

AIGAS COMMUNITY FOREST

FINANCIAL STATEMENTS

28TH FEBRUARY 2018

Registered number: SC372685

AIGAS COMMUNITY FOREST
FINANCIAL STATEMENTS
for the year ended 28th February 2018

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AIGAS COMMUNITY FOREST**DIRECTORS' REPORT****28th February 2018**

The directors (trustees) present their report and the financial statements for the year ended 28th February 2018. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Structure, governance and management

The overall management and policy decisions of the company are the responsibility of the board of directors (trustees) who are elected under the terms of the company's Articles of Association.

Objectives and Activities

The principle objects of the charitable company are: to manage community land and associated assets for the benefit of the community and the public in general; to provide or assist in providing recreational facilities for the community and public at large; to advance community development; and to advance environmental protection or improvement. The company was formed to benefit the community of Lower Strathglass, Inverness-shire, defined by the postcode units IV47AD, IV47AE, IV47AF, IV47AG, IV47AQ, IV47EY, IV47JJ, IV47JL, IV47JN, IV47JR, IV47JT, IV47JU and Eilean Aigas, and those parts of the Kilmorack Community Council area not covered by the preceding list of postcodes.

Achievements and performance

Whereas 2016/17 was very much a year of planning, 2017/18 was a year of implementation and acquisition of necessary equipment to deliver the working forest. During the year we achieved Forest Stewardship Certification (FSC) which increases the return on our wood sales as well as making our wood fuel business RHI compliant. We acquired a cabin to provide office and storage space and provided that with a generator, hot water system and composting toilet along with the installation of external larch cladding. Progress on forest management proceeded with the acquisition of a forest tractor with crane, a timber trailer and a fuel tank. In-house felling commenced with the harvesting of standing deadwood for wood fuel by our trainees and the acquisition of a felling winch. Progress on wood fuel proceeded with the acquisition of new X-frames and bags for packing and storing cut logs. Work progressed on the path network and finger signs were installed. Alongside this volunteer work, our first felling contract, managed by Scottish Woodlands, proceeded in line with the Long Term Forest Plan (LTFP), with the first 'clear fell' compartments providing a far higher volume and level of sales than had been expected. Replanting of some areas was started using a new plastic fencing method and some 2,000 trees were planted. Further planting of broad leaf species has been progressed using individual tree guards. Our Forest Manager who commenced employment in March 2017 has been active in managing our contractors and preparing for building a tractor shed and workshop for which we now have a planning dispensation as a forestry building.

Plans for future periods

Further 'thinning' operations were commenced by Scottish Woodlands in Spring 2018 and after a brief interlude over the summer, these re-commenced in Autumn 2018. These operations again exceeded expectations in relation to the total volume felled and will be concluded by December 2018. Work also started on a workshop and tractor shed building in Autumn 2018, with the ambition that it should be useable by January 2019. Felling operations in the south area of the forest created difficulties on the path network but, with path re-instatement work planned over the winter of 2018/19, it is hoped to re-open this to the local community and general public by Spring 2019. Training (including advanced training) of volunteers in various forestry skills will continue under the supervision of our Directors and Forest Manager, with the aim of improving forest infrastructure and facilities for community use. In late Summer 2018, the Board of Directors approved the erection of a perimeter fence round the entire forest. This will greatly improve deer control, with the aim of protecting young trees. Work is scheduled to commence in late 2018/early 2019 and will enable ACF to proceed in confidence with large scale replanting in 2019/20. There will be less contracting work in the forest in 2019 and attention will be directed towards engaging the Community in more activities, increasing the volunteer base and developing the wood fuel business.

Financial review and Reserves

During the period ended 28th February 2018, the company recorded net income on Unrestricted Funds of £84,568 (2017, £5,783) and net expenditure on Restricted Funds of £1,092 (2017 £2,018). Total funds per the Balance Sheet at 28th February 2018 totalled £880,185 comprising Unrestricted Funds £103,896 and Restricted Funds of £776,289 (see note 16 of the accounts). The trustees have reviewed the reserves of the charity at 28th February 2018 and consider that the level of unrestricted funds held at balance sheet date is healthy and adequate to support the continuation of its current activities for the foreseeable future. The board closely monitors its financial performance and regularly updates cash flow forecasts for future periods to ensure that restricted funds are properly managed and that unrestricted funds are maintained in surplus at all times.

