081874.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

John Blessington
Phil Burton
Christopher Duncan
Alyson May
Beverly Tyley
Mr Alastair Squire
Philip Tidey
Peter Watson
Gary Battell

SMALL WOODS ASSOCIATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

Potential new trustees are identified by the board and approached as and when required. New trustees are briefed on the operational of the organisation at trustees' meetings. An open invitation to the membership of Small Woods has been issued to recruit new members from the membership.

Day to day running of the charity is undertaken by Ian Baker CEO, who is supported directly by a Senior Management Team of 4.

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

Auditor

In accordance with the company's articles, a resolution proposing that James Holyoak & Parker Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees 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.

The trustees report was approved by the Board of Trustees.


John Blessington
Trustee

Date: 22.9.23

SMALL WOODS ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	135,515	200	135,715	124,905	-	124,905
Charitable activities	5	138,074	1,394,098	1,530,172	129,855	838,591	968,446
Investments	4	1,352	-	1,352	1,281	-	1,281
Total income		272,941	1,394,298	1,667,239	256,041	838,591	1,094,632
Expenditure on:							
Charitable activities	6	331,904	1,341,680	1,673,584	307,821	830,845	1,138,666
Profit on sale of fixed assets	10	-	-	-	(34,383)	-	(34,383)
Total expenditure		331,904	1,341,680	1,673,584	273,438	830,845	1,104,283
Net (outgoing)/incoming resources before transfers		(58,963)	52,618	(6,345)	(17,397)	7,746	(9,651)
Gross transfers between funds		56,678	(56,678)	-	10,298	(10,298)	-
Net expenditure for the year/							
Net movement in funds		(2,285)	(4,060)	(6,345)	(7,099)	(2,552)	(9,651)
Fund balances at 1 April 2022		633,996	98,355	732,351	641,095	100,907	742,002
Fund balances at 31 March 2023		631,711	94,295	726,006	633,996	98,355	732,351

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

SMALL WOODS ASSOCIATION

BALANCE SHEET

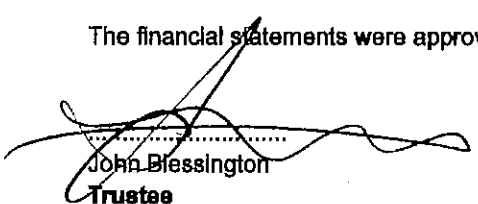
AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		388,712		374,969
Investments	11		100		100
			<u>388,812</u>		<u>375,069</u>
Current assets					
Debtors	13	744,670		352,576	
Cash at bank and in hand		101,250		380,468	
		<u>845,920</u>		<u>733,044</u>	
Creditors: amounts falling due within one year	14	(508,726)		(375,762)	
Net current assets			337,194		357,282
Total assets less current liabilities			<u>726,006</u>		<u>732,351</u>
Income funds					
Restricted funds	16		94,295		98,355
<u>Unrestricted funds</u>					
Designated funds	17	365,591		359,172	
General unrestricted funds		<u>266,120</u>		<u>274,824</u>	
			631,711		633,996
			<u>726,006</u>		<u>732,351</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 Trustees on 9.9.23


John Blessington
Trustee

Company registration number 03919849

SMALL WOODS ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21		(250,071)		144,473
Investing activities					
Purchase of tangible fixed assets		(30,499)		(80,000)	
Proceeds on disposal of tangible fixed assets		-		54,800	
Investment income received		1,352		1,281	
Net cash used in investing activities			(29,147)		(23,919)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(279,218)		120,554
Cash and cash equivalents at beginning of year			380,468		235,456
Cash and cash equivalents at end of year			101,250		380,468

SMALL WOODS ASSOCIATION

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Charity Information

Small Woods Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Smallwoods Association, Coalbrookdale, Telford, Shropshire, TF8 7DR.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing documents, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

2.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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.

2.4 Income

Income 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies

(Continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold land and buildings	2% on a straight line basis
Plant and equipment	10% on a reducing balance basis
Motor vehicles	20% on a straight line basis

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 the statement of financial activities.

2.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2.8 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. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies

(Continued)

2.10 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

2.11 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2023 £	2023 £	2023 £	2022 £
Donations and gifts	43,795	200	43,995	32,167
Legacies receivable	10,125	-	10,125	10,305
Membership fees	81,595	-	81,595	82,433
	<u>135,515</u>	<u>200</u>	<u>135,715</u>	<u>124,905</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Interest receivable	<u>1,352</u>	<u>1,281</u>

5 Charitable activities

	Unrestricted Income 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted Income 2022 £	Restricted funds 2022 £	Total 2022 £
Grants from funders	70,241	1,263,016	1,333,257	837,897	32,631	870,528
Training courses	15,035	1,874	16,909	21,329	-	21,329
Other income	50,798	129,208	180,006	65,665	10,924	76,589
	<u>136,074</u>	<u>1,394,098</u>	<u>1,530,172</u>	<u>924,891</u>	<u>43,555</u>	<u>968,446</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Staff costs	273,690	794,811	1,068,501	201,341	498,133	699,474
Depreciation and impairment	16,756	-	16,756	14,005	-	14,005
Project costs and associated training expenses	33,256	262,565	295,821	11,953	181,270	193,223
Magazine production costs	17,032	-	17,032	15,548	-	15,548
Staff, volunteer and apprentice costs	10,827	43,274	54,101	15,168	23,610	38,778
Sundries	19,068	12,421	31,489	17,237	10,955	28,192
Advertising	8,959	12,310	21,269	13,201	2,684	15,885
Irrecoverable VAT	8,638	22,716	31,354	8,339	6,133	14,472
Bank Charges	799	-	799	851	-	851
Printing, stationery and postage	5,133	2,595	7,728	4,504	1,193	5,697
Legal, professional and accountancy	20,613	23,788	44,401	18,740	2,655	21,395
Telephone	788	6,430	7,218	1,458	358	1,814
Rent, power and insurance	28,349	5,571	33,920	27,360	3,908	31,268
Repairs, maintenance and computer supplies	18,143	25,052	43,195	33,173	24,891	58,064
Management charges across funds	(130,147)	130,147	-	(73,705)	73,705	-
	<u>331,904</u>	<u>1,341,680</u>	<u>1,673,584</u>	<u>309,173</u>	<u>829,493</u>	<u>1,138,666</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The average monthly number of full time equivalents during the year was:

	2023 Number	2022 Number
Charitable activities	36	24
Governance	1	1
Total	<u>37</u>	<u>25</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Employees		(Continued)	
Employment costs	2023	2022	
	£	£	
Wages and salaries	986,366	655,065	
Social security costs	63,775	33,860	
Other pension costs	18,360	10,549	
	<u>1,068,501</u>	<u>699,474</u>	

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

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Profit on sale of fixed assets

	Total	Unrestricted funds
	£	
	2023	2022
Net loss on disposal of tangible fixed assets	-	(34,383)
	<u>-</u>	<u>(34,383)</u>

11 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2022 & 31 March 2023		100
Carrying amount		
At 31 March 2023		100
At 31 March 2022		100
		<u>100</u>
Other investments comprise:	Notes	
		2023
		£
Investments in subsidiaries	20	100
		<u>100</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	470,451	158,606	7,950	637,007
Additions	-	30,499	-	30,499
At 31 March 2023	470,451	189,105	7,950	667,506
Depreciation and impairment				
At 1 April 2022	128,880	131,568	1,590	262,038
Depreciation charged in the year	9,410	5,756	1,590	16,756
At 31 March 2023	138,290	137,324	3,180	278,794
Carrying amount				
At 31 March 2023	332,161	51,781	4,770	388,712
At 31 March 2022	341,571	27,038	6,360	374,969

Leasehold land and buildings were valued on an open market basis by Wiggins Lockett Thompson Limited Chartered Surveyors (regulated by RICS) at a value of £290,000 as at 17 August 2017. The trustees consider that this is materially in line with the reported net book value on a historic cost basis.

