

REGISTERED COMPANY NUMBER: 06792524 (England and Wales)
REGISTERED CHARITY NUMBER: 1130203

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2025
for
Ephesea UK

Morgan Griffiths LLP
Chartered Accountants
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

Ephesea UK

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for the Year Ended 31 March 2025**

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**Report of the Trustees
for the Year Ended 31 March 2025**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objectives (as amended at the 2017 Annual Members' Meeting) are to promote for the benefit of the public the protection and conservation of the world's forests. In particular, by:

1. Raising awareness of the value of responsibly managed forests
2. Promoting and supporting a programme of voluntary forest management certification and chain of custody certification
3. Developing consensus around standards for good forest management; and
4. Increasing public awareness about independent forest certification.

Strategic Priorities

The FSC UK 2024-2027 Strategic Plan builds on our previous three-year plans and is developed in the context of FSC's global vision and mission and our own charitable objectives.

- Promote the value of forests and the products, ecosystem services and social benefits they provide
- Encourage stakeholder engagement and support FSC globally to ensure that the FSC system is fit for purpose, accessible, relevant and trusted
- Improve forest management in the UK for all sizes and types of forest
- Provide support and guidance to UK-based licence holders and enable them to realise the full potential of their FSC licence
- Promote the FSC system, FSC certification and the specification of FSC-certified products

These strategic priorities are underpinned by our work to:

- Ensure that FSC UK pursues its objectives as a registered charity, meets its legal and charitable obligations and operates as a professional organisation that values its people.

Activities demonstrating most significant progress are highlighted in the Achievements and Performance section below.

**Report of the Trustees
for the Year Ended 31 March 2025**

OBJECTIVES AND ACTIVITIES

Public benefit

Deforestation and forest degradation continue to be global issues, impacting climate change and biodiversity loss. Deforestation destroys essential ecosystem services, leading to the loss of livelihood opportunities.

FSC is a global, not-for-profit organisation dedicated to the promotion of responsible forest management worldwide. The FSC system enables businesses and consumers to make informed choices about the forest products they buy and to create positive change by engaging the power of market dynamics.

Global Vision: The true value of forests is recognised and fully incorporated into society worldwide. FSC is the leading catalyst and defining force for improved forest management and market transformation, shifting the global forest trend toward sustainable use, conservation, restoration, and respect for all.

Global Mission: FSC will promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

FSC UK works to develop and maintain a voluntary, auditable forest management standard for the UK, which complies with the FSC Principles and Criteria for responsible forest management. FSC forest management certification requires that forest management is not just environmentally appropriate but also socially beneficial and therefore protects the rights of those who live, work and play in the forest.

FSC UK also works to stimulate demand for FSC-certified products, empowering both businesses and consumers to easily identify and source forest products from FSC-certified forests, verified reclaimed sources and/or other controlled sources. Half of people in the UK surveyed in 2023 (FSC UK Consumer Survey via Kantar) were of the belief that all wood-based products available in the UK should be made from sustainable sources and a further quarter thought at least some should meet this standard. 60% thought that consumers have a responsibility to ensure that the products they buy, and the packaging they use, are responsibly sourced, but 71% held businesses responsible for the sustainability of their products and packaging. Credible certification supports compliance with national and international timber and forest-products, and green claims, legislations.

The trustees have had regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

**Report of the Trustees
for the Year Ended 31 March 2025**

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

Priority: Promote the value of forests and the products, ecosystem services and social benefits they provide.

Forests play a vital role in enabling and maintaining life and help to mitigate global challenges of climate change and biodiversity loss. At the same time, forest products are increasingly important as renewable materials that can be a main factor in enabling the bio-based and circular economy which the world needs to develop. Responsible forestry does more than protect the health and resilience of forests - it also protects the wellbeing of the people who live and work in them. These people include community and family forest managers, Indigenous Peoples living on their ancestral lands, and workers whose livelihoods depend on forest products.

FSC's vision is that the true value of forests is recognised and fully incorporated into society worldwide. Forest management certification and ecosystem services verification provide tools to deliver this. We should continue to promote FSC certification and demonstrate the positive impacts on our forests whilst also working with others to develop additional tools and solutions.

Interest and enquiries regarding Ecosystem Services schemes are continuing to grow and we continue to support those wishing to verify Ecosystem Services. A short film and accompanying case study, about the first ecosystem services verification in the UK has been promoted on our website, and a brochure created for potential sponsors.

