

Company registration number: 06252763

Charity registration number: 1122314

# Forest of Avon Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

## Forest of Avon Trust

### Reference and Administrative Details

|                                    |   |
|------------------------------------|---|
| <b>Chairman</b>                    | Mr K E Betton   |
| <b>Trustees</b>                    | Mr K E Betton<br>Mr C J Bloor<br>Ms P M Gilder (appointed 1 June 2020)<br>Mr N L Howe<br>Mr M R J Jones<br>Earl of Ducie L D Moreton (Resigned 31 March 2021)<br>Mr A Rankine (appointed 9 November 2020) |
| <b>Senior Management Team</b>      | Mr J N M Clark, Executive Director  |
| <b>Principal Office</b>            | Brickyardwood Barns<br>Brockley Lane<br>Chelvey<br>Bristol<br>BS48 4AB  |
| <b>Registered Office</b>           | Leigh Court Business Centre<br>Pill Road<br>Abbots Leigh<br>Bristol<br>BS8 3RA<br><br>The charity is incorporated in England and Wales.   |
| <b>Company Registration Number</b> | 06252763  |
| <b>Charity Registration Number</b> | 1122314   |
| <b>Bankers</b>                     | NatWest<br>8 South Parade<br>Chew Magna<br>Bristol<br>BS40 8SG<br><br>Triodos Bank<br>Deanery Road<br>Bristol<br>BS1 5AS<br><br>Nationwide Building Society<br>Cabot Circus<br>Bristol<br>BS1 3BD         |
| <b>Independent Examiner</b>        | West & Co Accountants & Tax Advisors<br>Leigh Court Business Centre<br>Pill Road<br>Abbots Leigh<br>Bristol<br>BS8 3RA  |

## **Forest of Avon Trust**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2015).

#### **Structure, governance and management**

##### ***Nature of governing document***

The charity is controlled by its Memorandum and Articles of Association, and is a company limited by guarantee, as defined by the Companies Act 2006.

##### ***Risk management***

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

#### **Objectives and activities**

##### ***Objects and aims***

The objects of the charity are to promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment within the Forest of Avon, in particular by:

- a) providing, conserving, protecting and improving woodlands;
- b) delivering education, training, volunteering and other activities, including the arts, which engage the public in conserving, protecting, improving, using and understanding woodlands and the wider physical and natural environment; and
- c) improving derelict land and harmful sites and to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of the public at large, in particular by maintaining, improving and providing recreation and leisure opportunities within the Forest of Avon.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## Forest of Avon Trust

### Trustees' Report

#### *Charitable activities*

In 2020/21 work focused on:

1. Forest of Avon Plan: The Trust delivered a commission to write and consult upon this document which will serve as the Tree and Woodland Strategy until 2030 for diverse partners within the Avon/ West of England area.
2. Trees for Climate Grant Programme: The Trust worked with England's Community Forests nationally to prepare and submit a five-year tree-planting proposal as part of Defra's Nature for Climate programme. Full approval for Year 1 of the programme was given in December 2020.
3. Trees for Climate Planting Programme: The Trust worked with local authority and diverse other partners to prepare, grant fund and support the delivery of a Trees for Climate planting programme, totalling 15.5 hectares.
4. Strengthening & Developing Partnerships: The Trust worked with diverse partners to strengthen relationships with diverse public and private partners and individuals, maximising synergies for tree & woodland and wider work within the area.
5. Running Health & Well-being Activities: The Trust delivered socially distanced activity programmes for people with dementia and individuals with mental health needs in the short periods permitted by Covid-19 restrictions, enabling participants to experience and benefit from local woodlands.
6. Training Outdoor Leaders: The Trust provided on-line and socially distanced professional training for outdoor leaders and other staff so that they can engage the next generation of children and others in the benefits of Forest School and outdoor learning more widely.
7. Advising on Woodland Management: The Trust advised landowners, community groups and councils on the benefits of managed woodlands as permitted by Covid-19 restrictions, working with them to plan and cost schemes. There was a particular focus on the Bathscape (Bath) area.
8. The Retreat Community Woodland: The Trust improved access and biodiversity at this site, working with the Cotswolds Wardens.
9. Overscourt Wood: The Trust undertook as a small number of activities and signage improvements in and around this site, as permitted by Covid-19 restrictions.
10. Communication: The Trust grew the profile of its objectives, work and services on social media and through improvements to the navigation and content of its website. It also made use of Google AdWords sponsorship to promote its services and circulated e- newsletters to a wide range of contacts through the year.

