

# North Highland Forest Trust



**ANNUAL REPORT & FINANCIAL STATEMENTS  
2006/2007**

# CONTENTS

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Aims and Objectives	1
Services	2
Directors & Staff	3
Members	4
Chairman's Report	5
Capacity Building Project	6
Targets for 2006/2007	10
Financial Statements for 2006/2007	11



## AIMS & OBJECTIVES

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NHFT was formed in November 1999 as a Limited Company with Charitable Status. This Company evolved from the North West Sutherland Native Woodland Initiative, which had been in existence since 1993.

NHFT's aims (as stated in its Memorandum & Articles of Association) are:

- To facilitate access to finance for woodland development where this is constrained for social or other reasons.
- To promote and facilitate community woodland in all aspects of woodland development and through a wide range of formal and informal arrangements.
- To promote and facilitate integrated woodland development with particular emphasis on a broad multiplicity of benefits so as to fulfil the aspirations of all members of the community.

To achieve these overall aims the Trust has a series of agreed objectives, which set out the priorities in more detail:

- Promote community forestry within the Trust's operational area
- Support and facilitate community aspirations and goals as these relate to woodland management
- Support and develop community projects linked to forestry
- Use forestry to promote sustainable development in the communities in our area
- Encourage woodland planning, establishment, management and utilisation for the benefit of the wider population within the area.

North Highland Forest Trust is a Charitable Company Limited by Guarantee (Registered in Scotland No.SC029559 — Registered Office: Alba, Main Street, Golspie, KW10 6TG) and supported by Scottish Natural Heritage, Forestry Commission Scotland, Esmée Fairbairn Foundation, Caithness & Sutherland Enterprise, Leader + Highland Council and the Crofters Commission.

## STRUCTURE AND ACTIONS

The Company has a Board of nine Directors drawn from the communities of Caithness and Sutherland, as well as a wider membership of 50 groups and individuals in the area.

The Trust has established a reputation as a reliable source of independent advice on community forestry matters, providing a service to a wide range of clients.

Key outputs of this type of advisory work are our newsletters and website, along with active training and demonstration events. Support for native and multi-use woodland development in the North is also promoted by helping groups develop applications for schemes such as Forestry Commission Scotland's SFGS initiative and Scottish Natural heritage grant schemes.

The Trust continues to be the key support mechanism for Community Forestry groups in Caithness and Sutherland.

## SERVICES WE PROVIDE

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- Development of training and demonstration projects
- Funding application assistance for community and crofting groups
- Site meeting and survey assistance
- Assistance with costed proposals for community and crofting groups
- Provide a forum for information, advice and expertise
- Project and group development and facilitation
- Publish two newsletters *Word from the Wood* and *The Woodstack*
- Downloadable information and technical leaflets via our website
- Advice and assistance with woodland interpretation



Aspen Training Day at Dunbeath

## Directors & Staff

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### THE DIRECTORS



Claire Belshaw



Tony Bradford



Terry Keatinge



Roddy MacLeod



Brigitte Geddes



David Glass



Sasha Laing



Mike Ellis



Douglas Henderson

Willie Beattie, Forestry Commission Scotland, John Toal, Crofters' Commission, and David Patterson, Scottish Natural Heritage are also advisors to the Board.

### THE STAFF



Company Secretary, Christine Ross, with Steve Robertson (Community Development Forester) and Marlyn Price (Project Coordinator)

## MEMBERS

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### GROUPS IN MEMBERSHIP

Achvarasdal Woodland Management Committee  
 Ardgay & District Community Council  
 Castletown & District Community Council  
 Culag Community Woodland Trust  
 Dunnet Forestry Trust  
 Dunnethead and Brough Grazings  
 Forestry Commission Scotland  
 Kylesku Crofters Trust  
 Laid Common Grazings  
 Melness Common Grazing  
 Melness Crofters Estate  
 Melvich Community Council  
 Milton Community Woodland Trust  
 North Sutherland Community Forest Trust  
 Oldshoremore Common Grazings  
 Pittentrail Hill Grazings  
 Scottish Natural Heritage  
 Scourie & Badcall Common Grazing Committee  
 Skerray Common Grazings  
 The Allt Beag Armadale Trust  
 Tongue Grazing Committee

### INDIVIDUAL MEMBERS

Mr Willie Beattie	Mrs Anna MacConnell
Mrs Claire Belshaw	Ms Margaret MacKay
Mr George Bethune	Mr Donald MacLean
Mr Colin Blyth	Mr Ross MacLeod
Mrs Valerie Bradford	Mr Will Menzies
Mr Alex Campbell	Mr Alexander Murray
Mr Iain Campbell	Mr Robin Noble
Mr Barry Dumughn	Mr Don O'Driscoll
Mr Philip Entwistle	Mr Jon Priddy
Ms Brigitte Geddes	Mr W.J. Ross
Mr Colin Gilmour	Mr Murdo Sutherland
Mr Ed Jackson	Mrs Sue-Jane Taylor
Mr Gavin Lockhart	Mrs Sally Wild
Ms Sasha Laing	Dr A. Wright

## CHAIR'S REPORT 2005-06

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I am pleased to be able to report on another successful year for NHFT. The Trust has been involved in a wide range of projects and initiatives, working with schools, community groups and other organisations in the north. More information on these activities can be found in this report.