	2023 £	2022 £
Long leasehold	290,000	290,000

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	614,162	54,779
Other debtors	128,590	295,879
Prepayments and accrued income	1,918	1,918
	744,670	352,576

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		24,284	17,211
Government grants	15	440,987	323,500
Trade creditors		28,507	26,103
Amounts owed to subsidiary undertakings		1,758	1,758
Other creditors		6,000	-
Accruals and deferred income		7,190	7,190
		<u>508,726</u>	<u>375,762</u>

15 Government grants

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	<u>440,987</u>	<u>323,500</u>
Deferred income at 1 April 2022	323,500	64,100
Released from previous periods	(16,500)	(64,100)
Resources deferred in the year	<u>133,987</u>	<u>323,500</u>
Deferred income at 31 March 2023	<u>440,987</u>	<u>323,500</u>

Deferred income relates to grants received in advance.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Restricted funds

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

	Balance at 1 April 2021 £	Movement in funds			Balance at 1 April 2022 £	Movement in funds			Transfers £	Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
AONB	37,256	648,809	(624,205)	-	-	12,623	(10,617)	(2,006)	-	-
BBO	(819)	36,645	(34,248)	-	1,578	53,284	(56,542)	-	-	(1,700)
Biochar	-	7,690	(4,551)	(3,139)	-	(190)	(2,317)	2,507	-	-
Blomass	-	2,250	(3,191)	941	-	-	(634)	634	-	-
Coed Lloel	(9,849)	36,187	(39,851)	13,513	61,860	976,147	(987,065)	-	-	50,942
CWM TAF Nature Network	-	4,250	(3,560)	(690)	-	4,760	(2,603)	(2,157)	-	-
FSC	16,336	-	(19,595)	3,259	-	-	(317)	-	-	(317)
Landau Community Grants	-	8,000	(6,634)	-	1,366	12,000	(16,937)	-	-	(3,571)
Mercian Biodiversity	16,727	45,038	(47,711)	-	14,054	126,508	(65,401)	(50,000)	-	25,161
NEIRF	-	-	-	-	-	18,529	(21,889)	-	-	(3,360)
NHS Shropshire Young Children	-	16,100	(1,530)	-	-	7,000	(3,943)	-	-	3,057
NRW	-	-	(5,817)	5,817	-	84,521	(74,554)	-	-	9,967
Social Enterprise	41,256	33,622	(39,952)	(29,999)	4,927	19,261	(18,532)	(5,656)	-	-
Social Forestry Contracts	-	-	-	-	-	1,874	(514)	-	-	1,360
Safer, Stronger Community	-	-	-	-	-	1,236	(1,236)	-	-	-
T&W Holiday Fund	-	-	-	-	-	11,030	(11,343)	-	-	(313)
West Glamorgan RIF	-	-	-	-	-	32,232	(32,403)	-	-	(171)
WMFIF Blochar	-	-	-	-	-	14,496	(11,963)	-	-	2,533
WMFIF Resilient Networks	-	-	-	-	-	19,007	(15,546)	-	-	3,461
Willlys Estate (Shropshire)	-	-	-	-	14,570	-	(7,324)	-	-	7,246
	100,907	838,591	(830,845)	(10,298)	98,355	1,394,298	(1,341,680)	(56,678)	-	94,295

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Restricted funds

(Continued)

Core:

Dulverton - Organisational Development
Garfield **Weston** - Organisational Development

Woodland Management:

Mercian - Woodland biodiversity development
Lost Woods - Community engagement and woodland management promotion and training
Willley Estate - Draft proposal to establish a tree nursery
Blochar (22/24) - Research into making and using biochar
NEIRF - Research into potential financial benefits from woodland management
Resilient Networks - Research into establishing better links between owners of woodlands and users of wood through networks

Social Forestry:

Reaching communities - Social Forestry project focused on mental health improvement through green wood craft
Veterans Foundation - Project supporting veterans engagement in social forestry
ENRAW OH - Social Forestry project across Wales, supporting health and wellbeing programs, promotion of woodland management and the establishment of woodland hubs.
NRW - Social Forestry development programme, including infrastructure to support its wider adoption.
West Glamorgan RIF - Social Forestry in Swansea and Neath
Anglesey - Social Forestry in Anglesey
Cwm Taf Nature network - Social Forestry in Rhondda Cynon Taf
Breaking Barriers - Social Forestry in South Wales
Lost Peatlands - Social Forestry associated with peatland restoration project in South Wales

Transfers

The largest transfer is in relation to the Mercian project, it has seen a growing project surplus over its life and it is now at a level that it is clear that the project surplus is significantly above that required for the project as it is currently foreseen. Therefore a sum has been moved to reserves. The sum moved will be tagged to the project and should this be needed to complete delivery of project outputs, then this will continue to be available to the project for its life.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

17 Designated funds

The income 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 2021 £	Movement in funds			Balance at 1 April 2022 £	Movement in funds			Transfers £	Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Capital fund	378,172	-	(34,422)	-	343,750	-	(16,756)	-	-	326,994
Other designated funds	(53,749)	99,405	(74,129)	43,895	15,422	99,068	(65,845)	(10,048)	(10,048)	38,597
	<u>324,423</u>	<u>99,405</u>	<u>(108,551)</u>	<u>43,895</u>	<u>359,172</u>	<u>99,068</u>	<u>(82,601)</u>	<u>(10,048)</u>	<u>(10,048)</u>	<u>385,591</u>

Capital Fund - Comprised assets represented by land and buildings and other physical assets
Apprenticeships - Grant received from different sources

18 Analysis of net assets between funds

	Unrestricted funds			Restricted Capital fund			Designated funds			Restricted funds			Capital fund			Total		
	2023	£	2023	2023	£	2023	2023	£	2023	2023	£	2023	2022	£	2022	2022	£	2022
Fund balances at 31 March 2023 are represented by:																		
Tangible assets	88,910	-	-	299,802	388,712	58,410	-	-	-	-	-	-	374,969	433,379				
Investments	100	-	-	-	100	100	-	-	-	-	-	-	-	100				
Current assets/(liabilities)	177,112	38,597	94,294	27,191	337,194	216,314	15,422	15,422	15,422	98,355	98,355	27,191	357,282					
	<u>266,122</u>	<u>38,597</u>	<u>94,294</u>	<u>326,993</u>	<u>726,006</u>	<u>274,824</u>	<u>15,422</u>	<u>15,422</u>	<u>15,422</u>	<u>98,355</u>	<u>98,355</u>	<u>402,160</u>	<u>790,761</u>					

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

20 Subsidiaries

These financial statements are separate charity financial statements for Small Woods Association.

