

REGISTERED COMPANY NUMBER: SC189325 (Scotland)
REGISTERED CHARITY NUMBER: SC029029

**Report of the Trustees and
Unaudited Financial Statements For The Year Ended 30th September 2018
for
LAGGAN FOREST TRUST**

**Goldwells
15-17 High Street
Kingussie
Inverness-Shire
PH21 1HS**

LAGGAN FOREST TRUST

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LAGGAN FOREST TRUST

Report of the Trustees
For The Year Ended 30th September 2018

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 30th September 2018. 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 2015).

Objectives and activities

Objectives and aims

The purpose of the Charity was refreshed during the year and unanimously authorised at an EGM of its members. The changes sought to update our objects, originally crafted in 1998, and expand these to reflect the opportunities that members believed were essential for the future of the Trust. The objects were thus re-stated as follows:

To advance environmental protection or improvement, including:

- a) preservation, sustainable development and conservation of the natural environment and any related archaeological heritage
- b) maintenance, improvement or provision of environmental amenities, for the Community and the public.
 - ii) To advance citizenship or community development, including rural re-generation.
 - iii) To provide (or advance the accessibility of) recreational facilities; and/or organise recreational activities available to members of the Community and the public, with the object of improving the conditions of life for said Community and public.

Significant activities

The development of afforestation and woodland regeneration projects in partnership with Forest Enterprise Scotland, the maintenance and development of interpretative sites and centres and the organisation of relevant recreational activities for the benefit of the Community and wider public. In addition, to foster and develop community participation in woodlands in the geographical region of Laggan as an important part of Scotland's natural environment for benefit of the public.

LAGGAN FOREST TRUST

Report of the Trustees
For The Year Ended 30th September 2018

Achievement and performance

Charitable activities

At the end of the financial year, the Trust is in a stable financial position having received its final installment grant from the Scottish Government Strengthening Communities Fund. The board has also taken a pragmatic view with respect to holding modest and appropriate contingency reserves at the year-end. The final year of SG funding allowed us to continue to employ a full-time member of staff and this role will continue to be reviewed in the coming year. Importantly the role has also allowed our subsidiary trading company to employ many full or part-time staff in the Forest Centre café, which may not otherwise have been possible. In the year, we prioritised activities around our revised objects to ensure that visitors to the Forest Centre and trails understood the natural environment in which they were visiting, through engagement and advice from all staff in the centre, as well as through the leaflets available. We readily acknowledge and thank the various key Partners who work with us and support our key activities - CNPA, Forest Enterprise, SNH, DTAS, Community Woodland Association, Developing Mountain Biking in Scotland (DMBinS), and HIE.

Activities over the past year

There has been a varied programme of activities over the past year - all supporting our revised charitable aims - noted earlier in the report i.e. the understanding and promotion of the natural environment in the Forest & trails and in promoting healthy activity. These activities included joint events with Forest Enterprise and the Cairngorms National Park in running a Rural Skills weekend primarily focused on primary aged school children with over 200 pupils attending. Other Open Days with Forest Enterprise and the Mountain Bike community at the Forest Centre helped to expose over 20000 visitors to the aims of the Trust. Members of the local community also volunteered and supported a number of these events with their active participation and contribution. The Trust also supported the Laggan (Gergask School) 10k event, members of staff to enhance their First Aid skills and during the year successfully made a grant application to the Energy Savings Trust to secure 3 ebikes for Community use.

We gratefully acknowledge the contribution that SNH volunteers were able to provide, to assist us in a number of projects around the Forest centre and we continue to benefit from the knowledge and experience of those very familiar with the Forest and Natural Heritage.

The Trust took the decision to delay replanting of that part of the forest, which it owns, into 2019, with the agreement of Scottish Woodlands, and we await their guidance on this re-planting. We expect this re-plant on our owned land to be an appropriate mix of different trees - conifers and broadleaf - to enhance the overall long-term appearance of the area. Forest Enterprise continue to harvest in the Feagour Forest, parts of which house bike trails and other paths and we see it as our essential role to advise Forest Enterprise of the necessity to keep the paths and trails infrastructure throughout the forest in good order and accessible to all.

