



Annual Report and Accounts 2021

An aerial photograph of a vast, dense forest covering rolling hills. In the background, a range of rugged mountains is visible under a clear, light blue sky. The forest is a mix of green and brown, suggesting different tree species or perhaps the lighting of the photo. A dark green rectangular box is overlaid on the bottom right of the image, containing white text.

5,018,288 trees
planted since 2012

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An Introduction From Our Chair, Dr Stephen Vickers

There has never been a time where there has been stronger public awareness about the preciousness of our planet and the precariousness of life upon it. The mission, mandate and approach of the International Tree Foundation remains more relevant than ever as we seek to support efforts that benefit both people and planet and as we continue to build on our hundred-year heritage. I am proud to be part of the ITF community – we are tree planters, farmers, foresters, entrepreneurs, teachers, members and supporters.

Since 1922

International Tree Foundation was founded in 1922 to inspire communities to plant trees and restore forests for the benefit of people and planet. Today, we work around the world with a particular focus on our founding countries, Kenya and the UK.

Our Mission

Plant, protect and promote trees in partnership with local communities to transform landscapes and lives.

Our Vision

A world where trees are valued and forests flourish for the benefit of people and planet.

Reference and Administrative Details

| | |
|---------------------------------|--|
| Governing document: | Memorandum & Articles of Association |
| Patron: | HRH The Prince of Wales |
| Board of Trustees: | Ms M Grezna, Mr J Kimani, Ms M McBrien, Prof K Schreckenber, Ms M Reru, Ms L Rainbow, Ms R Wanyoike, Ms C MacQueen, Dr Stephen Vickers |
| Chief Executive Officer: | James Whitehead (app. 6 Sept 21) |
| Registered office: | The Old Music Hall, 106 –108 Cowley Road, Oxford, OX4 1JE |
| Bankers: | CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ |
| Independent examiner: | Ben Hayes FCA, Wenn Townsend, 30 St. Giles, Oxford, OX1 3LE |
| Charity number: | 1106269 |
| Company number: | 5219549 |



Objectives

International Tree Foundation's charitable objects are:

1. To promote the conservation, protection and improvement of the physical and natural environment, in particular by:
 - Planting and caring for trees and encouraging the planting and caring for trees globally; and
 - Fostering an appreciation of trees and the amenity and ecological value of tree cover.
2. To advance education for the public benefit in trees and their habitats.
3. To promote the sciences of silviculture, arboriculture, agroforestry and associated fields for the public benefit.



Looking Back at Our Activities in 2021

James Whitehead, CEO

2021 has seen consolidation of our work across the UK and Ireland and Africa across our four inter-linked aims:

- A. **Environment:** Communities increase global tree cover and reforestation with appropriate tree cultivation.
- B. **Livelihoods:** Communities grow trees to improve their livelihoods in sustainable and productive landscapes.
- C. **Education:** Greater understanding of the ecological, environmental, social and economic value of trees.
- D. **Capacity building:** Civil society builds capacity to advocate for and implement community-led forestry.

We know that thousands of communities depend on forests for food, medicine and firewood. Planting trees, and restoring degraded areas – if done well – improves access to these vital resources and protects ancient woodlands against deforestation. I am proud about the deep commitment of the team this year to the quality of the work on the ground. There are many reasons why trees won't reach maturity – grazing by deer or cattle, lack of water, poor species choice, etc. That is why this year we have worked very closely with communities to ensure high survival rates so that trees can flourish in very different conditions. Also, this year was no exception in maintaining our steadfast focus on supporting inclusive community leadership and achieving multiple positive benefits for communities.

This year we redoubled our work on gender. As an example, we understand that planting trees near communities reduces the amount of time that women and girls spend fetching firewood which leaves more time for activities such as education and paid work. This year we undertook training with women's groups in Kenya and supported women-led tree nurseries as a form of alternative livelihoods.

In our partnership with Botanic Gardens Conservation International we have increasingly mainstreamed planting of threatened species as part of our commitment to restoring biodiversity.

ITF joined with allies at the COP in Glasgow to promote responsible, community-led tree-planting and restoration as a crucial part of the solution to climate change. We also planted trees in the city when we were there – leaving a lasting legacy that will continue to flourish long after the conference has ended. Just one example of our work across the four home

countries of the UK as well as Ireland working with schools, parish councils and community groups.

We are increasingly widening our partnerships and alliances to grow our reach and impact. For example, this year we launched a new partnership with Earthday.org and UPS aimed at planting native trees in 14 different countries around the world.

This year ITF has continued to be a pioneer. ITF and our partner Arable International were one of 20 organisations chosen for 'Financing Africa's Top 100 Tree Restoration Enterprises and Projects', in which we are developing a scalable, replicable model for restoration through agro-forestry in Kenya.

In 2022, ITF will be reviewing and updating its strategy to ensure that it continues to achieve public benefit in line with our charitable objects in ways that remain relevant and impactful in a changing world.

This report describes the determination and resourcefulness of community groups across the UK and Africa and their achievements in 2021, with our on-going role being to support and champion their amazing efforts. We are proud of what we have achieved together.



In 2021



553,540 wonderful trees planted and growing.



45,147 crucial hectares of forest conserved or restored.



27 projects increased vital biodiversity or ecosystem services.