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Heartwoods Limited	England and Wales		Ordinary		100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Heartwoods Limited	358	100

21 Cash generated from operations	2023	2022
	£	£
Deficit for the year	(6,345)	(9,651)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,352)	(1,281)
Gain on disposal of tangible fixed assets	-	(34,383)
Depreciation and impairment of tangible fixed assets	16,756	14,005
Movements in working capital:		
(Increase) in debtors	(392,094)	(191,525)
Increase/(decrease) in creditors	15,477	(6,188)
Increase in deferred income	117,487	259,400
Cash (absorbed by)/generated from operations	(250,071)	30,377

22 Analysis of changes in net funds

The charity had no debt during the year.

SMALL WOODS ASSOCIATION

England & Wales - Charity number 1081874

Accounts

Charlty registration number 1081874

Company registration number 03919849 (England and Wales)

SMALL WOODS ASSOCIATION

UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

SMALL WOODS ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

John Blessington
Phil Burton
Christopher Duncan
Alyson May
Beverly Tyley
Mr Alastair Squire
Philip Tidey
Peter Watson
Gary Battell

Secretary

Christopher Duncan

Charity number

1081874

Company number

03919849

Registered office

Smallwoods Association
Coalbrookdale
Telford
Shropshire
TF8 7DR

Auditor

James Holyoak & Parker Limited
1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

SMALL WOODS ASSOCIATION

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Statement of cash flows	10
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SMALL WOODS ASSOCIATION

REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

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 [governing document], the Companies Act 2006 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 2019).

Objectives and activities

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The charity's object is to advance the conservation of small woodlands. The principal activities are raising awareness about the needs and implications of small woodland management; undertaking projects that promote their sustainability and use; using woodlands for the promotion of human health and wellbeing and the promotion of traditional woodland crafts. This is done through a number of channels: practical projects (often grant funded); training and educational courses; apprenticeships; seminars; events; an annual conference; information, advice and guidance.

Achievements and performance

The charity has continued to undertake a wide range of activities and done so with the support of a committed membership, trustees and staff. The charity was delivering 27 projects across the UK during the year, supported by the £1.1m turnover, which was a 35% increase on the previous year. The charity was able to support more people during the year with, for example, over 1500 people supported through health and wellbeing activities, a near doubling of support to individuals, all of whom are dealing with some sort of challenge or crisis in their lives.

Membership of the charity has increased over the course of the year by more than 10% and now stands at over 2,500 for the first time. The area of woodland represented is now over 32,000 hectares (ha.) the first time it has exceeded 30,000ha. All of our members have access to advice and information on sustainable woodland management provided by the charity, and 92 of them received direct 1-2-1 advice last year.

As a result of Covid the majority of events were online, with 101 online events held during the year. Covid has continued to impact the way in which the charity is able to operate as well as its finances. Charity operations would have been more financially successful had the pandemic not intervened. Much management action during the year has been to mitigate its effects and the financial out turn represents a significant achievement, given this context.

One of the largest projects Small Woods has ever undertaken commenced in 2021/22, the ENRAW Outdoor Health and Green Infrastructure Project, through which we received over £1.5m from Welsh Government, through their European Programme. This project enabled Small Woods to expand its health and wellbeing and its woodland management work in Wales significantly and led to a significant increase in the people we were able to support; this programme accounting for the majority of the increase in people supported by the charity.

Small Woods benefited from the efforts of a range of volunteers, both those involved in practical woodland work, such as our coppice volunteers at the Green Wood Centre and Edge Wood, and those able to provide professional input to the charity, such as the volunteers from Cap Gemini who are supporting the charity in the development of its IT.

Financial review

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 three and six month's expenditure. The Trustees 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. In addition a wind up fund is maintained to cover costs such as redundancy should the charity ever be dissolved.

The trustees have decided to address all losses brought forward from the previous year, in regards to specific projects, as a result of the pandemic this year in designated funding. Although there is still an outstanding business interruption insurance claim, there is no guarantee this will be settled in the charity's favour, nor is there any guarantee about timescale.

SMALL WOODS ASSOCIATION

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

The year's activities represents a continued period of stability for the charity and one on which it can build for the future. Notification was received at the end of the reporting period of funding for a number of innovative new development projects, which will help the charity to grow its reputation for addressing our charitable objects through creative and innovative developments. The charity's financial stability and growing reputation both contribute to its ability to take on such challenging new projects.

The charity has active working relationships with a wide range of charities and other bodies in the forestry and health sectors. Many of its future activities will deepen these relationships.

Structure, governance and management

Small Woods Association is a registered charity and private company with no issued share capital/company limited by guarantee, incorporated in England and Wales. The registered office is Station Road, Coalbrookdale, Telford, Shropshire, TF8 7DR. The registered company number is 03919849 (England and Wales), and the registered charity number is 1081874.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

John Blessington
Phil Burton
Christopher Duncan
Alyson May
Beverly Tyley
Mr Alastair Squire
Philip Tidey
Peter Watson
Gary Battell

Potential new trustees are identified by the board and approached as and when required. New trustees are briefed on the operational of the organisation at trustees meetings.

Day to day running of the charity is undertaken by Ian Baker CEO

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

Auditor

In accordance with the company's articles, a resolution proposing that James Holyoak & Parker Limited be reappointed as auditor of the company will be put at a General Meeting.

SMALL WOODS ASSOCIATION

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2022**

Disclosure of information to auditor

Each of the Trustees 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.

The report was approved by the Board of Trustees.

John Blessington
Trustee

A handwritten signature in black ink, appearing to be 'John Blessington', written over a horizontal line.

27 September 2022

SMALL WOODS ASSOCIATION

STATEMENT OF RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also the directors of Small Woods Association for the purpose of company law, are responsible for preparing the 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 charity 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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL WOODS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SMALL WOODS ASSOCIATION

Opinion

We have audited the financial statements of Small Woods Association (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2022 and of its incoming resources and application of resources, 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

SMALL WOODS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SMALL WOODS ASSOCIATION

Responsibilities of Trustees

As explained more fully in the statement of responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

The financial statements of the charity for the year ended 31st March 2021 (the corresponding figures) were not audited. However we have required sufficient appropriate audit evidence that the opening balances do not contain misstatements that material affect the current period's financial statements.