## **Forest of Avon Trust**

### **Trustees' Report**

#### **Achievements and performance**

The Forest of Avon Trust has successfully completed its thirteenth year. There has been a significant impact from Covid-19 through the year with wellbeing activities having been suspended for much of it and other outdoor-focused projects only taking place for limited periods. One member of staff was placed on the Government's furlough scheme for much of the year and another for several months. In addition, one member of staff had their appointment delayed until July 2020.

Highlights have included:

1. Completing the commission to write and consult upon the new Forest of Avon Plan which will be adopted by local authorities, WECA and other partners as the Tree and Woodland Strategy for the West of England to 2030 and beyond.
2. Linked to the above, formalising the Trust's role in supporting tree planting and woodland management across the West of England.
3. Securing Year 1 funding of approval for England's Community Forest's Trees for Climate programme from Defra in December 2020 and in principle approval for a longer-term grant-programme.
4. Appointing three new staff posts as part of a restructuring of the Forest Team to enable it to deliver the Trees for Climate grant and the Forest of Avon Plan.
5. Working with local authority and diverse other partners to grant fund and support the delivery of a 15.5ha Trees for Climate planting programme, significantly larger than any recent tree planting initiative in the area.
6. Supporting Bristol City Council in its delivery of its Greenstreet's project planting 590 street trees in areas of low tree cover in the city.
7. Setting 10 goals in 10 years and linking these to a website-based Pledge, attracting significant interest from business and other donors.
8. As part of England's Community Forests leading on advice to help secure new Community Forests in Plymouth and around Newcastle-upon-Tyne.

#### **Financial review**

Total income for the year was £361,751 (2020: £263,778). The charity was able to increase its expenditure on charitable activities, resulting in total expenditure of £235,720 for the year (2020: £183,131). The carry forward into 2021/22 includes restricted funding of £54,825 and unrestricted funds of £386,962, giving a total funds balance of £441,787 (2020: £307,277) to be carried forward.

## **Forest of Avon Trust**

### **Trustees' Report**

#### ***Policy on reserves***

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means to meet its charitable objectives for the foreseeable future.

The trustees propose to maintain the charity's unrestricted reserves at a level which is at least equivalent to six months' operational expenditure and have done so having regard to its manner of operation of likely funding streams. The Trust will maintain a minimum unrestricted funding reserve equivalent to 6 months' average annual running costs: £58,000, and a maximum of £100,000 providing for procurement of equipment, accommodation and all financial obligations of closing the Trust, if necessary.

The Trust's activities are planned more than a year in advance and any surplus will be addressed when forthcoming budgets are approved by the trustees.

#### **Plans for future periods**

##### ***Aims and key objectives for future periods***

The trustees have considered the impact that the Covid pandemic has/ could have on the charity's current and future financial position. The expected implications are:

1. Wellbeing and other outdoor activities not being able to be undertaken; and
2. A reduction in income due to the above and competition for income from fundraising.

In the context of the above, in 2021/22 we aim to:

1. Promote the Forest of Avon Plan launching it and a summary advocacy document at the Festival of Nature.
2. Liaise with Defra to secure its formal adoption of the Forest of Avon Plan.
3. Secure a multi-year agreement from Defra to fund the Trees for Climate grant programme to March 2025.
4. Work with local authorities, private landowners, and other partners to prepare, grant fund and support the delivery of a Trees for Climate planting programme of at least 50 hectares.
5. Secure agreement from local authorities and other West of England partners for the Forest of Avon Trust to have a lead role in coordinating and supporting tree and woodland activity across the West of England.
6. Advise landowners on woodland management, working with them to plan and cost schemes and particularly focusing on the Bathscape (Bath) area.