81,107 people reached through awareness campaigns.



30,859 young people learned about our environment and conservation.



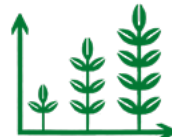
24,125 remarkable people participated in our projects over the year.



114 community organisations increased forestry and agroforestry capacity.



1,785 participants increased household income through our projects.



1,972 hardworking smallholder farmers increased their yield.



2,047 brilliant teachers and youth workers trained.



63% of leadership roles in our partner organisations held by women.



637 staff and generous volunteers received training.

Our Impact in Africa

Teresa Gitonga, Africa Programmes Manager

In 2021, ITF continued to do what it does best, transformative landscape restoration that creates long-term benefits for our ecosystems and local communities. Together with 26 partners across Africa, over half a million trees were planted in 2021.

We are extremely grateful to our supporters and partners who made it possible for us to empower communities to restore vital ecosystems and landscapes whilst preserving biodiversity and improving livelihoods.

AT ITF, local communities are the driving force behind our restoration work. Our transformational tree planting projects improve ecosystems, agricultural productivity, landscape and community resilience against the effects of the climate change crisis.

I am proud to say that in in 2021, the Watu Wa Miti programme supported communities improve ecosystem services, strengthen landscape resilience whilst creating economic opportunities and improving the livelihoods of 750 households. We continued to deliver transformational gender integration training across 6 counties in Kenya. Reaching 157 community representatives (86 women, 71 men) who went on to train 2,200 community members.

The Sustainable Community Forestry (SCF) programme had 19 active partnerships, 17 of which were funded by the Prince of Wales Charitable Fund. In 2021, SCF projects grew 274,535 trees.



Kenya

Saiwa Swamp National Park is Kenya's smallest national park. Despite its size, the wetlands here are a vital source of natural resources for the local communities. The park is also a key habitat for wildlife including aquatic Sitatunga antelopes, De Brazza's monkeys and Kenya's vulnerable Grey Crowned Cranes.

Decades of unsustainable practices such as eucalyptus cultivation, the use of artificial fertilisers and illegal wood harvesting have led to the drainage and degradation of this fragile ecosystem. There is less water and much that remains is contaminated leading to a surge in waterborne diseases for the local communities. Sadly, wildlife living in the park has also declined.

Despite this, there is still hope for this beautiful and diverse landscape. Through the Planting Trees for Water, Health and Wealth project, local community members are planting indigenous trees along the riparian margins of the wetlands and implementing sustainable agricultural practices to restore the landscape, improve livelihoods and encourage wildlife to return to the park.

Our partner, Kipsaina Crane and Wetlands Conservation Group (KCWCG) have been mobilising and inspiring community groups to conserve, protect and rehabilitate the wetlands and areas surrounding Saiwa Swamp National Park. The organisation engages local farmers, schools, churches, women and youth groups in its conservation and land restoration efforts as well as advocating for and promoting environmentally sustainable practices such as agroforestry, tree planting on farms.

Through educational workshops, this project empowers people in the community to restore and protect their local landscape. Local community members are being trained on how to identify, plant and care for trees as well as tree nursery management and establishment. This training also emphasises the need to utilise sustainable farming practices through the promotion of agroforestry.

In 2021, great progress was made towards community efforts to protect and rehabilitate this diverse ecosystem. Maurice Wanjala, founder and director of KCWCG says, "Kipsaina Wetlands and International Tree Foundation have been able to plant 30,000 trees. Through this project we have been able to transfer tree management skills to the farmers and even the youth and women within this community."

The project is changing lives. Saleh Muchanji, a project beneficiary and member of KCWCG says, “The project has helped people because it has helped provide tree seedlings for each individual farmer so that they move away from the wetlands. What they used to get from the wetlands in terms of firewood, they can now get from the trees they have at home.”

Thanks to the generosity of our supporters and the Big Give, we were able to raise an additional £20,000 in 2021 which will go towards conserving and rehabilitating the wetlands in Saiwa Swamp National Park.



Rwanda

Located in the Albertine Rift in Western Rwanda, Gishwati Forest is a global biodiversity hotspot. Gishwati forms part of Gishwati-Mukura National Park, which is home to numerous endemic and endangered wildlife species including, eastern chimpanzees, golden monkeys and side-striped jackals.

Illegal mining, poor agricultural practices and deforestation has led to the degradation of this biodiverse landscape. This has not only resulted in soil erosion, landslides and floods but also severely affected the communities whose livelihoods depend on this landscape. Particularly the marginalised Batwa people, an indigenous hunter-gatherer community who are culturally and historically dependent on the forest.

Our local partner, Forest of Hope Association (FHA), engages local communities in the conservation and the sustainable use of natural resources within the Gishwati-Mukura landscape. The organisation also works to improve the relationship between humans and nature through sensitising local community members on the importance of conserving and protecting the environment.

The Promoting Tree Conservation in Gishwati project, hopes to restore and strengthen biodiversity in Gishwati forest. This is achieved through planting trees on local farmland and creating a buffer zone of indigenous trees along the southern edge of the forest. This project also seeks to improve livelihoods. Local community members are being trained on tree nursery development, seedling production and horticulture. Additionally, native tree and fruit seedlings are being distributed among local community groups. So far, 21,860 trees have been planted and 10 hectares of farmland have been restored through agroforestry activities.