We continue to work with Llais y Goedwig to develop their programme for a group scheme of small and community woodlands across the UK which they hope will, in time, be covered by Verified Impact.

Priority: Encourage stakeholder engagement and support FSC globally to ensure that the FSC system is fit for purpose, accessible, relevant and trusted.

The Global Strategy recognises the FSC's core strength is to co-create solutions. FSC convenes members and other partners from diverse interests to set a global benchmark for forest stewardship and deliver results that matter for the forests and the people who depend on them. FSC UK can play an important role in encouraging UK stakeholder engagement.

FSC is widely recognised as a credible forest certification scheme and maintaining this credibility is fundamental to the scheme's success. As a long-established National Office, FSC UK is well placed to support FSC as it works to deliver a trusted, accessible, fit for purpose system, providing input on the potential implications of proposed activities and encouraging stakeholders to engage as appropriate as well as working to maintain FSC's integrity and credibility in the UK.

In October, the Annual Members' Meeting took place in Kennington, London. FSC UK's Impact Investment Fund was launched at the event, with the aim of identifying and funding UK based projects that support FSC UK's charitable objectives. The meeting concluded with a panel discussion on the challenges and opportunities for greater uptake of certified timber in construction.

Priority: Improve forest management in the UK for all sizes and types of forest.

It is a fundamental requirement, in terms of both FSC UK's charitable objectives and our role as an accredited National Office, that we have an approved national forest stewardship standard. We need to identify mechanisms to reduce the financial and administrative burden on smallholders whilst ensuring that FSC's high forestry standards are maintained. We also have a wider role to play in promoting better forest stewardship in all forests.

Following feedback from FSC International the members of the UK Woodland Assurance (UKWAS) Working Group worked to achieve consensus on a revised pre-approval draft of UKWAS 5 for re-submission to FSC International.

**Report of the Trustees
for the Year Ended 31 March 2025**

Our Forest Standards Manager met with two group scheme managers and a Forest Management Certificate Holder as well as responding to queries and supporting numerous other Certificate Holders.

FSC UK funded the Small Woods Association for the provision of advice to woodland owners. They delivered an advisory service, consistent with the requirements of the UK Woodland Assurance Standard, to small woodland owners in Scotland and Wales.

We continue to support the Royal Forestry Society (RFS) Excellence in Forestry Awards, sponsoring the award for Small and Farm Woodlands. In January, FSC UK's Forests & Ecosystem Services Manager visited last year's winner, Hole Farm in Norfolk to discover more about the farm's approach to incorporating sustainable woodland into the farm estate and the benefits to the land, the farm business and the owners.

Priority: Provide support and guidance to UK-based licence holders and enable them to realise the full potential of their FSC licence.

It is essential that the relationship we have with our licence holders is proactively managed and that we support those companies committed to the FSC system. As well as providing updates and guidance on the FSC system, we also want to encourage licence holders to make the most of their FSC status and promote their FSC-certified products. Alongside this, it is important that we address unauthorised use of our trademarks which potentially undermines both our credibility and the market advantage that our licence holders should benefit from.

Certificate Holder retention for the period remains high at 93%.

During the reporting period, 10 new FSC promotional licence agreements were issued, and the number of promotional licences managed by FSC UK remained stable at 126. The work to support our promotional licence holders to use our trademarks can significantly increase our reach and help to embed FSC commitments within the companies themselves. Specification of FSC-certified and labelled products is also a driver for FSC certification through retailer supply chains.

Online training for Certificate Holders and Promotional Licence Holders continues to be popular, with 826 registrants during the year. In early 2025 we released an updated online chain of custody training module and feedback from users has been positive.

Enquiries via phone and info@fsc-uk.org are logged to monitor enquiry topics and volumes. Our most significant area of enquiries relate to FSC chain of custody certification and compliance/ requirements. These included enquiries about gaining certification as well as queries from existing certificate holders. The next most notable area of interest was surrounding use of the FSC trademarks as well as those interested in becoming FSC promotional licence holders.

FSC UK's Trademark Enforcement Officer resolved/closed 337 trademark violation cases.

Priority: Promote the FSC system, FSC certification and the specification of FSC-certified products.