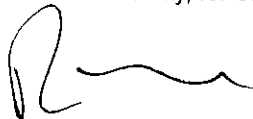
SMALL WOODS ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SMALL WOODS ASSOCIATION

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Robert Humphreys BEng FCA (Senior Statutory Auditor)
for and on behalf of James Holyoak & Parker Limited

2 November 2022

Chartered Accountants
Statutory Auditor

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

James Holyoak & Parker Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SMALL WOODS ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	124,905	-	124,905	200,998	320	201,318
Charitable activities	4	129,855	838,591	968,446	8,869	604,960	613,829
Investments	5	1,281	-	1,281	2,032	-	2,032
Total Income		256,041	838,591	1,094,632	211,899	605,280	817,179
Expenditure on:							
Charitable activities	6	307,821	830,845	1,138,666	229,332	603,694	833,026
Profit on sale of fixed assets	9	(34,383)	-	(34,383)	-	-	-
Total expenditure		273,438	830,845	1,104,283	229,332	603,694	833,026
Net (outgoing)/incoming resources before transfers		(17,397)	7,746	(9,651)	(17,433)	1,586	(15,847)
Gross transfers between funds		10,298	(10,298)	-	3,808	(3,808)	-
Net expenditure for the year/ Net movement in funds		(7,099)	(2,552)	(9,651)	(13,625)	(2,222)	(15,847)
Fund balances at 1 April 2021		641,095	100,907	742,002	654,720	103,129	757,849
Fund balances at 31 March 2022		633,996	98,355	732,351	641,095	100,907	742,002

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

SMALL WOODS ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		374,969		401,440
Investments	11		100		100
			<u>375,069</u>		<u>401,540</u>
Current assets					
Debtors	12	352,576		161,051	
Cash at bank and in hand		380,468		301,961	
		<u>733,044</u>		<u>463,012</u>	
Creditors: amounts falling due within one year	13	(375,762)		(122,550)	
Net current assets			<u>357,282</u>		<u>340,462</u>
Total assets less current liabilities			<u>732,351</u>		<u>742,002</u>
Income funds					
Restricted funds	15		98,355		100,907
<u>Unrestricted funds</u>					
Designated funds	16	359,172		324,424	
General unrestricted funds		<u>274,824</u>		<u>316,671</u>	
			<u>633,996</u>		<u>641,095</u>
			<u>732,351</u>		<u>742,002</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 Trustees on 27 September 2022

John Blessington
Trustee



Company registration number 03919849

SMALL WOODS ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	20		30,377		144,473
Investing activities					
Purchase of tangible fixed assets		(7,950)		(80,000)	
Proceeds on disposal of tangible fixed assets		54,800		-	
Investment income received		1,281		2,032	
Net cash generated from/(used in) investing activities			48,131		(77,968)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			78,508		66,505
Cash and cash equivalents at beginning of year			301,961		235,456
Cash and cash equivalents at end of year			380,468		301,961

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charlty information

Small Woods Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Smallwoods Association, Coalbrookdale, Telford, Shropshire, TF8 7DR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing documents, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue 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 Trustees in furtherance of their charitable objectives.

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 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Freehold land and buildings	Nil
Leasehold land and buildings	2% on a straight line basis
Plant and equipment	10% on a reducing balance basis
Motor vehicles	20% on a straight line basis

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 the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 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. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.11 Employee benefits

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Donations and gifts	32,167	106,475	320	106,795
Legacies receivable	10,305	11,716	-	11,716
Membership fees	82,433	82,807	-	82,807
	<u>124,905</u>	<u>200,998</u>	<u>320</u>	<u>201,318</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Unrestricted Income 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted Income 2021 £	Restricted funds 2021 £	Total 2021 £
Grants from funders	99,292	771,236	870,528	512,413	2,138	514,551
Training courses	19,639	1,690	21,329	11,301	2,637	13,938
Other income	10,924	65,665	76,589	81,246	4,094	85,340
	<u>129,855</u>	<u>838,591</u>	<u>968,446</u>	<u>604,960</u>	<u>8,869</u>	<u>613,829</u>

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	<u>1,281</u>	<u>2,032</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Staff costs	201,341	498,133	699,474	142,068	376,520	518,588
Depreciation and impairment	14,005	-	14,005	15,016	-	15,016
Project costs and associated training expenses	10,963	182,260	193,223	5,719	123,501	129,220
Magazine production costs	15,548	-	15,548	20,171	-	20,171
Meeting expenses	-	-	-	80	-	80
Staff, volunteer and apprentice costs	15,168	23,610	38,778	6,575	4,332	10,907
Sundries	16,953	11,239	28,192	24,000	8,304	32,304
Advertising	13,201	2,684	15,885	-	5,140	5,140
Irrecoverable VAT	8,339	6,133	14,472	3,645	3,799	7,444
Bank Charges	851	-	851	989	-	989
Printing, stationery and postage	4,426	1,271	5,697	2,814	696	3,510
Legal, professional and accountancy	18,740	2,655	21,395	14,095	5,205	19,300
Telephone	1,458	356	1,814	1,841	-	1,841
Rent, power and insurance	27,360	3,908	31,268	25,709	3,744	29,453
Repairs, maintenance and computer supplies	33,173	24,891	58,064	26,743	12,320	39,063
Management charges across funds	(73,705)	73,705	-	(60,133)	60,133	-
	<u>307,821</u>	<u>830,845</u>	<u>1,138,666</u>	<u>229,332</u>	<u>603,694</u>	<u>833,026</u>

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The average monthly number of full time equivalents during the year was:

	2022 Number	2021 Number
Charitable activities	24	18
Governance	1	1
Total	<u>25</u>	<u>19</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8	Employees	(Continued)	
	Employment costs	2022 £	2021 £
	Wages and salaries	655,065	489,674
	Social security costs	33,860	8,763
	Other pension costs	10,549	20,151
		<u>699,474</u>	<u>518,588</u>

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

9	Profit on sale of fixed assets	Unrestricted funds 2022	Total £ 2021
	Net loss on disposal of tangible fixed assets	(34,383)	-
		<u>(34,383)</u>	<u>-</u>

10	Tangible fixed assets	Leasehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
	Cost				
	At 1 April 2021	470,451	215,837	23,343	709,631
	Additions	-	-	7,950	7,950
	Disposals	-	(57,231)	(23,343)	(80,574)
	At 31 March 2022	<u>470,451</u>	<u>158,606</u>	<u>7,950</u>	<u>637,007</u>
	Depreciation and impairment				
	At 1 April 2021	119,470	165,377	23,343	308,190
	Depreciation charged in the year	9,410	3,005	1,590	14,005
	Eliminated in respect of disposals	-	(36,814)	(23,343)	(60,157)
	At 31 March 2022	<u>128,880</u>	<u>131,568</u>	<u>1,590</u>	<u>262,038</u>
	Carrying amount				
	At 31 March 2022	<u>341,571</u>	<u>27,038</u>	<u>6,360</u>	<u>374,969</u>
	At 31 March 2021	<u>-</u>	<u>50,459</u>	<u>-</u>	<u>401,440</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Tangible fixed assets

(Continued)

Leasehold land and buildings were valued on an open market basis by Wiggins Lockett Thompson Limited Chartered Surveyors (regulated by RICS) at a value of £290,000 as at 17 August 2017. The trustees consider that this is materially in line with the reported net book value on a historic cost basis.