This project has led to significant changes for local community members. “I feel like I gained knowledge that will help me to be an excellent employee in case I get a job in a given nursery in our region,” says Gérard Kavakule, a beneficiary of the project. “I think in the future, planted trees will help to protect my land. I gained skills that I can use to make more money. This is really important for me.”



Our Impact in the UK

Sam Pearce, UK Programmes Manager

2021 was a very successful 12 months for the UK Programme. I began my role as UK & Ireland Programme Manager in January 2021, which meant that for the first time, we had a full-time member of staff solely focussed on tree planting in this part of the world. With this extra attention, we could massively increase our presence in the UK, engaging supporters and new partners from all around.

The UK Community Tree Planting Programme engages grassroots community groups - be they local associations, schools, parish councils (and so on) – to design their own tree planting projects on local publicly-accessible land.

We want local people to stay engaged with the trees that they plant, to watch them grow and change with the seasons. We know the element of local ownership vastly increases the success of the project and the survival rate of the trees. Ensuring that these trees are made public, is a way of encouraging people to look after them years down the line, be it for weeding, mulching, or watering during dry spells.

It was especially nice to reboot our work in all four home countries of the UK. Where previously we had just been focusing on the area surrounding Oxford, we are now happy to be working much further afield, from Cornwall and Kent on the English coast, to County Antrim in Northern Ireland, to the Isle of Skye in the Scottish Highlands. We have also been able to support much bigger projects, while still keeping all of them community-based and publicly accessible.

One project type we're particularly keen on is the 'community buy-out'. This is becoming increasingly popular in Scotland and Wales and is where the local community are able to purchase the surrounding land from the landowner. This means quite large amounts of land can be once again in common ownership, allowing for large-scale nature restoration projects (including tree planting) designed and owned by local people. Our work with one such project in Uigshader in the Highlands has planted thousands of trees, restored local wildlife and watersheds, provides local livelihoods and builds social cohesion. Such projects can be a central axis around which a local community can renew itself after the strictures of Covid-19 lockdowns.

Glasgow

During COP 26, held in Glasgow, we ran tree planting projects around the city as part of our commitment to restore, protect and conserve the environment in partnership with communities. During our time there, we planted 1,200 native tree species with the help of local students, partners and UPS.

Students from Carmunnock Primary School and volunteers from the local community joined us to plant 550 trees in Carmunnock as part of a tree planting initiative led by Glasgow City Council. Friends and allies of ITF also joined in and together we planted a further 300 trees.

COP 26 also saw the launch of Trees in the Cities project. An exciting tree planting collaboration between ITF, Earthday.org and UPS. This project aims to raise awareness on the vital role trees play in improving livelihoods through tree planting events in 14 cities worldwide. To kickstart this collaboration, 350 trees were planted in Glasgow.

Finally, we kicked off a tree planting partnership with Glasgow Clyde College. This project will plant hundreds of trees on the college's grounds and create opportunities for the students to engage with environmental issues.



England

Founded in 2019, our local partner, Nature and Nurture, provides a platform for local community members to restore their local landscape and contribute to global efforts to combat the climate crisis through planting trees.

Local community groups, businesses and school children are coming together to plant 5000 trees in Burford, West Oxfordshire. This community-led tree planting effort, is part of the Burford Tree Planting Initiative. An initiative, set up in 2020 by Lucy Staveley, founder of Nature and Nurture, that aims to restore the local landscape.

“This part of West Oxfordshire, is particularly depleted of trees and hedgerows,” says Lucy. “I wanted to do everything I could to try and restore the landscape and connect up the landscape for nature.”

This project not only provides a platform for people to plant trees but also brings people from different walks of life together. The project creates a welcoming space where love for the environment is nurtured and environmental stewardship is fostered through the exchange of information and ideas.

“It’s been a lovely experience, we’ve had all sorts of community groups coming out to plant,” says Lucy. “We’re very grateful for all the funding and the support that International Tree Foundation have given us. It’s been really fantastic to be able to do this and get people involved and to get people talking about trees and restoring the landscape.”





Financial Review

Performance

The organisation had a small rise in income in 2021. Total income was £664,076 (2020: £642,315), an annual increase of just over 3% year on year. Total reserves at the year-end were £559,267 (2020: £411,201) of which unrestricted reserves increased to £148,483 (2020: £120,432).

Notes on income and expenditure:

ITF has a varied funding stream, receiving grant income from several sources (54% of total), as well as donations from individual givers and fundraisers (40%) and corporate donors (6%).

ITF continues to benefit from legacies and we are extremely grateful to all supporters who kindly remember us in their wills.

The proportion of total expenditure that was spent on direct charitable activity was 92% (2020: 88%).

Expenditure on governance has reduced significantly in 2021 to £12,406 (2020: £48,856) due to nonrecurring termination benefits and associated legal costs being incurred in 2020. We expect governance expenditure to increase slightly this financial year with a return to more in person meetings.

Key risks at the start of 2022 are:

1. Medium and long-term funding

The full impacts of the Coronavirus pandemic and war in Ukraine are as yet unknown, but there has already been significant inflation and economic uncertainty. The long-term impacts of Britain having left the EU are also unclear. Both of these are likely to have an effect on all areas of fundraising, in particular trust income and grant income. We observe increased competition from other organisations, especially tree planting charities. Income from legacies is, by its nature, uncertain. It has made up a significant percentage of income in previous years (average 25% between 2016 and 2020).