As a strong market country, the UK can have a significant impact on uptake on FSC certification of forests globally by driving demand for certification and certified products throughout the supply chain. Raising public awareness of FSC and, in turn, driving consumer demand is one aspect of this, but FSC UK recognises that this can be best achieved in conjunction with businesses and NGOs. In many cases, it is the procurement policies of retailers and other businesses and organisations that creates the demand rather than the consumer and emphasis will be placed on this work.

**Report of the Trustees
for the Year Ended 31 March 2025**

Our Forest Matters newsletter included case studies from Sainsbury's, Gripsure, Abodo, BCL Timber Projects, Dancing Leopard, Notpla, Furniturebox, Travis Perkins, Whitehall Printing, Natural Resources Wales, Talking Tables, Limelight Beds, Whistlefish, Blueline and Canary Wharf. A forest-friendly festive gift guide was also promoted in Forest Matters.

An omnibus survey of UK consumers was commissioned and carried out in March. Key results include logo recognition/awareness of 76%, with 24% of respondents stating that they also knew what the logo means. FSC purchase preference is 78%. Preference for FSC-certified products is highest amongst millennials at 83%. 8 in 10 believe trustworthy certification is important to help people choose more sustainable products.

FSC Forest Week took place between 21-27 September. 190 certificate and promotional licence holders registered to take part in the UK, an increase of more than 20% compared to 2023. We worked with six Instagram Influencers to help promote FSC Forest Week in the UK.

Our Executive Director presented to Pirelli employees at their convention in Manchester, highlighting the impact of their use of FSC-certified natural rubber and rayon in their tyres.

Our Communication Manager presented at the REA Wood Heat Conference in Nottingham and to British Promotional Merchandise Association (BPMA) members online. Our Forest Standards Manager gave a presentation on FSC Certification and UKWAS to Harper Adams Forestry and Countryside Management Students.

We continue to work with companies on a one-to-one basis on their specification/procurement policies and implementation of these.

**Report of the Trustees
for the Year Ended 31 March 2025**

FINANCIAL REVIEW

Income

Over the 2024-25 financial year, expenditure exceeded income by £20,482. We started the year with an opening balance from the previous period of £1,105,626 and ended with a carry-forward of £1,085,144.

Trademark licensing revenue continued to increase, providing £143,300 of income during the reporting period. Membership income accounted for a further £35,981, a slight decrease from the previous year.

Most of the income is received under the Principal Cooperation, Service and Licence Agreement (the Activity Compensation Fee now known as the Resource Allocation and Investment for the Network model [ACF/RAIN]) with FSC Global Development. Strategic funding is also allocated for specific projects. Some of these projects are managed by other FSC National Offices and the funding is received and administered by them. The income received indirectly from FSC Global Development through this strategic funding is included within the total ACF/RAIN figure.

Expenditure

Expenditure was higher this year compared with last year (£689,643 compared with £551,666) primarily due to the increased size of the staff team as we seek to meet the growing demands on the organisation. The Board of Trustees recognises that it should be investing the resources of the charity to meet the charitable objectives. An Impact Investment Fund was launched in 2024 to support projects that help deliver FSC's mission and £94,966 has been allocated to such projects.

Investments

£400,001 was transferred to Rathbones Investment Management in December 2022. The value of the holdings at 31st March 2025 is £429,357 (2024: £427,275) and the balance, held in cash, amounted to £2,884 (2024: £1,024). Dividend and interest income for the period was £11,731.

Investment policy and objectives

The financial objective of the investments is to produce some financial return, within an acceptable level of risk and in line with the agreed ethical policy, to help deliver the objectives of the charity.

The trustees of Ephesea UK have accepted a low to medium degree of risk for their investment portfolio and will ensure that their ability to meet future planned expenditure is not compromised by over-investment. The responsibility for the day-to-day management of the charity's investment assets lies with Rathbones Greenbank who have discretionary management powers with effect from 18 December 2022 under the investment policy agreement which was established by the charity on 15 June 2022.

A sub-committee of the Board of Trustees has been established to advise the wider Board on investments. Decisions on investments are undertaken by the Board based on input from the sub-committee.

Reserves Policy

The Board considers the charity's requirements for reserves in light of the main risks to the organisation. A policy has been established whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be equivalent to 6-months' of expenditure.