	2022 £	2021 £
Long leasehold	290,000	290,000

11 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2021 & 31 March 2022	100
Carrying amount	
At 31 March 2022	100
At 31 March 2021	100

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	19	100	100

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	54,779	147,943
Other debtors	295,879	11,190
Prepayments and accrued income	1,918	1,918
	352,576	161,051

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		17,211	25,859
Government grants	14	323,500	64,100
Trade creditors		26,103	24,513
Amounts owed to subsidiary undertakings		1,758	1,758
Accruals and deferred income		7,190	6,320
		<u>375,762</u>	<u>122,550</u>

14 Government grants

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>323,500</u>	<u>64,100</u>
Deferred income at 1 April 2021	64,100	5,849
Released from previous periods	(64,100)	(5,849)
Resources deferred in the year	<u>323,500</u>	<u>64,100</u>
Deferred income at 31 March 2022	<u>323,500</u>	<u>64,100</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Restricted funds

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

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Transfers £	Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Coed Lloel	65,382	332,474	(356,878)	(3,722)	37,256	648,809	(624,205)	-	-	61,860
Bringing Better Opportunities	-	33,652	(34,471)	-	(819)	36,645	(34,248)	-	-	1,578
Biochar	725	10,580	(15,027)	3,722	-	7,690	(4,551)	(3,139)	-	-
Biomass	4,595	8,618	(8,926)	(4,287)	-	2,250	(3,191)	941	-	-
Defra	-	65,568	(75,896)	479	(9,849)	36,187	(39,851)	13,513	-	-
FSC	-	61,500	(45,164)	-	-	4,250	(3,560)	(690)	-	-
HLF Site redevelopment	-	32,538	(15,811)	-	16,336	-	(19,595)	3,259	-	-
Landau Community Grants	32,427	60,350	(51,521)	-	-	8,000	(6,634)	-	-	1,366
Severn Trent	-	-	-	-	16,727	45,038	(47,711)	-	-	14,054
Willlys Estate (Shropshire)	-	-	-	-	-	16,100	(1,530)	-	-	14,570
Women in the Woods	-	-	-	-	-	-	(5,817)	5,817	-	-
Social Enterprise	-	-	-	-	41,256	33,622	(39,952)	(29,999)	-	4,927
	103,129	605,280	(603,694)	(3,808)	100,907	838,591	(830,845)	(10,298)	-	98,355

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Designated funds

The income 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 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Transfers £	Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Capital fund	315,390	80,000	(15,016)	(2,202)	378,172	-	(34,422)	-	-	343,750
Other designated funds	6,025	7,861	(76,859)	9,225	(53,749)	99,405	(74,129)	43,895	43,895	15,422
	<u>321,415</u>	<u>87,861</u>	<u>(91,875)</u>	<u>7,023</u>	<u>324,423</u>	<u>99,405</u>	<u>(108,551)</u>	<u>43,895</u>		<u>359,172</u>

17 Analysis of net assets between funds

	Unrestricted funds		Designated funds		Restricted funds		Capital fund		Total	
	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
Fund balances at 31 March 2022 are represented by:										
Tangible assets	58,410	-	-	-	316,559	50,459	374,969	-	350,981	401,440
Investments	100	-	-	100	-	100	100	-	-	100
Current assets/(liabilities)	216,314	15,422	98,355	(53,748)	27,191	266,470	357,282	100,907	27,191	340,820
	<u>274,824</u>	<u>15,422</u>	<u>98,355</u>	<u>(53,748)</u>	<u>343,750</u>	<u>317,029</u>	<u>732,351</u>	<u>100,907</u>	<u>378,172</u>	<u>742,360</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

19 Subsidiaries

These financial statements are separate charity financial statements for Small Woods Association.

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Heratwoods Limited	England and Wales		Ordinary		100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Heratwoods Limited	358	100

20 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(9,651)	(15,847)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,281)	(2,032)
Gain on disposal of tangible fixed assets	(34,383)	-
Depreciation and impairment of tangible fixed assets	14,005	15,016
Movements in working capital:		
(Increase) in debtors	(191,525)	(161,051)
(Decrease)/increase in creditors	(6,188)	58,450
Increase in deferred income	259,400	64,100
Cash generated from/(absorbed by) operations	30,377	(41,364)

21 Analysis of changes in net funds

The charity had no debt during the year.

SMALL WOODS ASSOCIATION

England & Wales - Charity number 1081874

Accounts

SMALL WOODS ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Company No. 03919849 (England and Wales)
Registered Charity No. 1081874

SMALL WOODS ASSOCIATION

COMPANY INFORMATION

Directors and Trustees	John Blessington Phil Burton Christopher Duncan Alyson May Beverly Tyley Alastair Squire Philip Tidey Peter Watson Gary Battell
Company Secretary	Christopher Duncan
Company Number	03919849 (England & Wales)
Charity Number	1081874
Registered Office	Station Road, Coalbrookdale, Telford, Shropshire, TF8 7DR
Accountants	James, Holyoak & Parker Limited, 1 Knight's Court, Archers Way, Battlefield Enterprise Park, Shrewsbury, Shropshire, SY1 3GA

SMALL WOODS ASSOCIATION

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SMALL WOODS ASSOCIATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also directors of the charity, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Charities SORP 2015 (FRS102).

Charity information

Small Woods Association is a registered charity and private company with no issued share capital, incorporated in England and Wales. The registered office is Station Road, Coalbrookdale, Telford, Shropshire, TF8 7DR. The registered company number is 03919849 (England & Wales), and the registered charity number is 1081874.

Trustees/Directors

The directors/trustees, who held office during the year and up to the date of signature of the financial statements was as follows:

John Blessington
Phil Burton
Christopher Duncan
Alyson May
Beverly Tyley
Alastair Squire
Phil Tidey
Peter Watson
Gary Battell

The subsidiary company, Heartwoods Limited, has its own board of directors, and Small Woods Association is the only member. Heartwoods produces its own financial statements which are consolidated into the group accounts.

Governing document and charity objective

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The charity's object is to advance education in the conservation of small woodlands. The principal activities are training and educational courses, apprenticeships, and taster sessions in small woodland management and wood product making, seminars, events, an annual conference and advice. The charity also runs demonstration projects at local, regional and national level, which offer advice, networking and support for practitioners, owners, community groups and woodland initiatives, or help disadvantaged groups by offering training and a route into woodland work.

The day to day operations were controlled by Ian Baker, Chief Executive and reported to the trustees. All Charity staff (bar one) are part time and the charity also benefits from a number of dedicated volunteers.

Development, activities and achievements this period

2020/21 has been particularly challenging not just for the Small Woods Association but for the world as a whole, and the charity has not been immune from its effects.