Actions to control/mitigate:

- a) Increase focus on gaining new major funding from statutory bodies, trusts and foundations.
- b) Nurture our existing key funder relationships.
- c) Reduce reliance on legacy income by diversifying funding sources, particularly by engaging corporate donors. Investments

- into individual fundraising are already paying off.
- d) Use unrestricted income to support the growth and sustainability of the charity.

2. Fraud and misuse of charitable funds

As digital communication and financial reporting becomes more widely adopted, ITF and other charities, including our partners, are exposed to risk from fraudulent activities. Additionally, ITF is aware that there is the possibility of internal and external misappropriation of funds.

Actions to control/mitigate:

- a) ITF Key Management Personnel (KMP) and Board will continue to ensure that the Finance Policy is kept current and reviewed annually.
- b) The procedures on transferring funds to external partners, particularly internationally, in order to mitigate the risk of fraud, will be followed by ITF staff and continually reviewed.

3. Investment

ITF may invest funds at the discretion of the Board (as per the Articles of Association and Standing Orders). The charity has not held any long-term investments during the year. Should the charity have funds to invest, it would abide by its Ethical and Environmental Policies which state:

- a) ITF will seek to use the services of banks and other financial institutions that comply with ITF's ethical and environmental criteria.
- b) ITF will wherever practicable avoid using the services of banks or other financial institutions that do not adhere to ITF's ethical and environmental criteria.
- c) For savings and investments we will choose mutual societies and institutions that invest in socially and environmental responsible projects.

Reserves Policy

The Trustees review the reserves policy of the charity annually. This review covers the nature of the income and expenditure streams of the charity, and the need to match variable income with fixed costs. Trustees recognise that the charity needs to have sufficient cash and reserves to absorb short term fluctuations in income. The level of unrestricted reserves needs to consider both the plans of the charity and the wider economic climate.

The Trustees resolved that it is appropriate to maintain a policy of having a level of general unrestricted reserves equivalent to six months running costs.

Funds as at 31st December 2021:

Restricted £410,784

General £148,483

Total £559,267

With general unrestricted reserves now standing at £148,483 (2020: £120,432) the reserves policy is met.

Significant Donations

During 2021, we received a number of generous donations and grants. The list below details those above £3,000:

Botanic Gardens Conservation International, EARTHDAY.ORG (UPS), One Tree Planted, Darwin Initiative (Department of Environment, Food and Rural Affairs), Prince of Wales Charitable Fund, The Northwick Trust, Tree Nation, Tree Sisters, Foresters Financial, Get Laid Beds, New North London Synagogue, Just One Tree, Plant for the Planet, Tree Appeal, as well as several generous individual donations, legacies and bequests.



Structure, Governance and Management

International Tree Foundation was constituted as a company limited by guarantee and is governed by Articles of Association and Standing Orders. The charity was registered with the Charity Commission in October 1965 (under former name 'The Men of the Trees').

Appointment and Recruitment of Trustees

The members of the Board are its Trustees for the purpose of charity law and are the Directors of the charitable company for the purpose of company law. Appointment of Trustees is governed by the Articles of Association of the charitable company. The Trustees have authority to co-opt new Trustees to fill casual vacancies arising during the year. The number of Trustees appointed should not be less than three and no more than twelve.

There were no trustee appointments or resignations during this period.

Organisational Structure

The Trustees had four full formal meetings in 2021. In addition to the full Board meetings, there are committees for Fundraising, People and Operations, and Programmes that met during the year. A Committee for ITF's centenary also met. Trustees are responsible for the strategic direction and policy of ITF.

Senior Staff

The Trustees appointed a CEO who joined ITF on 6th September 2021.

Pay and Remuneration

ITF is an equal opportunities employer and applies objective criteria to assess merit. Pay reviews are held with staff annually. A benchmarking process is undertaken periodically.

Risk assessment and management

The Trustees are aware of the major strategic, business and operational risks that ITF faces and are of the opinion that there are systems in place to minimise any perceived risks. Reports are regularly submitted to the Board on all issues that might affect the running of the organisation, and a risk register is maintained and reviewed regularly by senior managers, and bi-annually by the Trustees.

Public Benefit

In deciding on which activities to undertake we have taken into consideration Charity Commission guidance on public benefit. The Trustees are satisfied that the charity meets these guidelines with regard to delivering public benefit.