## **Forest of Avon Trust**

### **Trustees' Report**

7. Deliver the Lyde Green-Overscourt Access Project, focusing on access improvements at Overscourt Wood and volunteering and engagement activities the site.

8. Further improve the biodiversity and woodland structure at The Retreat Community Woodland, working with the Cotswold's Wardens.

9. Deliver health & wellbeing activities with appropriate social distancing, for people with dementia, individuals with mental health needs and adults with learning disabilities to enable them to experience and benefit from local woodlands.

10. Promote accredited forest school training offered by partners, for outdoor leaders and other staff so that they can engage the next generation of children and others in the benefits of Forest School and outdoor learning more widely.

11. Upgrade the website to enable to act as a portal for the Forest of Avon Plan, Trees for Climate Grant and improve navigation to enable people to more easily find out about the Trust's objectives, activities and services.

#### **Going concern**

The charity will take the following steps to mitigate the threats that Covid-19 may pose to the organisation:

- Enter staff into the furlough scheme should the Government re-establish it, topping up salaries as permitted;
- Defer appointment of any new project-based staff until Government lock-down rules relax; and
- Reduce payment to the fundraiser to reflect lower income.

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The charity holds unrestricted reserves of £386,962 (2020: £286,111).

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts.

#### **Statement of responsibilities of the trustees**

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

## Forest of Avon Trust

### Trustees' Report

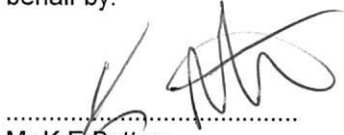
#### Statement of Trustees' Responsibilities

- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The annual report was approved by the trustees of the charity on 18 October 2021 and signed on its behalf by:



.....  
Mr K E Betton  
Chairman and Trustee



## Forest of Avon Trust

### Independent Examiner's Report to the trustees of Forest of Avon Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 9 to 26.

#### Respective responsibilities of trustees and examiner

As the charity's trustees of Forest of Avon Trust (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 Forest of Avon Trust 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 charity'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 Forest of Avon Trust'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 Association of Accounting Technicians, 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:

1. accounting records were not kept in respect of Forest of Avon Trust 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.

  
.....  
Mr Lee West FMAAT

Leigh Court Business Centre  
Pill Road  
Abbots Leigh  
Bristol  
BS8 3RA

18 October 2021

## Forest of Avon Trust

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

|                                    | Note | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£    |
|------------------------------------|------|----------------------------|--------------------------|-----------------------|
| <b>Income and Endowments from:</b> |      |                            |                          |                       |
| Donations and legacies             | 3    | 41,527                     | 11,958                   | 53,485                |
| Charitable activities              | 4    | 90,689                     | 214,945                  | 305,634               |
| Investment income                  | 5    | 2,632                      | -                        | 2,632                 |
| Total income                       |      | <u>134,848</u>             | <u>226,903</u>           | <u>361,751</u>        |
| <b>Expenditure on:</b>             |      |                            |                          |                       |
| Raising funds                      | 6    | (11,889)                   | (1,196)                  | (13,085)              |
| Charitable activities              | 7    | <u>(27,981)</u>            | <u>(194,654)</u>         | <u>(222,635)</u>      |
| Total expenditure                  |      | (39,870)                   | (195,850)                | (235,720)             |
| Gains/losses on investment assets  |      | 8,479                      | -                        | 8,479                 |
| Net income                         |      | <u>103,457</u>             | <u>31,053</u>            | <u>134,510</u>        |
| Net movement in funds              |      | 103,457                    | 31,053                   | 134,510               |
| <b>Reconciliation of funds</b>     |      |                            |                          |                       |
| Total funds brought forward        |      | <u>286,111</u>             | <u>21,166</u>            | <u>307,277</u>        |
| Total funds carried forward        | 20   | <u><u>389,568</u></u>      | <u><u>52,219</u></u>     | <u><u>441,787</u></u> |