**AIGAS COMMUNITY FOREST
DIRECTORS' REPORT CONTINUED**

28th February 2018

Reference and Administrative details

Company and Charity details

| | |
|-------------------------|--|
| Company number | SC372685 |
| Scottish Charity Number | SC041614 |
| Registered Office | North View Crask of Aigas Beauly Inverness-shire IV4 7AD |

Directors

The directors (trustees) of the company who served during the year and up to the date of signing the report were as follows:

| | |
|----------------------|--|
| Peter Smith | |
| Mark Hedderwick | |
| Russell Ross | |
| Stephen Robinson | (deceased 26 May 2017) |
| Peter Masheter | (resigned 26 June 2017) |
| Warwick Lister-Kaye | (resigned 26 June 2017) |
| Roland Spencer-Jones | (resigned 26 June 2017) |
| Phillip Masheter | (appointed 26 June 2017) |
| Liam McLaughlin | (appointed 26 June 2017) |
| Greg Jackson | (appointed 26 June 2017) |
| Neil Valentine | (appointed 26 June 2017 and reappointed 3 September 2018-co-opted) |
| David Garvie | (resigned by rotation and reappointed 3 September 2018) |
| Andrew Leaver | (appointed 3 September 2018) |
| John Graham | (appointed 3 September 2018) |
| Graeme Scott | (resigned 3 September 2018) |
| Simon Longman | (resigned 3 September 2018) |
| Chloe Denerley | (appointed 3 September 2018) |

None of the trustees has any beneficial interest in the company. The trustees do not receive any remuneration for their services as trustees.

| | |
|-------------------|--|
| Company Secretary | Andrew Leaver North View Crask of Aigas Beauly Inverness-shire IV4 7AD |
| Treasurer | John Graham Cluanie Farmhouse Teanassie By Beauly Inverness-shire IV4 7AE |
| <i>Advisors</i> | |
| Bankers | The Bank of Scotland High Street Beauly Inverness-shire IV4 7BS |

AIGAS COMMUNITY FOREST
DIRECTORS' REPORT CONTINUED

28th February 2018

Reference and Administrative details continued

Independent Examiner

Mark Sanderson, CA
 MacKenzie Kerr Limited
 Chartered Accountants and Statutory Auditor
 Redwood
 19 Culduthel Road
 Inverness
 IV2 4AA

Risk Management

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

Statement of Trustees' (Directors') responsibilities

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

Company law requires the directors (charity trustees) to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the directors (trustees) are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors (trustees) are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Small company exemptions

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

On behalf of the board



John Graham
 Director

Date: 28th November 2018

AIGAS COMMUNITY FOREST**Independent Examiner's report to the trustees
of Aigas Community Forest**

I report on the accounts of the charity for the year ended 28th February 2018, which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts (Scotland) Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mark Sanderson, CA
MacKenzie Kerr Limited
Chartered Accountants and Statutory Auditor
Redwood
19 Culduthel Road
Inverness
IV2 4AA

28th November 2018

AIGAS COMMUNITY FOREST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

for the year ended 28th February 2018

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2018 £ | Total Funds 2017 £ |
|--|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Income | | | | | |
| Donations and legacies | 4 | 3,950 | 1,500 | 5,450 | 108 |
| Charitable activities | 5 | 96,110 | - | 96,110 | 21,196 |
| Other trading activities | 6 | 329 | - | 329 | 201 |
| Investment income | 7 | 10,242 | - | 10,242 | 10,319 |
| Total income | | <u>110,631</u> | <u>1,500</u> | <u>112,131</u> | <u>31,824</u> |
| Expenditure | | | | | |
| Raising funds | 8 | 3 | - | 3 | 2 |
| Charitable activities | 9 | 25,661 | 2,991 | 28,652 | 27,692 |
| Other | 10 | - | - | - | 365 |
| Total expenditure | | <u>25,664</u> | <u>2,991</u> | <u>28,655</u> | <u>28,059</u> |
| Net income/(expenditure) before transfers | | <u>84,967</u> | <u>(1,491)</u> | <u>83,476</u> | <u>3,765</u> |
| Transfers between funds | | (399) | 399 | - | - |
| Net income/(expenditure) and net movement in funds for the year | | <u>84,568</u> | <u>(1,092)</u> | <u>83,476</u> | <u>3,765</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | 16 | <u>19,328</u> | <u>777,381</u> | <u>796,709</u> | <u>792,944</u> |
| Total funds carried forward | 16 | <u>103,896</u> | <u>776,289</u> | <u>880,185</u> | <u>796,709</u> |

The above statement shows all movements in members' funds during the year. Further details of Restricted Funds are provided at note 16.