Approved by the Board of Trustees on 7 April 2022 and signed on its behalf by:

Stephen Vickers

Dr Stephen Vickers, Chair

Company number 5219549,
Charity number 1106269





Independent Examiner's Report to the Trustees of International Tree Foundation

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2021 which are set out on pages 12 to 23.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Benjamin Hayes BSc FCA
For and on behalf of Wenn Townsend Chartered Accountants
Oxford

23rd July 2022

International Tree Foundation

Statement of Financial Activities
(including income and expenditure account)
for the year ended 31st December 2021

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Unrestricted funds £ | Restricted funds £ | Total 2020 £ |
|---|------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Income from: | | | | | | | |
| Donations and legacies | 2 | 144,715 | 514,663 | 659,378 | 127,961 | 508,491 | 636,452 |
| Membership subscriptions, sponsorship and events | | 4,524 | - | 4,524 | 5,465 | - | 5,465 |
| Investments | 3 | 174 | - | 174 | 398 | - | 398 |
| Total income | | <u>149,413</u> | <u>514,663</u> | <u>664,076</u> | <u>133,824</u> | <u>508,491</u> | <u>642,315</u> |
| Expenditure on: | | | | | | | |
| Raising funds | | 41,555 | - | 41,555 | 68,599 | - | 68,599 |
| Charitable activities | 4 | 79,807 | 394,648 | 474,455 | 108,284 | 400,285 | 508,569 |
| Total expenditure | | <u>121,362</u> | <u>394,648</u> | <u>516,010</u> | <u>176,883</u> | <u>400,285</u> | <u>577,168</u> |
| Net income/(expenditure) | | <u>28,051</u> | <u>120,015</u> | <u>148,066</u> | <u>(43,059)</u> | <u>108,206</u> | <u>65,147</u> |
| Transfers between funds | 13 | - | - | - | (587) | 587 | - |
| Net movement in funds | | <u>28,051</u> | <u>120,015</u> | <u>148,066</u> | <u>(43,646)</u> | <u>108,793</u> | <u>65,147</u> |
| Fund balances brought forward at 1st January 2021 | | 120,432 | 290,769 | 411,201 | 164,078 | 181,976 | 346,054 |
| Funds balances carried forward at 31st December 2021 | | <u>148,483</u> | <u>410,784</u> | <u>559,267</u> | <u>120,432</u> | <u>290,769</u> | <u>411,201</u> |

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the period.

International Tree Foundation

Balance Sheet 31st December 2021

| | Note | £ | £ | £ | 2020 £ |
|---|------|----------------|----------------|----------------|----------------|
| Fixed Assets | | | | | |
| Tangible assets | 9 | | 2,939 | | 1,805 |
| Current Assets | | | | | |
| Debtors | 10 | 121,654 | | 34,941 | |
| Cash at bank and in hand | | 442,693 | | 422,476 | |
| | | <u>564,347</u> | | <u>457,417</u> | |
| Creditors: Amounts falling due within one year | 11 | (8,019) | | (48,021) | |
| Net Current Assets | | | 556,328 | | 409,396 |
| Total Assets less Current Liabilities | | | <u>559,267</u> | | <u>411,201</u> |
| Net Assets | | | <u>559,267</u> | | <u>411,201</u> |
| Funds | | | | | |
| Restricted funds | | | 410,784 | | 290,769 |
| Unrestricted funds | | | | | |
| General fund | | | 148,483 | | 120,432 |
| Designated funds | | | - | | - |
| Total Funds | 13 | | <u>559,267</u> | | <u>411,201</u> |

For the year ending 31st December 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 accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 23rd July 2022 and signed on its behalf by :



Dr Stephen Vickers
Chair

Company number: 5219549

International Tree Foundation
Statement of Cash Flows
for the year ended 31st December 2021

| | Note | 2021 | 2020 |
|--|------|-----------------------|-----------------------|
| | | £ | £ |
| Net cash flow from operating activities | 14 | 22,698 | 87,650 |
| Cash flows from investing activities: | | | |
| Interest received | | 174 | 398 |
| Purchase of fixed assets | | (2,655) | (509) |
| Proceeds from sale of fixed assets | | - | 299 |
| Net cash flow from investing activities | | <u>(2,481)</u> | <u>188</u> |
| Change in cash and cash equivalents in the period | | <u>20,217</u> | <u>87,838</u> |
| Cash and cash equivalents brought forward at 1st January 2021 | | <u>422,476</u> | <u>334,638</u> |
| Cash and cash equivalents carried forward at 31st December 2021 | | <u><u>442,693</u></u> | <u><u>422,476</u></u> |

International Tree Foundation
Notes to the Accounts
for the year ended 31st December 2021

1 Summary of significant accounting policies

General information and basis of preparation

International Tree Foundation is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information in these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting 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 in October 2019, 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 Accounting Practice.

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 prepared 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.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Board of Directors in furtherance of the charitable objectives of the charitable company.

Designated funds comprise funds set aside by the Board of Directors out of unrestricted funds for specific future purposes or projects.

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor or through the terms of an appeal.

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.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay on the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity, however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income and bank interest receivable is fully accrued at the balance sheet date.

International Tree Foundation

Notes to the Accounts (continued) for the year ended 31st December 2021

1 Summary of significant accounting policies (continued)

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:

The costs of raising funds consist of investment management fees and merchandising costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes 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.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

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 the basis of estimates of the proportion of time spent by staff on those activities.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Tangible fixed assets are depreciated at rates calculated to write off the cost of each asset over its estimated useful life as follows:

| | |
|--|-------------------------|
| Office equipment, furniture and fittings | 25% Straight line basis |
|--|-------------------------|

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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.