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

## Forest of Avon Trust

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

|                                    | Note | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2020<br>£ |
|------------------------------------|------|----------------------------|--------------------------|--------------------|
| <b>Income and Endowments from:</b> |      |                            |                          |                    |
| Donations and legacies             | 3    | 78,412                     | -                        | 78,412             |
| Charitable activities              | 4    | 114,859                    | 65,620                   | 180,479            |
| Other trading activities           |      | 1,010                      | -                        | 1,010              |
| Investment income                  | 5    | 3,877                      | -                        | 3,877              |
| Total income                       |      | <u>198,158</u>             | <u>65,620</u>            | <u>263,778</u>     |
| <b>Expenditure on:</b>             |      |                            |                          |                    |
| Raising funds                      | 6    | (17,402)                   | -                        | (17,402)           |
| Charitable activities              | 7    | (95,317)                   | (70,412)                 | (165,729)          |
| Total expenditure                  |      | <u>(112,719)</u>           | <u>(70,412)</u>          | <u>(183,131)</u>   |
| Gains/losses on investment assets  |      | <u>(10,518)</u>            | <u>-</u>                 | <u>(10,518)</u>    |
| Net income/(expenditure)           |      | <u>74,921</u>              | <u>(4,792)</u>           | <u>70,129</u>      |
| Net movement in funds              |      | 74,921                     | (4,792)                  | 70,129             |
| <b>Reconciliation of funds</b>     |      |                            |                          |                    |
| Total funds brought forward        |      | <u>211,190</u>             | <u>25,958</u>            | <u>237,148</u>     |
| Total funds carried forward        | 20   | <u>286,111</u>             | <u>21,166</u>            | <u>307,277</u>     |

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 20.

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

# Forest of Avon Trust

(Registration number: 06252763)  
Balance Sheet as at 31 March 2021

|   | Note | 2021<br>£       | 2020<br>£      |
|---|------|-----------------|----------------|
| <b>Fixed assets</b>                                   |      |                 |                |
| Tangible assets                                       | 14   | 2,987           | -              |
| Investments   | 15   | 45,081          | 36,601         |
|   |      | <u>48,068</u>   | <u>36,601</u>  |
| <b>Current assets</b>                                 |      |                 |                |
| Debtors   | 16   | 14,820          | 593            |
| Cash at bank and in hand                              | 17   | 435,414         | 272,880        |
|   |      | <u>450,234</u>  | <u>273,473</u> |
| <b>Creditors: Amounts falling due within one year</b> | 18   | <u>(56,515)</u> | <u>(2,797)</u> |
| <b>Net current assets</b>                             |      | <u>393,719</u>  | <u>270,676</u> |
| <b>Net assets</b>                                     |      | <u>441,787</u>  | <u>307,277</u> |
| <b>Funds of the charity:</b>                          |      |                 |                |
| <b>Restricted income funds</b>                        |      |                 |                |
| Restricted funds                                      | 20   | 54,825          | 21,166         |
| <b>Unrestricted income funds</b>                      |      |                 |                |
| Unrestricted funds                                    |      | <u>386,962</u>  | <u>286,111</u> |
| <b>Total funds</b>                                    | 20   | <u>441,787</u>  | <u>307,277</u> |

For the financial year ending 31 March 2021 the charity 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 charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 9 to 26 were approved by the trustees, and authorised for issue on 18 October 2021 and signed on their behalf by:

  
.....  
Mr K E Betton  
Chairman and Trustee

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

## **Forest of Avon Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

These financial statements were authorised for issue by the trustees on 18 October 2021.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Forest of Avon Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

## **Forest of Avon Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Accounting estimates and key judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

#### **Income and endowments**

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

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Gifts in kind**

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

#### **Investment income**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

## **Forest of Avon Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### **Charitable activities**

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.

#### **Support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the cost associated with the governance arrangements of the charity, including the cost of complying with constitutional and statutory requirements and any cost associated with the strategic management of the charity's activities.