During the year the Trust board continued to explore various possible options for potential lease or acquisition of Forestry assets provided for under the Community Asset Transfer Scheme (CATS). The board will consult with our members and the broader community to obtain agreement for any recommendations forthcoming.

Conclusion

We remain grateful to our funders, employees, volunteers and trustee directors for their unstinting support and trust that everyone will continue to support our aims in the future. The Trust will continue to explore how it can expand the understanding of our natural forest environment with additional facilities for children and families around the Centre as well as undertake a feasibility study for future expansion of the Trust's portfolio.

Financial review

Reserves policy

Reserve policy to date was largely concerned with the earlier acquisition and development of the Forest Centre and has been updated to reflect our responsibilities to Staff and our future development activities. This will be overseen and considered by our Board at our regular meetings. The Trust has a positive reserve balance on hand with no deficit anticipated however we do recognise a need to continue active fund raising now that the Forest Centre project is operational.

LAGGAN FOREST TRUST

Report of the Trustees
For The Year Ended 30th September 2018

Structure, governance and management

Governing document

The charity is controlled by an updated governing document, a revised set of Articles of Association approved at an EGM of the Trust in December 2017. The Charity remains a company limited by guarantee with charitable status under the jurisdiction of both the Companies Act of 2006 and the Charities and Trustee Investment (Scotland) Act of 2005. The Revised Articles state that the board of directors should consist of not less than 5 persons, and no more than 12, the majority of whom must be Trust members and reside in the geographically defined area of Laggan. It also states that the minimum number of members will be 20.

Recruitment and appointment of new trustees

The revised Articles specify 2 categories of Director - member directors and co-opted (non-member) directors and those are appointed at the Annual General Meeting. A director who retires from office will be eligible for re-election provided they meet the appropriate membership criteria. Election is by vote of the members who may be present in person or by proxy at the AGM, with each member having one vote for each vacancy on the board.

Reference and administrative details

Registered Company number

SC189325 (Scotland)

Registered Charity number

SC029029

Registered office

Forestry Office
Strathmashie
Laggan
Inverness-shire
PH20 1BU

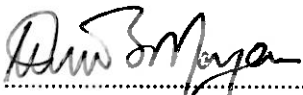
Trustees

I Hall
C S Morgan
R H Richardson
M J Sharp
K Christie

Independent examiner

Lorna Drummond FCCA
Association of Chartered Certified Accountants
Goldwells
15-17 High Street
Kingussie
Inverness-Shire
PH21 1HS

Approved by order of the board of trustees on 9th MAY 2019 and signed on its behalf by:


.....
C S Morgan - Trustee

Independent Examiner's Report to the Trustees of
Laggan Forest Trust

I report on the accounts for the year ended 30th September 2018 set out on pages five to twelve.

Respective responsibilities of trustees and examiner

The charity's trustees 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 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 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 the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 seeking explanations from you as 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; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have 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.



Lorna Drummond FCCA
Association of Chartered Certified Accountants
Goldwells
15-17 High Street
Kingussie
Inverness-Shire
PH21 1HS

Date: 14th May 2019

LAGGAN FOREST TRUST

Statement of Financial Activities
For The Year Ended 30th September 2018

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
Income and endowments from					
Donations and legacies	2	8,269	35,702	43,971	56,044
Other income		600	-	600	1,560
Total		<u>8,869</u>	<u>35,702</u>	<u>44,571</u>	<u>57,604</u>
Expenditure on Charitable activities					
Project costs		3,911	33,020	36,931	45,216
Support costs		351	2,682	3,033	2,270
Total		<u>4,262</u>	<u>35,702</u>	<u>39,964</u>	<u>47,486</u>
Net income		<u>4,607</u>	<u>-</u>	<u>4,607</u>	<u>10,118</u>
Reconciliation of funds					
Total funds brought forward		12,997	74,532	87,529	77,411
Total funds carried forward		<u>17,604</u>	<u>74,532</u>	<u>92,136</u>	<u>87,529</u>