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. In performing this review, the trustees have factored in the anticipated impact of COVID-19 on its global operations. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

International Tree Foundation
Notes to the Accounts (continued)
for the year ended 31st December 2021

2 Donations and legacies

| | 2021 | 2020 |
|--------------------------------------|----------------|----------------|
| | £ | £ |
| Donations including related gift aid | 205,374 | 117,833 |
| Appeals | 22,590 | 13,950 |
| Legacies | 74,580 | 230,767 |
| Grants | 356,834 | 273,902 |
| | <u>659,378</u> | <u>636,452</u> |

3 Investment income and interest

| | 2021 | 2020 |
|--------------------------|-------------|-------------|
| | £ | £ |
| Bank interest receivable | <u>174</u> | <u>398</u> |

4 Charitable activities

| | 2021 | 2020 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Planting, protection and preservation of trees | | |
| Tree planting – UK | 10,595 | 3,286 |
| Tree planting – International | 175,322 | 230,782 |
| Other direct costs | 54,933 | 25,757 |
| Staff costs | 183,072 | 150,475 |
| Office support costs | 10,065 | 12,326 |
| | <u>433,987</u> | <u>422,626</u> |
| Promotion of tree awareness | | |
| Newsletter, journal publication costs and website | 4,088 | 3,185 |
| Other direct costs | - | 600 |
| Staff costs | 18,942 | 27,139 |
| Office support costs | 5,032 | 6,163 |
| | <u>28,062</u> | <u>37,087</u> |
| Governance costs | <u>12,406</u> | <u>48,856</u> |
| Total charitable activities | <u><u>474,455</u></u> | <u><u>508,569</u></u> |

International Tree Foundation

**Notes to the Accounts (continued)
for the year ended 31st December 2021**

5 Total expenditure

| | Tree planting and grants payable £ | Other direct costs £ | Staff costs £ | Office costs £ | 2021 £ | 2020 £ |
|---|---|---|------------------------------|-------------------------------|-------------------|-------------------|
| Cost of generating funds | - | 7,854 | 26,152 | 7,549 | 41,555 | 68,599 |
| Planting, protection and preservation of trees | 185,917 | 54,933 | 183,072 | 10,065 | 433,987 | 422,626 |
| Promotion of tree awareness | - | 4,088 | 18,942 | 5,032 | 28,062 | 37,087 |
| Governance costs | - | 1,173 | 8,718 | 2,515 | 12,406 | 48,856 |
| | <u>185,917</u> | <u>68,048</u> | <u>236,884</u> | <u>25,161</u> | <u>516,010</u> | <u>577,168</u> |

Support costs comprise:

| | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| Accountancy and payroll | 1,279 | 3,332 |
| Bank charges | 186 | 2,367 |
| Computer maintenance and services | 5,800 | 2,216 |
| Depreciation of fixed assets | 1,037 | 1,039 |
| Director meetings, travel expenses and insurance | 623 | 476 |
| Miscellaneous expenses | 659 | 505 |
| Professional fees | 3,789 | 16,584 |
| Office insurance, light, heat and cleaning | 586 | 535 |
| Office rent and rates | 4,559 | 14,026 |
| Staff recruitment, training and travel | 6,892 | 2,528 |
| Telephone, printing, postage and stationery | 734 | 676 |
| Volunteer expenses | - | - |
| Exchange rate (gain)/loss | (983) | 2 |
| Losses on disposal of fixed assets | - | 55 |
| | <u>25,161</u> | <u>44,341</u> |

Support costs are allocated on the basis of estimates of the proportion of time spent by staff on those activities.

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. Therefore the support costs shown above are a best estimate of the costs that have been so allocated.

International Tree Foundation
Notes to the Accounts (continued)
for the year ended 31st December 2021

6 Staff costs and numbers

| | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| Gross pay | 213,583 | 206,983 |
| Employer's NI | 13,281 | 13,370 |
| Employer's pension contributions | 9,271 | 8,956 |
| Life assurance and other employee benefits | 749 | 14,757 |
| | <u>236,884</u> | <u>244,066</u> |

Total termination benefits during the year amounted to £nil (2020: £14,000).

The average number of employees analysed by function was:

| | Number | FTE | Number | FTE |
|---|---------------|-------------|---------------|-------------|
| | 2021 | 2021 | 2020 | 2020 |
| Planting, protection, preservation and promotion of trees | 7 | 5 | 6 | 5 |
| Fundraising and income generation | 2 | 2 | 2 | 2 |
| | <u>9</u> | <u>7</u> | <u>8</u> | <u>7</u> |

No employees received total employee benefits (excluding employer pension costs) exceeding £60,000 during the current period (2020: none).

7 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the period (2020: £nil).

The total amount (including employer pension costs) received by key management personnel is £116,418 (2020: £134,207). The Trust considers its key management personnel comprise the Programmes Manager, Head of Fundraising and Finance & Facilities Manager. In the prior year this also included the Chief Executive until his departure.

No (2020: None) Trustees were reimbursed for directly incurred out of pocket expenses during the period totalling £nil (2020: £nil).