AIGAS COMMUNITY FOREST

BALANCE SHEET

at 28th February 2018

| | Notes | 2018 | | 2017 | |
|---|-------|-----------------|----------------|----------------|----------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 790,202 | | 780,092 |
| Current assets | | | | | |
| Debtors | 13 | 24,918 | | - | |
| Cash at bank and in hand | | 80,147 | | 18,723 | |
| | | <u>105,065</u> | | <u>18,723</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(15,082)</u> | | <u>(2,106)</u> | |
| Net current assets | | | 89,983 | | 16,617 |
| Net assets | | | <u>880,185</u> | | <u>796,709</u> |
| Funds and Reserves | | | | | |
| Unrestricted | 16 | | 103,896 | | 19,328 |
| Restricted | 16 | | 776,289 | | 777,381 |
| Total members' funds | | | <u>880,185</u> | | <u>796,709</u> |

continued

AIGAS COMMUNITY FOREST**BALANCE SHEET**
(continued)**at 28th February 2018**

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

For the financial year ended 28th February 2018 the company was entitled to exemption from audit conferred by Section 477 of the Companies Act 2006; and no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the 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 company.

The financial statements were approved by the board of directors on 28th November 2018 and signed on its behalf by:



Peter Smith
Director

Registration number: SC372685

AIGAS COMMUNITY FOREST

NOTES ON FINANCIAL STATEMENTS

28th February 2018

1 Status of the company

Aigas Community Forest is a company limited by guarantee and does not have a share capital. The company is exempted from using the word limited in its name. The liability of the members is limited and will not exceed £1 in the event of the company being wound up.

2 Accounting policies*Basis of accounting***Basis of accounting**

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) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention and are prepared in sterling, which is the functional currency of the entity.

Income

Items of income are recognised and included in the accounts when the charity has entitlement to the funds, any performance conditions are met (or are fully within the control of the charity), there is sufficient certainty that receipt of the income is considered probable and the amount can be measured reliably. Income is classified into the following categories:

Donations and Legacies – This comprises all income received by the charity that is in substance a gift made to it on a voluntary basis. It includes donations and grants, other than those whose conditions make them similar in economic terms to trading income (see Charitable activities below)

Charitable activities – This comprises all income received, earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. The activities specified under such contractual arrangements or grant conditions must fall within the charitable purposes of the charity.

Other trading activities – This comprises income from fundraising events and trading activities to raise funds for the charity.

Investment Income – This comprises income earned from holding assets for investment purposes and includes interest receivable and rental income from a telecommunications mast.

Income from government and other grants, whether capital or revenue in nature, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants are met (or are fully within the control of the charity), it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of members is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market: a corresponding amount is then recognised in expenditure in the period of receipt.

AIGAS COMMUNITY FOREST

NOTES ON FINANCIAL STATEMENTS

28th February 2018

2 Accounting policies continued**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified into the following headings:

Raising funds – This comprises all expenditure incurred to raise funds for the charity and includes the costs of all non charitable trading activities.

Charitable Activities – This comprises all expenditure incurred in undertaking activities that further the charitable aims for the benefit of the charity's beneficiaries, including support costs and costs relating to the governance of the charity.

Other expenditure – This comprises the costs of non primary purpose trading

Fund accounting

Unrestricted funds – These are funds which the trustees are free to spend on activities that further any of the purposes of the charity.

Restricted funds – These are funds, which the donor has specified are to be solely used for particular purposes or areas of the charity's work.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

| | |
|-----------|-------------------|
| Equipment | 20% straight line |
|-----------|-------------------|

Freehold land (comprising the Aigas Community Forest) is stated at cost and is not depreciated.

Capitalisation policy re Equipment – Capital items costing less than £500 are not capitalised.

Debtors and Creditors receivable/payable within one year

Debtors and creditors with no stated interest and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

Pension contributions

The company's contributions to defined pension contribution plans are charged to the Statement of Financial Activities in the period to which the contributions relate.

3 Taxation

The charitable company is recognised as a charity for the purposes of applicable taxation legislation and is therefore not subject to taxation on its charitable activities. The charity is in the process of registering for VAT, backdated to 1 March 2017. Income and Expenditure are therefore stated net of VAT.