These cost have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

Raising funds being 10% (2020: 10%)

Charitable activities being 90% (2020: 90%)

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £150 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class                    | Depreciation method and rate |
|--------------------------------|------------------------------|
| Furniture and office equipment | 33.33% straight line basis   |

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

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



## **Forest of Avon Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### **3 Income from donations and legacies**

|   | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£              | Total<br>2021<br>£ |
|---|---------------------------------------|---------------------------------------|--------------------|
| Donations and legacies;                               |                                       |                                       |                    |
| Donations from companies, trusts and similar proceeds | 37,289                                | -                                     | 37,289             |
| Donations from individuals                            | 1,106                                 | -                                     | 1,106              |
| Gift aid reclaimed                                    | 671                                   | -                                     | 671                |
| Grants, including capital grants;                     |                                       |                                       |                    |
| Government grants                                     | -                                     | 11,958                                | 11,958             |
| Gifts in kind   | 2,461                                 | -                                     | 2,461              |
|   | 41,527                                | 11,958                                | 53,485             |
|   |                                       | Unrestricted<br>funds<br>General<br>£ | Total<br>2020<br>£ |
| Donations and legacies;                               |                                       |                                       |                    |
| Donations from companies, trusts and similar proceeds |                                       | 77,359                                | 77,359             |
| Gifts in kind   |                                       | 1,053                                 | 1,053              |
|   |                                       | 78,412                                | 78,412             |

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 4 Income from charitable activities

|                                      | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ |
|--------------------------------------|---------------------------------------|--------------------------|--------------------|
| Trees for Climate                    | -                                     | 212,689                  | 212,689            |
| Community Forest Trust               | 38,138                                | -                        | 38,138             |
| Forest Fridays                       | 11,732                                | -                        | 11,732             |
| Burges Salmon                        | 8,290                                 | -                        | 8,290              |
| Woodland Well-being Dementia Project | 6,090                                 | -                        | 6,090              |
| Other grants under £5,000            | 2,170                                 | 2,256                    | 4,426              |
| Service level agreements             | 12,034                                | -                        | 12,034             |
| Training                             | 660                                   | -                        | 660                |
| Consultancy                          | 11,575                                | -                        | 11,575             |
|                                      | <u>90,689</u>                         | <u>214,945</u>           | <u>305,634</u>     |
|                                      | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2020<br>£ |
| Community Forest Trust               | 33,900                                | -                        | 33,900             |
| The Nisbet Charitable Trust          | -                                     | 6,775                    | 6,775              |
| Ian Williams Ltd                     | -                                     | 8,550                    | 8,550              |
| Woodland Trust                       | -                                     | 31,000                   | 31,000             |
| Bristol Airport                      | -                                     | 5,000                    | 5,000              |
| Other grants under £5,000            | 670                                   | 14,295                   | 14,965             |
| Service level agreements             | 66,493                                | -                        | 66,493             |
| Training                             | 12,815                                | -                        | 12,815             |
| Consultancy                          | 981                                   | -                        | 981                |
|                                      | <u>114,859</u>                        | <u>65,620</u>            | <u>180,479</u>     |

#### 5 Investment income

|   | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|---|---------------------------------------|---------------------|
| Interest receivable and similar income;<br>Interest receivable on bank deposits | <u>2,632</u>                          | <u>2,632</u>        |
| <b>Total for 2021</b>   | <u>2,632</u>                          | <u>2,632</u>        |
| <b>Total for 2020</b>   | <u>3,877</u>                          | <u>3,877</u>        |

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 6 Expenditure on raising funds

##### a) Costs of activities

|   | Note | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|---|------|---------------------------------------|--------------------------|--------------------|--------------------|
| Direct marketing  |      | 643                                   | -                        | 643                | 3,013              |
| Depreciation, amortisation<br>and other similar costs       |      | 321                                   | -                        | 321                | -                  |
| Other direct costs of<br>activities for generating<br>funds |      | 9,639                                 | 1,196                    | 10,835             | 1,100              |
| Allocated support costs                                     | 8    | <u>1,286</u>                          | <u>-</u>                 | <u>1,286</u>       | <u>13,289</u>      |
|   |      | <u>11,889</u>                         | <u>1,196</u>             | <u>13,085</u>      | <u>17,402</u>      |