The notes form part of these financial statements

LAGGAN FOREST TRUST

Balance Sheet
At 30th September 2018

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
Fixed assets					
Tangible assets	6	4,594	70,406	75,000	75,000
Investments	7	2	-	2	2
		<u>4,596</u>	<u>70,406</u>	<u>75,002</u>	<u>75,002</u>
Current assets					
Debtors	8	-	2,784	2,784	-
Cash at bank and in hand		13,309	2,615	15,924	14,381
		<u>13,309</u>	<u>5,399</u>	<u>18,708</u>	<u>14,381</u>
Creditors					
Amounts falling due within one year	9	(301)	(1,273)	(1,574)	(1,854)
Net current assets		<u>13,008</u>	<u>4,126</u>	<u>17,134</u>	<u>12,527</u>
Total assets less current liabilities		<u>17,604</u>	<u>74,532</u>	<u>92,136</u>	<u>87,529</u>
Net assets		<u>17,604</u>	<u>74,532</u>	<u>92,136</u>	<u>87,529</u>
Funds					
Unrestricted funds	10			17,604	12,997
Restricted funds				74,532	74,532
Total funds				<u>92,136</u>	<u>87,529</u>

The notes form part of these financial statements

LAGGAN FOREST TRUST

Balance Sheet - continued
At 30th September 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30th September 2018.

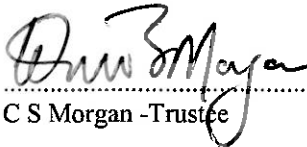
The members have not required the company to obtain an audit of its financial statements for the year ended 30th September 2018 in accordance with Section 476 of the Companies Act 2006.

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.

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

The financial statements were approved by the Board of Trustees on 9th MAY 2019 and were signed on its behalf by:


.....
C S Morgan -Trustee

LAGGAN FOREST TRUST

Notes to the Financial Statements
For The Year Ended 30th September 2018

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 with the exception of investments which are included at market value.

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.

Tangible fixed assets

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

Land at Strathmashie	- not provided
Plant and machinery	- 20% 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.

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.

LAGGAN FOREST TRUST

Notes to the Financial Statements - continued
For The Year Ended 30th September 2018

2. Donations and legacies

	2018	2017
	£	£
Donations	6,324	10,130
Grants	35,702	44,271
Training courses income	1,945	1,248
Misc cafe sales	-	381
Commission	-	14
	<u>43,971</u>	<u>56,044</u>

Grants received, included in the above, are as follows:

	2018	2017
	£	£
Scottish Government DTAS	35,702	41,026
Forestry Commission Conservancy	-	3,245
	<u>35,702</u>	<u>44,271</u>

3. Net income/(expenditure)

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

	2018	2017
	£	£
Depreciation - owned assets	-	50
	<u>-</u>	<u>50</u>

4. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 30th September 2018 nor for the year ended 30th September 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30th September 2018 nor for the year ended 30th September 2017.

5. Staff costs

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

	2018	2017
Staff	1	2
	<u>1</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

LAGGAN FOREST TRUST

Notes to the Financial Statements - continued
For The Year Ended 30th September 2018

6. **Tangible fixed assets**

	Land at Strathmashie £	Plant and machinery £	Totals £
Cost			
At 1st October 2017 and 30th September 2018	75,000	6,152	81,152
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1st October 2017 and 30th September 2018	-	6,152	6,152
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 30th September 2018	75,000	-	75,000
	<u> </u>	<u> </u>	<u> </u>
At 30th September 2017	75,000	-	75,000
	<u> </u>	<u> </u>	<u> </u>

7. **Fixed asset investments**

	Unlisted investments £
Market value	
At 1st October 2017 and 30th September 2018	2
	<u> </u>
Net book value	
At 30th September 2018	2
	<u> </u>
At 30th September 2017	2
	<u> </u>

There were no investment assets outside the UK.

Investments represents 100% of the share capital of the Laggan Forest Trust Forestry Company Ltd.