The headlines for the charity are:

- We have maintained our staffing levels
- Our membership has grown
- Engagement at Small Woods events has increased significantly
- Support provided by the charity has been provided to a larger number of people

The conclusion from the year's performance is that the work we do is needed just as much as it was before the pandemic, if not more so. The forced experiment in moving our work online has been largely successful, with member events in particular being attended by far more people from a wider geography than were able to attend our physical events.

This has however come at a cost, with a financial loss of £15,847 in year, leading to a negative impact on reserves of £16,634.

SMALL WOODS ASSOCIATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Membership

The year saw stability in membership income, despite the challenging circumstances that has seen many membership organisations experiencing a decline. During the year we ran over 31 member events, exclusively online, due to the pandemic, attended by 940 members from across the UK, in England, Scotland, Wales and Northern Ireland. This a more than four fold increase over the previous year.

Our annual Skill Share event and AGM was held online in October, with Patrick Barkham, author and journalist, as the keynote speaker. Further inspirational talks were given by Sir Harry Studholme, Prof., John Healy, and Simon Leadbetter.

Smallwoods magazine continues to be very well received and is going from strength to strength, and has continued to be delivered quarterly. Member communication now takes place down a number of channels, with the e-Newsletter becoming more prominent. One response to the pandemic was to increase its frequency to fortnightly, which has been well received.

Other responses to the pandemic included the increase in social media postings, particularly in the wake of the initial lockdown, when we provided inspiration for engagement in the natural world that might be helpful to those unexpectedly confined to home and looking for ideas. We also produced "Letters of Comfort" for those working in woodland, to show to those in authority who were enforcing lockdown regulations. For some, this was a lifeline, as it enabled continuation of woodland work that would otherwise have impacted woodland management cycles and incomes.

We launched a new website during the year and we are now seeing increased traffic through that channel, with further planned improvements to be implemented.

Project activity

Small Woods run a number of activity and engagement programmes, promoting sustainable woodlands, helping people to connect with nature and improve their wellbeing.

A key project for the organisation and its objectives to influence sustainable woodland management is the Defra-funded "Test and Trail" project. Small Woods is consulting woodland owners and managers across England in order to guide future Environmental Land Management Scheme design.

Small Woods is delivering a Severn Trent Water funded project focusing on woodland biodiversity. The aim of the project is to deliver 1000 ha of improved woodland habitat over a four year period. The SWA team have started working on the first 100ha in 20/21.

The team have started work in this year on two new projects looking to identify and restore lost landscapes; Lost Woods in Sussex and Lost Peatlands in South Wales. We expect to see both landscape and wellbeing improvements as a result.

In Wales, our work is delivered under the bilingual brand of Small Woods/Coed Lleol. Projects include Actif Woods Wales programmes in 15 counties (see below), the Dyfi Biosphere Outdoor Health and a scoping project in SE Wales, which has allowed us to expand our programmes to new areas.

The programmes cover the counties of Ceredigion, Anglesey, Flintshire, Merthyr Tydfil, Neath Port Talbot, Swansea, Gwynedd, Rhondda Cynon Taf, Wrexham, Denbighshire, Pembrokeshire, Powys, Carmarthenshire, and several further counties in SE Wales.

We have continued to deliver the project "Build-a-Bench" which provides woodland and wood working opportunities for those trying to get back into the work place after time out, and is supported by the Building Better Opportunities (BBO) project. The project has supported 48 people to date. This funding is intended to tackle poverty and promote social inclusion and is funded by The National Lottery Community Fund and the European Social Fund.

One impact of the pandemic has been to reduce opportunities for volunteering. During the period close to 500 hours were donated by approximately 50 volunteers. We were also unable to run our internship programme in 2020/21.

SMALL WOODS ASSOCIATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Despite the negative impacts of the pandemic, we continue to deliver services to an increasing number of people. Overall, during 2020-21, our outreach programmes reached 852 participants. In addition to the staff directly employed on these projects we are also contracting in support from over 40 contracted leaders.

Training

The pandemic has had the biggest overall impact on our training operations, with many courses being cancelled during the year. As this is a key income stream and one that depends on a core of skilled and experienced staff, lockdowns have had a significant impact and most of the charity's losses sprang from the cancellations and the fact that uncertainty over the length of lockdowns meant that the furlough scheme did not fit the circumstances of this team.

Woodland management and Coppice work

We also continued our focus on Coppice restoration, with work in three woods where the Charity has direct management responsibilities. This has also included support of one Coppice Apprentice and the continued popularity of the Coppice Products website. After a lockdown hiatus, our volunteer coppice group has re-started in Edge Wood, Shropshire.

Covid support

The charity was fortunate to secure Covid support from the various schemes on offer, including £61,500 from the Lottery funded Heritage Recovery Fund, £10,000 from the emergency business grants fund and £15,000 from the Furlough scheme. Only the emergency business grant was a net benefit, as the Lottery grant had to be spent on new activity and the Furlough funding replaced grant which was not claimed in the Financial Year.

Supporters and funders

Our thanks go to Ernest Cooke, H B Allen Trust, The Banister Trust, Severn Trent Water, Wesleyan Assurance, Sprayway, Natural Resources Wales, Healthy and Active Fund (Sports Council Wales), DEFRA, Welsh Government Enabling Natural Resources and Wellbeing Fund (ENRaW), Merthyr GP Cluster, Neath Port Talbot Council, Telford and Wrekin Council, the Tampon Tax via Staffordshire Community Foundation, Stonewall Charitable Trust, Landau ESIF, Heritage Lottery Fund and the European Commission for their considerable financial support in these achievements.

Transactions and Financial Position

Full details of the financial activities are provided on pages 9 to 18 with the General Reserve at 31 March 2021 standing at £317,029, which is in line with the budgeted outturn for the year. The reported loss on unrestricted funds for the year amounted to £16,634.

An amount of £100,907 is held in Restricted Funds. This represents the amount set aside by the charity specifically for the support of ongoing projects.

A balance of £378,172 is held on Capital Reserve, mostly fixed building assets. This also includes the sum maintained by Trustees on the advice of the Charity Commission, in order to meet contingencies and potential liabilities that may arise in the event of a contraction of activities.

Use of the Gift Aid scheme by members has continued to boost funds.

Tangible Fixed Assets for use by the Charity

Details of movements in fixed assets are set out in note 9 to the accounts.

Subsidiary Undertaking

The subsidiary company, Heartwoods Limited, has its own board of directors, and Small Woods Association is the only member. Heartwoods produces its own financial statements which are consolidated into the group accounts.

Trustees Appointment, Induction and Training

The trustees are elected under the terms of the Memorandum & Articles of Association. One third of the trustees must retire at each AGM.

SMALL WOODS ASSOCIATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Trustees are familiar with the practical work of the charity and engage with its work in a variety of ways from events to courses. New trustees are supplied with copies of:-

- The main documents which set out the operational framework of the charity, including the Memorandum & Articles of Association.
- The current financial position as set out in the latest published accounts.
- Copies of recent Board Meeting minutes.