#### 7 Expenditure on charitable activities

|  | Note | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|--|------|---------------------------------------|--------------------------|--------------------|--------------------|
| Direct project costs                                     |      | 5,902                                 | 113,014                  | 118,916            | 62,254             |
| Depreciation,<br>amortisation and<br>other similar costs |      | -                                     | 1,171                    | 1,171              | -                  |
| Staff costs  |      | 8,452                                 | 80,469                   | 88,921             | 91,040             |
| Allocated support<br>costs                               | 8    | <u>11,629</u>                         | <u>-</u>                 | <u>11,629</u>      | <u>10,705</u>      |
| Governance costs   | 8    | <u>1,998</u>                          | <u>-</u>                 | <u>1,998</u>       | <u>1,730</u>       |
|  |      | <u>27,981</u>                         | <u>194,654</u>           | <u>222,635</u>     | <u>165,729</u>     |

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 8 Analysis of governance and support costs

##### Raising funds expenditure

|                        |                        | Unrestricted<br>funds | Total     |
|------------------------|------------------------|-----------------------|-----------|
|                        | Basis of<br>allocation | General<br>£          | 2021<br>£ |
| Office sundries        | B                      | 214                   | 214       |
| Travel and subsistence | B                      | 132                   | 132       |
| Telephone and internet | B                      | 61                    | 61        |
| Insurance              | B                      | 139                   | 139       |
| Consultant fee         | B                      | 715                   | 715       |
| Bank charges           | B                      | 7                     | 7         |
| Sundry expense         | B                      | 18                    | 18        |
| <b>Total for 2021</b>  |                        | 1,286                 | 1,286     |
| <b>Total for 2020</b>  |                        | 13,289                | 13,289    |

##### Charitable activities expenditure

|                                     |                        | Unrestricted<br>funds | Total      |
|-------------------------------------|------------------------|-----------------------|------------|
|                                     | Basis of<br>allocation | General<br>£          | funds<br>£ |
| Office sundries                     | A                      | 1,922                 | 1,922      |
| Subscriptions, licences and charges | A                      | 50                    | 50         |
| Travel and subsistence              | A                      | 1,185                 | 1,185      |
| Telephone and internet              | A                      | 549                   | 549        |
| Insurance                           | A                      | 1,249                 | 1,249      |
| Consultancy fee                     | A                      | 6,436                 | 6,436      |
| Bank charges                        | A                      | 66                    | 66         |
| Sundry expenses                     | A                      | 172                   | 172        |
| <b>Total for 2021</b>               |                        | 11,629                | 11,629     |
| <b>Total for 2020</b>               |                        | 10,705                | 10,705     |

##### Basis of allocation

| Reference | Method of allocation          |
|-----------|-------------------------------|
| A         | 90% of allocated support cost |
| B         | 10% of allocated support cost |

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Governance costs

|   | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|---|---------------------------------------|---------------------|
| Independent examiner fees               |                                       |                     |
| Examination of the financial statements | 1,998                                 | 1,998               |
| <b>Total for 2021</b>                   | <u>1,998</u>                          | <u>1,998</u>        |
| <b>Total for 2020</b>                   | <u>1,730</u>                          | <u>1,730</u>        |

#### 9 Government grants

The charity receives government grants and contracts, defined as funding from South Gloucestershire Council, Bristol City Council, Devon Partnership NHS Trust and DEFRA via Community Forest Trust to fund charitable activities.

The amount of grants recognised in the financial statements was £228,725 (2020 - £92,054).

There are no unfulfilled conditions or contingencies attaching to these grants.

The government grant relates to monies received as part of the job retention scheme.

#### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

|                              | 2021<br>£    |
|------------------------------|--------------|
| Depreciation of fixed assets | <u>1,492</u> |

#### 11 Staff costs

The aggregate payroll costs were as follows:

|  | 2021<br>£     | 2020<br>£     |
|--|---------------|---------------|
| <b>Staff costs during the year were:</b> |               |               |
| Wages and salaries                       | 93,474        | 85,317        |
| Social security costs                    | 4,214         | 5,327         |
| Pension costs                            | <u>2,068</u>  | <u>1,496</u>  |
|  | <u>99,756</u> | <u>92,140</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

|                    | 2021<br>No | 2020<br>No |
|--------------------|------------|------------|
| Average head count | <u>4</u>   | <u>4</u>   |

No employee received emoluments of more than £60,000 during the year.