AIGAS COMMUNITY FOREST

NOTES ON FINANCIAL STATEMENTS

28th February 2018

| | Unrestricted Funds | Restricted Funds | Total Funds 2018 | Total Funds 2017 |
|---|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| 4 Income from donations and legacies | | | | |
| General donations | 950 | - | 950 | 108 |
| Ex gratia donation (CITL) | 3,000 | - | 3,000 | - |
| Highland Council Discretionary grant | - | 1,500 | 1,500 | - |
| | <u>3,950</u> | <u>1,500</u> | <u>5,450</u> | <u>108</u> |

Income from donations and legacies was £5,450 (2017 £108), of which £3,950 was unrestricted (2017 £108) and £1,500 was restricted (2017 £nil).

| | | | | |
|--|---------------|----------|---------------|---------------|
| 5 Income from charitable activities | | | | |
| <i>Forest purchase fund</i> | | | | |
| Timber sales | 96,110 | - | 96,110 | 200 |
| CWA Seminar fees | - | - | - | 100 |
| SRDP grant (on completion of Long Term Forest Plan) | - | - | - | 5,274 |
| <i>Firewood processor and associated training fund</i> | | | | |
| SRDP capital grant | - | - | - | 5,213 |
| Woodland Trust capital grant | - | - | - | 9,972 |
| <i>Community Broadband project</i> | | | | |
| HIE/Community Broadband Scotland | - | - | - | 437 |
| | <u>96,110</u> | <u>-</u> | <u>96,110</u> | <u>21,196</u> |

Income from charitable activities was £96,110 (2017 £21,196), of which £96,110 was unrestricted (2017 £5,574) and £nil was restricted (2017 £15,622).

| | | | | |
|---|------------|----------|------------|------------|
| 6 Income from other trading activities | | | | |
| Sales of clothing | - | - | - | 201 |
| Firewood and other processed wood sales | 329 | - | 329 | - |
| | <u>329</u> | <u>-</u> | <u>329</u> | <u>201</u> |

Income from other trading activities was £329 (2017 £201), all of which was unrestricted.

| | | | | |
|----------------------------------|---------------|----------|---------------|---------------|
| 7 Income from Investments | | | | |
| Telecommunications mast income | 10,242 | - | 10,242 | 10,319 |
| | <u>10,242</u> | <u>-</u> | <u>10,242</u> | <u>10,319</u> |

Income from Investments was £10,242 (2017 £10,319), all of which was unrestricted.

AIGAS COMMUNITY FOREST

NOTES ON FINANCIAL STATEMENTS

28th February 2018

| | Unrestricted Funds | Restricted Funds | Total Funds 2018 | Total Funds 2017 |
|---|-----------------------|---------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| 8 Expenditure on raising funds | | | | |
| Online donation costs | 3 | - | 3 | 2 |
| Expenditure on raising funds was £3 (2017 £2), all of which was unrestricted. | | | | |
| 9 Expenditure on charitable activities | | | | |
| Forest Manager's salary | 12,876 | - | 12,876 | - |
| Pension contributions | 73 | - | 73 | - |
| Forest Manager's expenses | 141 | - | 141 | - |
| Development Officer's salary | - | - | - | 17,570 |
| Development Officer's expenses | - | - | - | 1,917 |
| FSC certification | 1,200 | - | 1,200 | - |
| CWA Consultancy expenses | 1,503 | - | 1,503 | 1,470 |
| Training | 707 | - | 707 | 2,480 |
| Computer expenses | - | - | - | - |
| Repairs, maintenance and consumables | 3,495 | - | 3,495 | 1,674 |
| Hire of equipment | 250 | - | 250 | - |
| Employer's liability insurance | 188 | - | 188 | - |
| Insurance | 844 | - | 844 | 843 |
| Website | 90 | - | 90 | 86 |
| Open Day expenses | 217 | - | 217 | - |
| Community Broadband project | - | - | - | 240 |
| Postage and stationery | 112 | - | 112 | 24 |
| Subscriptions | 252 | - | 252 | 30 |
| General expenses | 13 | - | 13 | 25 |
| Depreciation | 2,900 | 2,991 | 5,891 | 673 |
| Independent Examiner's fee | 800 | - | 800 | 660 |
| | <u>25,661</u> | <u>2,991</u> | <u>28,652</u> | <u>27,692</u> |

Expenditure on charitable activities was £28,652 (2017 £27,692) of which £25,661 was unrestricted (2017 £10,249) and £2,991 was restricted (2017 £17,443).

10 Other Expenditure

| | | | | |
|--------------------|---|---|---|-----|
| Clothing purchases | - | - | - | 365 |
|--------------------|---|---|---|-----|

Expenditure on other purchases was £nil (2017 £365), all of which was unrestricted.

11 Employees

The average monthly number of employees during the year was one.