**Report of the Trustees
for the Year Ended 31 March 2025**

The reserves are needed to meet the working capital requirements of the charity and, in the worse-case scenario, to cover the cost of closing the charity. The Board is confident that the charity would be able to continue at worthwhile activity levels in the event of a temporary significant drop in funding and that the estimated cost of closing the charity does not exceed 50% of the reserves.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Ephesea UK, incorporated in England & Wales on 15 January 2009, is a private company limited by guarantee (as defined by the Companies Act 2006), which is also an association of members registered as an incorporated charity (for simplicity, this report refers henceforth to the company as 'the charity'). The charity is governed under Memorandum and Articles of Association that sets out its objects and powers. These were updated at the 2017 Annual Members' Meeting in agreement with the membership.

Membership of the charity is open to individuals and organisations who are:

- Members of the Forest Stewardship Council AC;
- Ordinarily based or resident in the UK.

Recruitment and appointment of new trustees

The charity is managed by a board of trustees of no less than four and no more than twelve. At least three trustees have to be members of the Forest Stewardship Council AC and ordinarily based or resident in the UK. The aim shall be to achieve chamber balance with at least one trustee and, normally, no more than four trustees representing each of the three chambers. However, the board reserves the right to increase the maximum to five in any one chamber where the individuals bring specific skills and expertise required by the Charity.

Trustees are either proposed or volunteer. They may sit on the board until the next annual members' meeting, when they have to seek election from the membership. A trustee pack, outlining trustee responsibilities, is given to all new trustees. Once elected, a trustee may sit on the board for a term of 3 years (from the date of joining the board) before seeking re-election. There is no limit to the number of terms for which a trustee may seek re-election. Re-elected trustees serve a term of 3 years from the date of re-election.

Trustees may elect from amongst themselves a chair, a vice chair and a treasurer.

Decision Making and Reporting

The board of trustees met five times during the year. Board meetings are attended by the Executive Director and, by invitation, members of staff. Between meetings, the Executive Director provides trustees with an Interim Report by email. Conference calls between some or all of the trustees may be arranged at any time. Finally, working groups of a small number of trustees can be put together to address particular issues.

Day to day management of the charity falls to the Executive Director, supported by the permanent staff. The Executive Director is responsible for ensuring that the charity delivers a range of services that meet its Objects and Strategic Priorities.

Wider network

The charity (under the title of FSC United Kingdom) is an accredited National Office of the wider, international FSC network. The charity receives an annual Activity Compensation Fee (ACF) from FSC Global Development GmbH. In 2025, the ACF was replaced by the Resource Allocation and Investment for the Network (RAIN) model. The ACF/RAIN is paid to FSC National Offices that have agreed and signed a valid Principle Cooperation, Service and License Agreement with FSC Global Development. In the reporting period over 69% of income was generated via the ACF/RAIN.

The charity participates in FSC's European and Global networks and supports the Global Strategy. FSC International developed its global plan for 2020-2026. The FSC UK strategic plan has been developed in the context of FSC's global vision and mission and our own charitable objectives.

**Report of the Trustees
for the Year Ended 31 March 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The charity has contractual relationships and/or memoranda of understanding with some organisations to facilitate cooperation in the pursuit of its charitable objectives and guard against misunderstandings over areas of common interest.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06792524 (England and Wales)

Registered Charity number

1130203

Registered office

The Billiard Room
Town Hall
Great Oak Street
Llanidloes
Powys
SY18 6BN

Trustees

J B Kirkpatrick (Chair)
M Bekin (Vice-Chair)
M C Poole (Treasurer)
S Jennings
H Kwisthout
C McDermott
H van Hensbergen
O Davies
M FitzHerbert (appointed 3.10.24)
I Baker (appointed 24.4.25)
J Griffin (appointed 24.4.25)

Independent Examiner

Morgan Griffiths LLP
Chartered Accountants
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

Bankers

Co-Operative Bank plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

**Report of the Trustees
for the Year Ended 31 March 2025**

REFERENCE AND ADMINISTRATIVE DETAILS

Management Team

Rosie Teasdale (Executive Director)
Beth Bennett (Business Development Manager)
Tallulah Chapman (Communications Manager)
Rachel Hembery (Operations Manager)
Andrew Sharkey (Forest Standards Manager)
Karen Paterson (Forests & Ecosystem Services Manager)

Charity Name

The charity is also known as Forest Stewardship Council® (FSC®) United Kingdom (UK) and permutations thereof.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 14 August 2025 and signed on its behalf by:

M C Poole - Trustee

Independent examiner's report to the trustees of Ephesea UK ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and basis of report

As the charity's 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 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 your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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 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.