Trustees who have not already done so are required to attend core training for new volunteers.

Risk Management

The trustees review the major risks faced by the charity on a regular basis and it is considered that the implementation of strong budgetary and other key financial controls will provide sufficient resources in the event of adverse conditions. The trustees also examine other operational and business risks faced by the charity and confirm that systems and controls are in place which should mitigate against any significant risks.

Statement of trustees' responsibilities

The trustees (who are also directors of Small Woods Association for the purposes of company law) are responsible for preparing the Trustees' 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 period. 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. 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.

In so far as the trustees are aware:

- there is no relevant accounting information of which the charitable company's independent examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the independent examiner is aware of that information.

Approved by order of the board of trustees on 27 September 2021 and signed on its behalf by:



John Blessington
Trustee

SMALL WOODS ASSOCIATION

INDEPENDENT CHARTERED ACCOUNTANTS' REVIEW REPORT TO THE MEMBERS/TRUSTEES OF SMALL WOODS ASSOCIATION

We have reviewed the financial statements of Small Woods Association for the year ended 31 March 2021, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 16. 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 trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011 and the terms of our engagement letter dated 30 August 2018. Our review has been undertaken so that we may state to the Charitable Company's trustees those matters we have agreed with them in our engagement letter 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 and the Charitable Company's trustees as a body for our work, for this report or the conclusions we have formed.

Directors' Responsibility for the Financial Statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the charitable company 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.

Accountants' Responsibility

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

Scope of the Assurance Review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities);
- in accordance with the requirements of the Companies Act 2006.



Robert Humphreys BEng FCA
for and on behalf of James, Holyoak & Parker Limited

Date: 27 September 2021

Chartered Accountants

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
Shropshire
SY1 3GA

SMALL WOODS ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

Summary Income and Expenditure Account

	Notes	Restricted £	Unrestricted £	Total 2021 £	Total 2020 £
Income from:					
Donations & legacies	2	320	200,998	201,318	138,968
Income from charitable activities	3	604,960	8,869	613,829	792,971
Investment income	4	-	2,032	2,032	1,504
Total incoming resources		605,280	211,899	817,179	933,443
Expenditure on:					
Charitable activities	5	603,694	229,332	833,026	789,682
Transfers between funds	14	(3,808)	3,808	-	-
Net income/(expenditure) and net movement in funds		(2,222)	(13,625)	(15,847)	143,761
Reconciliation of funds:					
Total funds brought forward	14	103,129	655,078	758,207	614,446
Total funds carried forward	14	<u>100,907</u>	<u>641,453</u>	<u>742,360</u>	<u>758,207</u>

The Statement of Financial Activities includes details of all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

SMALL WOODS ASSOCIATION
BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021

		Group		Company	
	Notes	2021	2020	2021	2020
			£		£
Fixed assets					
Tangible assets	9	401,440	336,456	401,440	336,456
Investments	10	-	-	100	100
		<u>401,440</u>	<u>336,456</u>	<u>401,540</u>	<u>336,556</u>
Current assets					
Debtors	11	161,051	223,236	161,051	223,236
Cash at bank and in hand		<u>301,961</u>	<u>235,456</u>	<u>301,961</u>	<u>235,456</u>
		463,012	458,692	463,012	458,692
Creditors: amounts falling due within one year	12	<u>(122,092)</u>	<u>(36,941)</u>	<u>(122,550)</u>	<u>(37,399)</u>
Net current assets		<u>340,920</u>	<u>421,751</u>	<u>340,462</u>	<u>421,293</u>
Net assets		<u>742,360</u>	<u>758,207</u>	<u>742,002</u>	<u>757,849</u>
Charity funds					
Unrestricted funds	14	641,453	655,078	641,095	654,720
Restricted funds	14	<u>100,907</u>	<u>103,129</u>	<u>100,907</u>	<u>103,129</u>
		<u>742,360</u>	<u>758,207</u>	<u>742,002</u>	<u>757,849</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 12 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board of Trustees on 27 September 2021 and signed on its behalf by:



Beverly Tyley
Director and Trustee



John Blessington
Director and Trustee

The notes on pages 11 to 18 form part of these financial statements.
Company Registration Number: 03919849 (England & Wales)

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Summary of significant accounting policies

1.1 General information and basis of preparation

Small Woods Association is a private company limited by guarantee, and a registered charity in England / Wales . The company number is 03919849 (England & Wales), and the registered charity number is 1081874. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is Station Road, Coalbrookdale, Telford, Shropshire, TF8 7DR. The nature of the charity's operations and principal activities are that of the advancement of education in the preservation of small woodlands.

The charity constitutes a public benefit entity as defined by FRS 102. 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 (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) , the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year. There have been no material adjustments arising from transition to SORP (FRS 102).

1.2 Group financial statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, Heartwoods Limited, on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.3 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Unrestricted funds include a revaluation reserve representing the restatement of listed UK investments at market value.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income is received by way of grants, donations and gifts, and is included in full in the Statement of Financial Affairs when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Where entitlement is dependant on the fulfilment of one or more specified conditions, grants received by the charity are recognised and taken into revenue unless the conditions are within the charity's control and uncertainty exists as to whether the conditions will be fulfilled.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1.4 Income recognition (continued)

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers is not included in the financial statements.

Investment income is included as it becomes receivable.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land and buildings	2% on a straight line basis
Plant and office equipment	10% on a reducing balance basis
Motor vehicles	20% on a straight line basis

1.7 Fixed asset investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.8 Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1.9 Pensions

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

1.7 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.8 Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees 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.

SMALL WOODS ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Income from donations and legacies

	Restricted	Unrestricted	Total	Total
	£	£	2021	2020
			£	£
Memberships	-	82,807	82,807	82,985
Gift Aid	-	11,716	11,716	26,400
Donations	320	106,475	106,795	29,583
	<u>320</u>	<u>200,998</u>	<u>201,318</u>	<u>138,968</u>

3. Income from charitable activities

	Restricted	Unrestricted	Total	Total
	£	£	2021	2020
			£	£
Grants from funders	512,413	2,138	514,551	680,517
Training courses	11,301	2,638	13,938	55,130
Other income	81,246	4,094	85,340	57,324
	<u>604,960</u>	<u>8,869</u>	<u>613,829</u>	<u>792,971</u>

4. Income from investments

	Restricted	Unrestricted	Total	Total
	£	£	2021	2020
			£	£
Interest received on cash deposits	-	2,032	2,032	1,504
	<u>-</u>	<u>2,032</u>	<u>2,032</u>	<u>1,504</u>

SMALL WOODS ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. Analysis of expenditure on charitable activities