8 Net income/(expenditure)

| | 2021 | 2020 |
|--|--------------|--------------|
| | £ | £ |
| Net income/(expenditure) is stated after charging: | | |
| Examiner's remuneration | 2,652 | 2,640 |
| Depreciation of fixed assets | 1,521 | 1,416 |
| | <u>4,173</u> | <u>4,056</u> |

International Tree Foundation
Notes to the Accounts (continued)
for the year ended 31st December 2021

9 Tangible fixed assets – office equipment, furniture and fittings

| | £ |
|------------------------|---------------|
| Cost | |
| At 1st January 2021 | 7,932 |
| Additions | 2,655 |
| Disposals | (360) |
| At 31st December 2021 | <u>10,227</u> |
| Depreciation | |
| At 1st January 2021 | 6,127 |
| Charge for the period | 1,521 |
| Eliminated on disposal | (360) |
| At 31st December 2021 | <u>7,288</u> |
| Net book value | |
| At 31st December 2021 | <u>2,939</u> |
| At 31st December 2020 | <u>1,805</u> |

10 Debtors: amounts falling due within one year

| | 2021 | 2020 |
|---------------------|----------------|---------------|
| | £ | £ |
| Trade debtors | 23,769 | - |
| Other debtors | 4,203 | 15,882 |
| Prepaid expenditure | 1,496 | 1,574 |
| Accrued income | 92,186 | 17,485 |
| | <u>121,654</u> | <u>34,941</u> |

11 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|--------------------------------|--------------|---------------|
| | £ | £ |
| Trade creditors | 903 | 42,465 |
| Accrued expenditure | 2,600 | 2,986 |
| Employers pension contribution | 618 | 2,135 |
| Other tax and social security | 3,898 | 435 |
| | <u>8,019</u> | <u>48,021</u> |

International Tree Foundation

**Notes to the Accounts (continued)
for the year ended 31st December 2021**

12 Analysis of net assets between total funds

| | Unrestricted Funds £ | Restricted funds £ | Total £ |
|---|-------------------------------------|-----------------------------------|--------------------|
| Fund balances at 31st December 2021 are represented by: | | | |
| Tangible fixed assets | 2,114 | 825 | 2,939 |
| Cash at bank and in hand | 138,065 | 304,628 | 442,693 |
| Other net current assets | 8,304 | 105,331 | 113,635 |
| | <u>148,483</u> | <u>410,784</u> | <u>559,267</u> |

| | Unrestricted Funds £ | Restricted funds £ | Total £ |
|---|-------------------------------------|-----------------------------------|--------------------|
| Fund balances at 31st December 2020 are represented by: | | | |
| Tangible fixed assets | 1,051 | 754 | 1,805 |
| Cash at bank and in hand | 117,044 | 305,432 | 422,476 |
| Other net current assets | 2,337 | (15,417) | (13,080) |
| | <u>120,432</u> | <u>290,769</u> | <u>411,201</u> |

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2021

13 Statement of funds

| | Balance at 1/1/21 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31/12/21 £ |
|--------------------------------|---------------------------|----------------|------------------|----------------|-----------------------------|
| Restricted funds | | | | | |
| International Programmes: | | | | | |
| Africa Drylands | 2,407 | - | (780) | - | 1,627 |
| Sustainable Community Forestry | 104,655 | 40,586 | (56,623) | (1,145) | 87,473 |
| Kenya Programme (Watu Wa Miti) | 49,242 | 280,336 | (177,497) | (1,500) | 150,581 |
| Mount Bamboutos Initiative | 30,756 | 26,797 | (57,553) | - | - |
| Save Kafuga Forest | 158 | 133 | (3) | - | 288 |
| UPS | - | 52,356 | (28,394) | - | 23,962 |
| University of Saskatchewan | - | 1,926 | (2,188) | - | (262) |
| UK Programmes: | | | | | |
| Community Tree Planting | 3,028 | 67,483 | (29,560) | - | 40,951 |
| Susan Cooke legacy | 97,658 | 45,000 | (38,643) | - | 104,015 |
| Tree Power | 2,865 | 46 | (1,400) | - | 1,511 |
| Trees Journal | - | - | (2,007) | 2,645 | 638 |
| | <u>290,769</u> | <u>514,663</u> | <u>(394,648)</u> | <u>-</u> | <u>410,784</u> |
| Unrestricted funds | | | | | |
| General fund | 120,432 | 149,413 | (121,362) | - | 148,483 |
| | <u>120,432</u> | <u>149,413</u> | <u>(121,362)</u> | <u>-</u> | <u>148,483</u> |
| Total funds | <u>411,201</u> | <u>664,076</u> | <u>(516,010)</u> | <u>-</u> | <u>559,267</u> |

International Tree Foundation

Notes to the Accounts (continued) for the year ended 31st December 2021

13 Statement of funds (continued)

| | Balance at 1/1/20 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31/12/20 £ |
|--------------------------------|---------------------------|----------------|------------------|----------------|-----------------------------|
| Restricted funds | | | | | |
| International Programmes: | | | | | |
| Africa Drylands | 3,704 | - | (1,297) | - | 2,407 |
| Sustainable Community Forestry | 105,639 | 112,389 | (112,190) | (1,183) | 104,655 |
| Kenya Programme (Watu Wa Miti) | 49,853 | 94,288 | (94,122) | (777) | 49,242 |
| Mount Bamboutos Initiative | 17,396 | 107,436 | (92,942) | (1,134) | 30,756 |
| Save Kafuga Forest | - | 160 | (2) | - | 158 |
| UK Programmes: | | | | | |
| Community Tree Planting | 2,102 | 4,218 | (3,292) | - | 3,028 |
| Susan Cooke legacy | - | 190,000 | (92,342) | - | 97,658 |
| Tree Power | 2,865 | - | - | - | 2,865 |
| Trees Journal | - | - | (3,681) | 3,681 | - |
| UK Well-being in the Woods | 417 | - | (417) | - | - |
| | <u>181,976</u> | <u>508,491</u> | <u>(400,285)</u> | <u>587</u> | <u>290,769</u> |
| Unrestricted funds | | | | | |
| General fund | 156,142 | 132,470 | (167,722) | (458) | 120,432 |
| Designated funds | | | | | |
| Kenya Programme (Watu Wa Miti) | 7,805 | 1,354 | (9,159) | - | - |
| Sustainable Community Forestry | 131 | - | (2) | (129) | - |
| | <u>164,078</u> | <u>133,824</u> | <u>(176,883)</u> | <u>(587)</u> | <u>120,432</u> |
| Total funds | <u>346,054</u> | <u>642,315</u> | <u>(577,168)</u> | <u>-</u> | <u>411,201</u> |