Thomas Landers BA FCA

Morgan Griffiths LLP
Chartered Accountants
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

14 August 2025

Ephesea UK

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2025

		Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations	2	140	-	140	60
Charitable activities	5				
Forestry		-	-	-	636
ACF/RAIN		469,256	-	469,256	439,907
Membership		35,981	-	35,981	37,614
Other trading activities	3	144,825	-	144,825	123,169
Investment income	4	24,676	-	24,676	16,241
Total		<u>674,878</u>	<u>-</u>	<u>674,878</u>	<u>617,627</u>
EXPENDITURE ON					
Charitable activities	6				
Forestry		94,074	-	94,074	85,528
Licence holder support		245,182	-	245,182	211,539
Stakeholder Engagement		74,169	-	74,169	63,336
Promoting FSC		138,320	-	138,320	145,859
Value of Forests		42,902	-	42,902	45,404
Impact Investment Fund		94,996	-	94,996	-
Total		<u>689,643</u>	<u>-</u>	<u>689,643</u>	<u>551,666</u>
Net gains/(losses) on investments		<u>(5,717)</u>	<u>-</u>	<u>(5,717)</u>	<u>20,185</u>
NET INCOME/(EXPENDITURE)		<u>(20,482)</u>	<u>-</u>	<u>(20,482)</u>	<u>86,146</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		1,105,626	-	1,105,626	1,019,480
TOTAL FUNDS CARRIED FORWARD		<u><u>1,085,144</u></u>	<u><u>-</u></u>	<u><u>1,085,144</u></u>	<u><u>1,105,626</u></u>

The notes form part of these financial statements

Balance Sheet
31 March 2025

	Notes	31.3.25 £	31.3.24 £
FIXED ASSETS			
Tangible assets	14	4,630	6,894
Investments	15	429,357	427,275
		<u>433,987</u>	<u>434,169</u>
CURRENT ASSETS			
Debtors	16	173,754	194,658
Cash at bank and in hand		717,578	638,918
		<u>891,332</u>	<u>833,576</u>
CREDITORS			
Amounts falling due within one year	17	(240,175)	(162,119)
NET CURRENT ASSETS		<u>651,157</u>	<u>671,457</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,085,144</u>	<u>1,105,626</u>
NET ASSETS		<u>1,085,144</u>	<u>1,105,626</u>
FUNDS	20		
Unrestricted funds		<u>1,085,144</u>	<u>1,105,626</u>
TOTAL FUNDS		<u>1,085,144</u>	<u>1,105,626</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

Balance Sheet - continued
31 March 2025

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

The financial statements were approved by the Board of Trustees and authorised for issue on 14 August 2025 and were signed on its behalf by:

M C Poole - Trustee

Ephesea UK

**Cash Flow Statement
for the Year Ended 31 March 2025**

	Notes	31.3.25 £	31.3.24 £
Cash flows from operating activities			
Cash generated from operations	1	62,298	38,640
Net cash provided by operating activities		62,298	38,640
Cash flows from investing activities			
Purchase of tangible fixed assets		(515)	(5,387)
Purchase of fixed asset investments		(7,799)	(508,145)
Sale of fixed asset investments		-	300,561
Interest received		24,676	16,241
Net cash provided by/(used in) investing activities		16,362	(196,730)
Change in cash and cash equivalents in the reporting period		78,660	(158,090)
Cash and cash equivalents at the beginning of the reporting period		638,918	797,008
Cash and cash equivalents at the end of the reporting period		717,578	638,918

The notes form part of these financial statements

Ephesea UK

Notes to the Cash Flow Statement
for the Year Ended 31 March 2025

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.25 £	31.3.24 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(20,482)	86,146
Adjustments for:		
Depreciation charges	2,779	3,707
Losses/(gain) on investments	5,717	(20,185)
Interest received	(24,676)	(16,241)
Decrease/(increase) in debtors	20,904	(30,470)
Increase in creditors	78,056	15,683
Net cash provided by operations	<u>62,298</u>	<u>38,640</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank and in hand	<u>638,918</u>	<u>78,660</u>	<u>717,578</u>
	<u>638,918</u>	<u>78,660</u>	<u>717,578</u>
Total	<u>638,918</u>	<u>78,660</u>	<u>717,578</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2025**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Governance costs

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Allocation and apportionment of costs

Support costs have been apportioned to activities based on the apportionment of salary costs.