	Restricted	Unrestricted	Total	Total
	£	£	2021	2020
			£	£
Costs directly allocated to activities				
Salaries & wages (note 8)	376,520	142,068	518,588	433,246
Management charges across funds	60,133	(60,133)	-	-
Project costs and associated training expenses	123,501	5,719	129,220	130,227
Magazine production costs	-	20,171	20,171	20,680
Meeting expenses	-	80	80	653
Staff, volunteer and apprentice costs	4,332	6,575	10,907	53,158
Sundries	8,304	24,000	32,304	19,043
Advertising	5,140	-	5,140	3,730
Depreciation	-	15,016	15,016	14,039
Irrecoverable VAT	3,799	3,645	7,444	12,215
Bank charges	-	989	989	1,175
Support costs				
Printing, postage and stationery	696	2,814	3,510	5,212
Legal, professional and accountancy	5,205	14,095	19,300	33,453
Telephone	-	1,841	1,841	4,375
Rent, power and insurance	3,744	25,709	29,453	21,389
Repairs, maintenance and computer supplies	12,320	26,743	39,063	37,587
Profit on sale of fixed asset	-	-	-	(500)
	<u>603,694</u>	<u>229,332</u>	<u>833,026</u>	<u>789,682</u>

6. Net deficit for the year

	2021	2020
	£	£
Net deficit is stated after charging:		
Depreciation of tangible fixed assets owned by the charity	15,016	14,039
Fees payable to the charity's independent examiner	<u>4,750</u>	<u>4,750</u>

7. Trustees' and key management personnel remuneration and expenses

No remuneration was paid to trustees during the year.

Remuneration paid to key management personnel was as follows:

2021	2020	2021	2020
Number	Number	£	£
<u>5</u>	<u>5</u>	<u>107,008</u>	<u>116,868</u>

There were no re-imbursements of trustees' expenses during the year

SMALL WOODS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2021 Number	2021 FTE	2020 Number	2020 FTE
Charitable activities	36	21	31	19
Governance	2	1	2	1
	<u>38</u>	<u>22</u>	<u>33</u>	<u>20</u>

The total staff costs and employees benefits was as follows:

	2021 £	2020 £
Wages and salaries	489,674	408,800
Employer's pension contributions	8,763	7,697
Social security costs	<u>20,151</u>	<u>16,749</u>
	<u>518,588</u>	<u>433,246</u>

No employee received total remuneration and employee benefits of more than £60,000.

9. Tangible fixed assets

	Land and buildings £	Plant and office eq't £	Motor vehicles £	Total £
Cost or valuation:				
At 1 April 2020	390,451	215,837	23,343	629,631
Additions	80,000	-	-	80,000
Disposals	-	-	-	-
	<u>470,451</u>	<u>215,837</u>	<u>23,343</u>	<u>709,631</u>
At 31 March 2021				
Depreciation:				
At 1 April 2020	110,061	159,771	23,343	293,175
Charge for year	9,409	5,607	-	15,016
Eliminated on disposal	-	-	-	-
	<u>119,470</u>	<u>165,378</u>	<u>23,343</u>	<u>308,191</u>
At 31 March 2021				
Net book value:				
At 1 April 2020	<u>280,390</u>	<u>56,066</u>	<u>-</u>	<u>336,456</u>
At 31 March 2021	<u>350,981</u>	<u>50,459</u>	<u>-</u>	<u>401,440</u>

Leasehold land and buildings were valued on an open market basis by Wiggins Lockett Thompson Limited Chartered Surveyors (regulated by RICS) at a value of £290,000 as at 17 August 2017. The trustees consider that this is materially in line with the reported net book value on a historic cost basis.

SMALL WOODS ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Fixed asset investments

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
UK listed investments				
Cost at 31 March 2020 and 2021	-	-	100	100

The Charity's investment of £100 refers to the ownership of the wholly owned subsidiary company Heartwoods Limited, a company incorporated in England and Wales. Further details are provided at note 15.

11. Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	147,943	122,429	147,943	122,429
Other debtors	13,108	100,807	13,108	100,807
	<u>161,051</u>	<u>223,236</u>	<u>161,051</u>	<u>223,236</u>

12. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Loan from subsidiary undertaking	-	-	1,758	1,758
Social security and other taxes	25,859	9,114	25,859	9,114
Trade creditors and accruals	96,233	27,827	94,933	26,527
	<u>122,092</u>	<u>36,941</u>	<u>122,550</u>	<u>37,399</u>

13. Analysis of net assets between the funds

	Unrestricted funds	Capital fund	Other designated funds	Restricted fund	Total
	£	£	£	£	£
Fixed assets	50,459	350,981	-	-	401,440
Net current assets	266,570	27,191	(53,748)	100,907	340,920
	<u>317,029</u>	<u>378,172</u>	<u>(53,748)</u>	<u>100,907</u>	<u>742,360</u>

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Fund reconciliation

	As at 1 April 2020 £	Income £	Expenditure & gains/(losses) £	Transfers £	As at 31 March 2021 £
Unrestricted:					
General reserve	333,663	124,038	(137,457)	(3,215)	317,029
Designated funds:					
Capital fund	315,390	80,000	(15,016)	(2,202)	378,172
Other designated funds	6,025	7,861	(76,859)	9,225	(53,748)
Total unrestricted funds	<u>655,078</u>	<u>211,899</u>	<u>(229,332)</u>	<u>3,808</u>	<u>641,453</u>
Restricted funds:					
Coed Lloel	65,382	332,474	(356,878)	(3,722)	37,256
Bringing Better Opportunities	-	33,652	(34,471)	-	(819)
Connecting People with Nature	725	10,580	(15,027)	3,722	-
Working with Nature	4,595	8,618	(8,926)	(4,287)	-
Defra	-	65,568	(75,896)	479	(9,849)
HLF Site redevelopment	-	61,500	(45,164)	-	16,336
Severn Trent	-	32,538	(15,811)	-	16,727
Social Enterprise	32,427	60,350	(51,521)	-	41,256
Total restricted funds	<u>103,129</u>	<u>605,280</u>	<u>(603,694)</u>	<u>(3,808)</u>	<u>100,907</u>
Total funds	<u>758,207</u>	<u>817,179</u>	<u>(833,026)</u>	<u>-</u>	<u>742,360</u>

The balance maintained on the Capital Fund represents the aggregate of the net book value of the land and buildings and the provision for closure costs of the charity. A regular review of the adequacy of the provision for closure costs is carried out by the directors.

The balance maintained on the Designated Fund represents the amount set aside by the charity specifically for the support of ongoing projects.

SMALL WOODS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Subsidiary undertaking

On 2 April 2002, Heartwoods Limited was incorporated in England and Wales as a Company Limited by guarantee, with one member, Small Woods Association. Heartwoods Limited operates within the forestry and woodlands sector providing management and development services to businesses therein though it has not traded for some time. A summary of the Heartwoods Limited net assets position is given below:-

	2021	2020
	£	£
Current assets	1,758	1,758
Creditors: Amounts falling due within one year	<u>(1,300)</u>	<u>(1,300)</u>
Net current assets	<u>458</u>	<u>458</u>
Capital and reserves		
Share capital	100	100
Profit and loss account	<u>358</u>	<u>358</u>
	<u>458</u>	<u>458</u>

16. Related party transactions

No material transactions with related parties occurred during the year.