The Executive Director, as the highest paid member of staff, received benefits totalling £45,076 (2020 - £49,095).

#### 12 Independent examiner's remuneration

|   | 2021<br>£    | 2020<br>£    |
|---|--------------|--------------|
| Examination of the financial statements | <u>1,998</u> | <u>1,730</u> |

#### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 14 Tangible fixed assets

|                       | Furniture and<br>equipment<br>£ | Total<br>£   |
|-----------------------|---------------------------------|--------------|
| <b>Cost</b>           |                                 |              |
| Additions             | <u>4,479</u>                    | <u>4,479</u> |
| At 31 March 2021      | <u>4,479</u>                    | <u>4,479</u> |
| <b>Depreciation</b>   |                                 |              |
| Charge for the year   | <u>1,492</u>                    | <u>1,492</u> |
| At 31 March 2021      | <u>1,492</u>                    | <u>1,492</u> |
| <b>Net book value</b> |                                 |              |
| At 31 March 2021      | <u>2,987</u>                    | <u>2,987</u> |

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 15 Fixed asset investments

##### M & G Investments

|                          | Investment<br>£ | Total<br>£    |
|--------------------------|-----------------|---------------|
| <b>Cost or Valuation</b> |                 |               |
| At 1 April 2020          | 36,601          | 36,601        |
| Revaluation              | <u>8,480</u>    | <u>8,480</u>  |
| At 31 March 2021         | <u>45,081</u>   | <u>45,081</u> |
| <b>Net book value</b>    |                 |               |
| At 31 March 2021         | <u>45,081</u>   | <u>45,081</u> |
| At 31 March 2020         | <u>36,601</u>   | <u>36,601</u> |

Total investment relate to funds invested in the M & G Investments Charifund scheme.

#### 16 Debtors

|               | 2021<br>£     | 2020<br>£  |
|---------------|---------------|------------|
| Trade debtors | 14,426        | -          |
| Prepayments   | 144           | 593        |
| Other debtors | <u>250</u>    | <u>-</u>   |
|               | <u>14,820</u> | <u>593</u> |

#### 17 Cash and cash equivalents

|              | 2021<br>£      | 2020<br>£      |
|--------------|----------------|----------------|
| Cash at bank | <u>435,414</u> | <u>272,880</u> |

#### 18 Creditors: amounts falling due within one year

|                                    | 2021<br>£     | 2020<br>£    |
|------------------------------------|---------------|--------------|
| Trade creditors                    | 42,475        | -            |
| Other taxation and social security | 1,260         | -            |
| Other creditors                    | 447           | 341          |
| Accruals                           | <u>12,333</u> | <u>2,456</u> |
|                                    | <u>56,515</u> | <u>2,797</u> |



## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 19 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,068 (2020 - £1,496).

#### 20 Funds

|                                | Balance at<br>1 April<br>2020<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Other<br>recognised<br>gains/(losses)<br>£ | Balance at<br>31 March<br>2021<br>£ |
|--------------------------------|------------------------------------|----------------------------|----------------------------|--|-------------------------------------|
| <b>Unrestricted funds</b>      |                                    |                            |                            |  |                                     |
| <i>General</i>                 |                                    |                            |                            |  |                                     |
| General funds                  | 286,111                            | 134,848                    | (42,476)                   | 8,479                                      | 386,962                             |
| <b>Restricted funds</b>        |                                    |                            |                            |  |                                     |
| Replant Bristol                | 20,370                             | 2,256                      | (22,626)                   | -  | -                                   |
| Opening up the Retreat         | 796                                | -                          | (796)                      | -  | -                                   |
| Trees for Climate - Capital    | -                                  | 75,295                     | (72,232)                   | -  | 3,063                               |
| Trees for Climate -<br>Revenue | -                                  | 137,394                    | (85,632)                   | -  | 51,762                              |
| Job Retention Scheme<br>Grant  | -                                  | 11,958                     | (11,958)                   | -  | -                                   |
| <b>Total restricted funds</b>  | <u>21,166</u>                      | <u>226,903</u>             | <u>(193,244)</u>           | <u>-</u>                                   | <u>54,825</u>                       |
| <b>Total funds</b>             | <u><u>307,277</u></u>              | <u><u>361,751</u></u>      | <u><u>(235,720)</u></u>    | <u><u>8,479</u></u>                        | <u><u>441,787</u></u>               |