Tangible fixed assets

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

Fixtures and fittings	- 50% on cost and 15% on reducing balance
Computer equipment	- 33% on cost

Taxation

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

Fund accounting

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases

Costs in respect of operating leases are charged to the statement of financial activities on a straight line basis over the term of the lease.

2. DONATIONS

	31.3.25	31.3.24
	£	£
Donations	140	60
	<u>140</u>	<u>60</u>

3. OTHER TRADING ACTIVITIES

	31.3.25	31.3.24
	£	£
Trademark Licensing	143,300	121,764
Training	1,525	1,405
	<u>144,825</u>	<u>123,169</u>

4. INVESTMENT INCOME

	31.3.25	31.3.24
	£	£
Deposit account interest	12,974	9,657
Investment income	11,702	6,584
	<u>24,676</u>	<u>16,241</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.25 £	31.3.24 £
Consultancy	Forestry	-	636
ACF / RAIN	ACF/RAIN	469,256	439,907
FSC Membership	Membership	35,981	37,614
		<u>505,237</u>	<u>478,157</u>

Consultancy income includes fees paid by FSC for specific services beyond those covered under the Activities Compensation Fee.

The Activity Compensation Fee income includes fees paid for work undertaken by FSC UK on collaborative projects funded by FSC International under the Activity Compensation Fee model.

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Forestry	78,332	-	15,742	94,074
Licence holder support	192,680	-	52,502	245,182
Stakeholder Engagement	59,882	-	14,287	74,169
Promoting FSC	111,635	-	26,685	138,320
Value of Forests	34,822	-	8,080	42,902
Impact Investment Fund	-	94,996	-	94,996
	<u>477,351</u>	<u>94,996</u>	<u>117,296</u>	<u>689,643</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.25 £	31.3.24 £
Staff costs	402,747	366,885
Telephone	827	763
Postage and stationery	2,263	1,950
Travel & subsistence	13,259	14,568
Publications & subscriptions	10,354	8,213
Recruitment & training	5,021	4,298
UKWAS subscription	6,386	5,942
Publicity	5,644	15,758
Consultancy fees	4,970	6,700
Sundries	253	297
Bad debts	-	3,790
FSC Membership Admin Fee	5,960	5,358
Sponsorship	2,400	1,700
	<u>460,084</u>	<u>436,222</u>
Carried forward		

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

7. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

	31.3.25	31.3.24
	£	£
Brought forward	460,084	436,222
Printing	3,417	4,718
Small Woods project	13,850	4,500
	<u>477,351</u>	<u>445,440</u>

8. GRANTS PAYABLE

	31.3.25	31.3.24
	£	£
Impact Investment Fund	<u>94,996</u>	<u>-</u>

Grants awarded to institutions during the year were as follows:

	31.3.25	31.3.24
	£	£
Centre for Advanced Timber Technology	30,000	-
Llais y Goedwig	40,000	-
Zoological Society of London	24,996	-
	<u>94,996</u>	<u>-</u>

9. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Forestry	14,251	1,491	15,742
Licence holder support	47,531	4,971	52,502
Stakeholder Engagement	12,934	1,353	14,287
Promoting FSC	24,158	2,527	26,685
Value of Forests	7,316	764	8,080
	<u>106,190</u>	<u>11,106</u>	<u>117,296</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

9. SUPPORT COSTS - continued

Activity	Basis of allocation
Management	Salary costs
Governance costs	Salary costs

10. NET INCOME/(EXPENDITURE)

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

	31.3.25	31.3.24
	£	£
Auditors' remuneration	-	4,086
Depreciation - owned assets	2,779	3,707
Independent Examination fee	2,400	-
	<u> </u>	<u> </u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

Travel expenses totalling £3,428 (2024 - £1,562) were paid to 7 (2024 - 5) trustees in the year to 31 March 2025.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

12. STAFF COSTS

	Year Ended 31.3.25	Year Ended 31.3.24
	£	£
Wages and salaries	399,987	361,967
Social security costs	35,495	29,502
Pensions	23,987	21,682
	<u>459,469</u>	<u>413,151</u>

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

Licence holder support	4.3	4.4
UK forest standards	1.0	0.9
Stakeholder engagement	1.0	0.8
Core	1.8	1.2
Value of Forests	1.0	0.6
Promoting the system	2.2	2.4
	<u>11.3</u>	<u>10.3</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the period was one (2024 one).