International Programmes

Africa Drylands

A bequest from the Estate of the late Mrs MM Gare in 1999, to be utilised in the environmental regeneration of the Sahara region through the establishment of community tree planting projects.

Kenya Programme (Watu wa Miti)

Supporting the planting of trees in Kenya by local community-based organisations. Funders include: TreeSisters, Botanical Gardens Conservation International, One Tree Planted, New North London Synagogue, Big Give Christmas Challenge, Just One Tree, Plant for the Planet, Tree Appeal, Paul and Gill Withers, individual and corporate donors.

Mount Bamboutos Initiative

Funds to restore the degraded mountain ecosystem of Mount Bamboutos in Cameroon, while improving the quality of lives for local communities. Funded by DEFRA – Darwin Initiative.

Save Kafuga Forest

Strengthening communities' natural resources access and management in Kafuga Forest, Uganda.

International Tree Foundation

**Notes to the Accounts (continued)
for the year ended 31st December 2021**

13 Statement of funds (continued)

Sustainable Community Forestry

Supporting local community-based organisations to raise and plant trees and to manage and restore local forests. Major funders include: Prince of Wales Charitable Trust, Charles Hayward Foundation, Plant for the Planet, New North London Synagogue, and a number of corporate and individual donors.

Earthday Foundation - UPS

The UPS Trees in the Cities Programme supports the effort to create awareness in the front line of climate change and promote the role of trees in improving the quality of life in cities around the world. Together with volunteers from UPS, we are planting trees and supporting the growth of urban green infrastructure of 14 selected major cities. This project is creating local and global connections with community tree-planting at the centre of the effort.

University of Saskatchewan

Funds for the digitalisation of the Saint Barbe Baker archive at the University of Saskatchewan.

UK Programmes

Community Tree Planting

Helping local communities in the UK plant trees. Major funders include Tree Nation, and a number of individual and corporate donors.

Susan Cooke legacy

A bequest from the Estate of the late Susan Cooke, to carry out work in Northern Ireland.

Tree Power

Education programme supporting teachers and schools to inspire new generations about the local and global importance of trees and forests.

Trees Journal

The production of ITF's annual publication. Contributions to the costs of this are made by our other programmes.

UK Well-being in the Woods

Engaging young people in woodland activities to improve their well-being and mental health. Funded by the Postcode Local Trust.

Transfers made during the period:

| From | To | Notes |
|---|--------------------------|--|
| Restricted Sustainable Community Forestry | Restricted Trees Journal | A contribution from Sustainable Community Forestry to the Trees Journal. |
| Restricted Kenya Programme (Watu Wa Miti) | Restricted Trees Journal | A contribution from the Kenya Programme (Watu Wa Miti) to the Trees Journal. |

International Tree Foundation
Notes to the Accounts (continued)
for the year ended 31st December 2021

14 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021 | 2020 |
|--|---------------|---------------|
| | £ | £ |
| Net income for period | 148,066 | 65,147 |
| Depreciation charge | 1,521 | 1,416 |
| Loss on disposal of fixed assets | - | 265 |
| Interest receivable | (174) | (398) |
| (Increase)/decrease in debtors | (86,713) | 2,272 |
| (Decrease)/increase in creditors | (40,002) | 18,948 |
| Net cash flow from operating activities | <u>22,698</u> | <u>87,650</u> |

15 Lease commitments

At 31st December 2021 total future minimum lease payments under non-cancellable operating leases were as follows:

| | Land and buildings | |
|---------------------|---------------------------|--------------|
| | 2021 | 2020 |
| | £ | £ |
| Due within one year | <u>7,050</u> | <u>6,380</u> |

16 Related party transactions

International Tree Foundation Kenya, a charity, was incorporated under Kenyan law during the year ending 31st December 2019, to enable Kenyan donors to make donations to help ITF meet its objectives. ITF and ITF Kenya have the same Board of Trustees, therefore ITF Kenya is viewed as being controlled by ITF and therefore a subsidiary for accounting purposes.

For the year ending 31st December 2021, ITF was entitled to exemption from preparing consolidated accounts as the parent and the group headed by it qualify as small under section 383 of the Companies Act 2006 and the parent and the group are considered eligible for the exemption as determined by reference to sections 384 and 399(2A) of the Companies Act 2006.

ITF Kenya is deemed a dormant entity as no transactions took place during the year.

There were no other related party transactions to disclose in 2021 (2020: none).



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**International
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