8. **Debtors: amounts falling due within one year**

	2018 £	2017 £
Other debtors	2,784	-
	<u> </u>	<u> </u>

9. **Creditors: amounts falling due within one year**

	2018 £	2017 £
Trade creditors	299	153
Social security and other taxes	493	499
Other creditors	2	2
Accrued expenses	780	1,200
	<u> </u>	<u> </u>
	1,574	1,854
	<u> </u>	<u> </u>

LAGGAN FOREST TRUST

Notes to the Financial Statements - continued
For The Year Ended 30th September 2018

10. Movement in funds

	At 1.10.17 £	Net movement in funds £	At 30.9.18 £
Unrestricted funds			
General fund	12,997	4,607	17,604
Restricted funds			
Restricted fund	4,126	-	4,126
Land at Strathmashie	70,406	-	70,406
	<u>74,532</u>	<u>-</u>	<u>74,532</u>
TOTAL FUNDS	<u>87,529</u>	<u>4,607</u>	<u>92,136</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	8,869	(4,262)	4,607
Restricted funds			
Restricted fund	35,702	(35,702)	-
TOTAL FUNDS	<u>44,571</u>	<u>(39,964)</u>	<u>4,607</u>

Comparatives for movement in funds

	At 1.10.16 £	Net movement in funds £	At 30.9.17 £
Unrestricted Funds			
General fund	3,395	9,602	12,997
Restricted Funds			
Restricted fund	3,610	516	4,126
Land at Strathmashie	70,406	-	70,406
	<u>74,016</u>	<u>516</u>	<u>74,532</u>
TOTAL FUNDS	<u>77,411</u>	<u>10,118</u>	<u>87,529</u>

LAGGAN FOREST TRUST

Notes to the Financial Statements - continued
For The Year Ended 30th September 2018

10. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	13,332	(3,730)	9,602
Restricted funds			
Restricted fund	44,272	(43,756)	516
TOTAL FUNDS	<u>57,604</u>	<u>(47,486)</u>	<u>10,118</u>

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

	At 1.10.16 £	Net movement in funds £	At 30.9.18 £
Unrestricted funds			
General fund	3,395	14,209	17,604
Restricted funds			
Restricted fund	3,610	516	4,126
Land at Strathmashie	70,406	-	70,406
	<u>74,016</u>	<u>516</u>	<u>74,532</u>
TOTAL FUNDS	<u>77,411</u>	<u>14,725</u>	<u>92,136</u>

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 £	Movement in funds £
Unrestricted funds			
General fund	22,201	(7,992)	14,209
Restricted funds			
Restricted fund	79,974	(79,458)	516
TOTAL FUNDS	<u>102,175</u>	<u>(87,450)</u>	<u>14,725</u>

11. Related party disclosures

There were no related party transactions for the year ended 30th September 2018.

LAGGAN FOREST TRUST

Detailed Statement of Financial Activities
For The Year Ended 30th September 2018

	2018 £	2017 £
Income and endowments		
Donations and legacies		
Donations	6,324	10,130
Grants	35,702	44,271
Training courses income	1,945	1,248
Misc cafe sales	-	381
Commission	-	14
	<u>43,971</u>	<u>56,044</u>
Other income		
Rental income	600	1,560
	<u>44,571</u>	<u>57,604</u>
Total incoming resources		
Expenditure		
Charitable activities		
Wages	29,648	38,526
Pensions	734	-
Annual office rent	600	600
Office utilities charge	3,200	3,760
Telephone, internet & website	196	211
Postage and stationery	413	7
Advertising	231	180
Sundries	365	121
Development costs	323	299
Repairs and maintenance	360	-
Training expenses	1,557	1,462
Plant and machinery	-	50
	<u>37,627</u>	<u>45,216</u>
Support costs		
Management		
Insurance	802	802
Governance costs		
Accountancy and legal fees	1,535	1,468
	<u>39,964</u>	<u>47,486</u>
Total resources expended		
Net income	<u><u>4,607</u></u>	<u><u>10,118</u></u>

This page does not form part of the statutory financial statements