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

No director (trustee) received any remuneration or benefits in kind during the year.

Employment costs:

| | 2018 £ | 2017 £ |
|-----------------------|---------------|---------------|
| Wages and salaries | 17,876 | 17,570 |
| Social Security costs | - | - |
| Pension contributions | 73 | - |
| | <u>17,949</u> | <u>17,570</u> |

AIGAS COMMUNITY FOREST
NOTES ON FINANCIAL STATEMENTS

28th February 2018

12 Tangible fixed assets

| Cost | Freehold land £ | Equipment £ | Total £ |
|------------------------|--------------------------------|------------------------|--------------------|
| At 1st March 2017 | 767,312 | 13,453 | 780,765 |
| Additions | - | 16,001 | 16,001 |
| Disposals | - | - | - |
| At 28th February 2018 | <u>767,312</u> | <u>29,454</u> | <u>796,766</u> |
| Depreciation | | | |
| At 1st March 2017 | - | 673 | 673 |
| Charge for the period | - | 5,891 | 5,891 |
| Disposals | - | - | - |
| At 28th February 2018 | <u>-</u> | <u>6,564</u> | <u>6,564</u> |
| Net book amount | | | |
| At 28th February 2018 | <u>767,312</u> | <u>22,890</u> | <u>790,202</u> |
| At 28th February 2017 | <u>767,312</u> | <u>12,780</u> | <u>780,092</u> |

All fixed assets are used in direct furtherance of the charity objectives.

13 Debtors

| | 2018 £ | 2017 £ |
|---------------|-------------------|-------------------|
| Trade debtors | 24,918 | - |
| | <u>24,918</u> | <u>-</u> |

14 Creditors

| | 2018 £ | 2017 £ |
|--|-------------------|-------------------|
| Amounts falling due within one year | | |
| Accruals | 750 | 2,106 |
| VAT payable | 14,332 | - |
| | <u>15,082</u> | <u>2,106</u> |

15 Analysis of Net Assets/(Liabilities) between Funds

| | Restricted £ | Unrestricted £ | Total £ |
|----------------------------------|-------------------------|---------------------------|--------------------|
| Fixed Assets | 776,289 | 13,913 | 790,202 |
| Current Assets | - | 105,065 | 105,065 |
| Current Liabilities | - | (15,082) | (15,082) |
| Net assets at 28th February 2018 | <u>776,289</u> | <u>103,896</u> | <u>880,185</u> |

AIGAS COMMUNITY FOREST

NOTES ON FINANCIAL STATEMENTS

28th February 2018

16 Movements in Funds

| | Balance b/f at 1st March 2017 | Incoming Resources | Outgoing Resources | Transfers | Balance c/f at 28th February 2018 |
|---|--|-----------------------|-----------------------|-----------|--|
| | £ | £ | £ | £ | £ |
| Unrestricted Funds | 19,328 | 110,631 | (25,664) | (399) | 103,896 |
| Restricted Funds | | | | | |
| Forest purchase fund | 765,000 | - | - | - | 765,000 |
| Firewood processor and assoc. training fund | 12,381 | - | (2,691) | 399 | 10,089 |
| Forest signs fund | - | 1,500 | (300) | - | 1,200 |
| | 777,381 | 1,500 | (2,991) | 399 | 776,289 |
| Total Funds | 796,709 | 112,131 | (28,655) | - | 880,185 |

Purposes of Restricted Funds**Forest purchase fund**

During the years ended 28th February 2014 and 2015, the company received funding of £765,000 towards the purchase (including legal costs) of Aigas forest. This comprised; grants from: Scottish Land Fund, £690,000; the Aigas Trust, £50,000; Scottish and Southern Energy £20,000; and Highland Council Ward Discretionary grants £5,000. These funds were applied in full towards the forest acquisition, completed during 2015 at a cost of £767,312.

Firewood Processor and associated training fund

During the year ended 28th February 2017, Aigas Community Forest was awarded grants of £5,213 from SRDP and £9,972 from The Woodland Trust to fund the purchase of a firewood processor and to train volunteers in its use.

Forest signs fund

During the year ended 28th February 2018, Aigas Community Forest was awarded a grant of £1,500 from Highland Council (Ward Discretionary Fund) to purchase 'finger signs' for the forest path network.

17 Contingent Liability

As commented above, a grant was received during the year ended 28th February 2017 from SRDP of £5,213 towards the purchase of a firewood processor and to train volunteers in its use. This grant funding is dependent on reaching certain milestones. Should these not be met, there is a possibility that part of the grant may be repayable.