The specific purposes for which the funds are to be applied are as follows:

Replant Bristol - Funded by local businesses as a first step in planting a quarter of a million new trees in Bristol by 2030.

Opening up the Retreat - Awards for All funding to improve this woodland by laying hedgerows, improving information and accessibility.

Trees for Climate - Defra capital and revenue funding to the Forest of Avon Trust as one of England's Community Forests, to deliver Trees for Climate tree and woodland planting grants.

## Forest of Avon Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021

|                                    | Balance at<br>1 April<br>2019<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Other<br>recognised<br>gains/(losses)<br>£ | Balance at<br>31 March<br>2020<br>£ |
|------------------------------------|------------------------------------|----------------------------|----------------------------|--|-------------------------------------|
| <b>Unrestricted funds</b>          |                                    |                            |                            |  |                                     |
| <b>General</b>                     |                                    |                            |                            |  |                                     |
| General funds                      | 211,190                            | 198,158                    | (112,719)                  | (10,518)                                   | 286,111                             |
| <b>Restricted</b>                  |                                    |                            |                            |  |                                     |
| Splatt's Abbey Wood<br>Activity    | -                                  | 4,983                      | (4,983)                    | -  | -                                   |
| Replant Bristol                    | -                                  | 47,822                     | (27,452)                   | -  | 20,370                              |
| Opening up the Retreat             | 1,071                              | -                          | (275)                      | -  | 796                                 |
| North Somerset Dementia<br>Project | 2,000                              | 12,815                     | (14,815)                   | -  | -                                   |
| Legacy                             | 22,887                             | -                          | (22,887)                   | -  | -                                   |
| <b>Total restricted funds</b>      | <u>25,958</u>                      | <u>65,620</u>              | <u>(70,412)</u>            | <u>-</u>                                   | <u>21,166</u>                       |
| <b>Total funds</b>                 | <u>237,148</u>                     | <u>263,778</u>             | <u>(183,131)</u>           | <u>(10,518)</u>                            | <u>307,277</u>                      |

#### 21 Analysis of net assets between funds

|                         | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total funds<br>at 31 March<br>2021<br>£ |
|-------------------------|---------------------------------------|--------------------------|---|
| Tangible fixed assets   | 381                                   | 2,606                    | 2,987                                   |
| Fixed asset investments | 45,081                                | -                        | 45,081                                  |
| Current assets          | 346,438                               | 103,796                  | 450,234                                 |
| Current liabilities     | (4,938)                               | (51,577)                 | (56,515)                                |
| <b>Total net assets</b> | <u>386,962</u>                        | <u>54,825</u>            | <u>441,787</u>                          |
|                         | Unrestricted<br>funds<br>General<br>£ | Restricted<br>funds<br>£ | Total funds<br>at 31 March<br>2020<br>£ |
| Fixed asset investments | 36,601                                | -                        | 36,601                                  |
| Current assets          | 252,307                               | 21,166                   | 273,473                                 |
| Current liabilities     | (2,797)                               | -                        | (2,797)                                 |
| <b>Total net assets</b> | <u>286,111</u>                        | <u>21,166</u>            | <u>307,277</u>                          |

## **Forest of Avon Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **22 Related party transactions**

Trustee, Mr K E Betton is the sole owner and director of Melborough Estates Limited. During the year, Melborough Estates Limited invoiced the charity £7,200 for bookkeeping and financial support services provided following the resignation of the Charity Support Officer. As at 31 March 2021, the charity owed this company £7,200.

There were no other related party transactions in the current or previous year that are required to be disclosed.