The charity considers its key management personnel comprise the management team listed on page 8. The total employment benefits including employer pension contributions of the key management personnel for the year ended 31 March 2025 were £259,833 (2024 £236,276).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

There were no restricted funds during the year to 31 March 2025.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2024	15,734	35,340	51,074
Additions	-	515	515
	<u>15,734</u>	<u>35,855</u>	<u>51,589</u>
At 31 March 2025	15,734	35,855	51,589
DEPRECIATION			
At 1 April 2024	12,721	31,459	44,180
Charge for year	445	2,334	2,779
	<u>13,166</u>	<u>33,793</u>	<u>46,959</u>
At 31 March 2025	13,166	33,793	46,959
NET BOOK VALUE			
At 31 March 2025	<u>2,568</u>	<u>2,062</u>	<u>4,630</u>
At 31 March 2024	<u>3,013</u>	<u>3,881</u>	<u>6,894</u>

15. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2024	427,275
Additions	7,799
Revaluations	(5,717)
	<u>429,357</u>
At 31 March 2025	429,357
NET BOOK VALUE	
At 31 March 2025	<u>429,357</u>
At 31 March 2024	<u>427,275</u>

There were no investment assets outside the UK.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

15. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 March 2025 is represented by:

	Listed investments £
Valuation in 2023	(136)
Valuation in 2024	19,353
Valuation in 2025	(24,970)
Cost	435,110
	<u>429,357</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade debtors	150,718	54,808
Prepayments and accrued income	23,036	139,850
	<u>173,754</u>	<u>194,658</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.25	31.3.24
	£	£
Trade creditors	-	5,972
Social security and other taxes	13,295	21,947
Deferred income	96,041	99,908
Accrued expenses	130,839	34,292
	<u>240,175</u>	<u>162,119</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.25	31.3.24
	£	£
Within one year	9,650	9,650
	<u>9,650</u>	<u>9,650</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
Fixed assets	4,630	-	4,630	6,894
Investments	429,357	-	429,357	427,275
Current assets	891,332	-	891,332	833,576
Current liabilities	(240,175)	-	(240,175)	(162,119)
	<u>1,085,144</u>	<u>-</u>	<u>1,085,144</u>	<u>1,105,626</u>

20. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General Fund	1,098,732	(17,703)	(515)	1,080,514
Capital Fund	6,894	(2,779)	515	4,630
	<u>1,105,626</u>	<u>(20,482)</u>	<u>-</u>	<u>1,085,144</u>
TOTAL FUNDS	<u>1,105,626</u>	<u>(20,482)</u>	<u>-</u>	<u>1,085,144</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	674,878	(686,864)	(5,717)	(17,703)
Capital Fund	-	(2,779)	-	(2,779)
	<u>674,878</u>	<u>(689,643)</u>	<u>(5,717)</u>	<u>(20,482)</u>
TOTAL FUNDS	<u>674,878</u>	<u>(689,643)</u>	<u>(5,717)</u>	<u>(20,482)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
General Fund	1,014,266	89,853	(5,387)	1,098,732
Capital Fund	5,214	(3,707)	5,387	6,894
	<u>1,019,480</u>	<u>86,146</u>	<u>-</u>	<u>1,105,626</u>
TOTAL FUNDS	<u>1,019,480</u>	<u>86,146</u>	<u>-</u>	<u>1,105,626</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	617,627	(547,959)	20,185	89,853
Capital Fund	-	(3,707)	-	(3,707)
	<u>617,627</u>	<u>(551,666)</u>	<u>20,185</u>	<u>86,146</u>
TOTAL FUNDS	<u>617,627</u>	<u>(551,666)</u>	<u>20,185</u>	<u>86,146</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
General Fund	1,014,266	72,150	(5,902)	1,080,514
Capital Fund	5,214	(6,486)	5,902	4,630
	<u>1,019,480</u>	<u>65,664</u>	<u>-</u>	<u>1,085,144</u>
TOTAL FUNDS	<u>1,019,480</u>	<u>65,664</u>	<u>-</u>	<u>1,085,144</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	1,292,505	(1,234,823)	14,468	72,150
Capital Fund	-	(6,486)	-	(6,486)
	<u>1,292,505</u>	<u>(1,241,309)</u>	<u>14,468</u>	<u>65,664</u>
TOTAL FUNDS	<u>1,292,505</u>	<u>(1,241,309)</u>	<u>14,468</u>	<u>65,664</u>

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025.