One of the highlights of the period was the well attended Aspen day held at Dunbeath. Following this, the Trust embarked on the Aspen Project which is now well underway and will create a source of trees of native provenance as well as improving our knowledge of Aspen in Caithness and Sutherland. Our Wood Pasture Project is another initiative which will benefit woodland biodiversity in the north.

The Community Development Forestry Project which has been our principal source of funding for the Trust is now nearing completion. We now have the challenge of setting our objectives for the next three years, planning the projects and other activities which will deliver these objectives and, crucially, obtaining the funding to make it all possible. We started this process by conducting a consultation in order to seek your views on the future work of the Trust. We are very grateful to the many organisations and individuals who responded. The staff and Directors are now using this feedback to create a business plan and bids to potential funding organisations.

The Trust is very fortunate in having the staff that it does. Steve Robertson, Community Development Forester, and Marlyn Price, Project Coordinator, ably provide the wide range of skills which are so vital for the successful operation of a small organisation such as ours and Christine Ross, our Company Secretary, gives us the advice we need on matters of governance and Company law. Many thanks Steve, Marlyn and Christine.

There been some changes in Board membership during the year. Sasha Laing and I joined the Board following nomination at the 2006 AGM and Douglas Henderson and George Mac Gregor were subsequently co-opted. Unfortunately George later left the Board when he moved from our area. Claire Belshaw has stepped aside from the role of Chair owing to her other commitments in community matters but remains a Director. We are very grateful to Claire for her leadership during her period of office.

Willie Beattie, Forestry Commission Scotland, John Toal, Crofters Commission, and David Patterson, Scottish Natural Heritage, have continued in their role as advisors to the Board and we are very grateful to them for their input.

Finally I must thank the organisations without whose help in terms of financial support and expert advice none of the Trust's work would be possible. They are Scottish Natural Heritage, Highlands and Islands Enterprise, - Caithness & Sutherland, Forestry Commission Scotland, North Highland Leader+ 2000-2006 Programme, The Esmee Fairbairn Foundation, Highland Council, Highland Biodiversity Partnership and the Crofters Commission.

David Glass  
*Acting Chair*

## CAPACITY BUILDING PROJECT

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### ACHIEVEMENTS FOR 2006/2007

North Highland Forest Trust continues to provide support for community and crofting groups involved in working with woods and woodland products across Caithness and Sutherland.

We have assisted Forestry Commission Scotland in promoting both the *Scottish Forestry Grant Scheme* and *Woodland Creation Grant Scheme*, including assisting groups in developing applications. Similarly, other relevant schemes such as the *Crofting and Community Development Scheme* and the various funding initiatives led by Scottish Natural Heritage and other bodies have also been highlighted and groups encouraged to enter applications.

An ongoing programme of direct training and demonstration events and workshops has been developed in 2006/2007, to provide tailored, *demand led* training opportunities for crofting and community woodland groups.

The Trust has continued to manage the development of a package of four community projects to improve public access and amenity in community owned or managed woodlands. Of the four initial projects in this scheme, funded by the Highland Council Landfill Tax Credit Scheme, work has now been completed at three sites.

In providing this service of information, advice and support to community forestry in the North, this year the project has worked with a wide variety of new and established community groups (or those new to community forestry), including:

- Achvarasdal Community Woodland Management Committee
- Assynt Foundation
- Culag Community Woodland Trust
- Drumbeg Common Grazings
- Dunbeath Preservation Trust
- Dunnet Forestry Trust
- Dunnethead Group
- Embo Trust
- Gearrhoille Community Wood (Ardgay)
- Halladale Common Grazings
- Highland Wildcat, Golspie (Woodland Mountain Bike Track)
- Assynt Crofters
- Oldshoremore Common Grazings
- Rhiconich Common Grazings
- Rogart Crofters
- Rogart Primary School & Rogart P.T.A.
- Rosehall and District Action Group
- Rosehall Primary School & Rosehall P.T.A.
- Rotary Club of Thurso
- Scourie & Badcall Common Grazings
- Skelpick Common Grazings
- Skelpick & Fastley Common Grazings
- Tongue Community, Glebe Woodland
- Tongue Common Grazings

Aspen Training Day - Dunbeath



### Demonstrations and Training Days

The Community Development Forester continues to meet the demand for information and support for coppice woodland, seed sourcing, tree planting, woodland management and log building development in the North. The following events were part of the 2006/2007 programme:

- Glebe Wood Clean Up - Tongue
- Aspen Training Day - Dunbeath
- Aspen Project - Phase 1 with Mark Banham
- Scottish Archaeology Fair -Strathpeffer
- Rural Skills Training for Golspie High School
- Wood Pasture Training Days - identification, recording and surveying.
- Greenwood Workshops in Rogart with Mike Ellis

The above events involved 204 participants from community groups, woodland groups and crofters' grazings committees,



Greenwood Workshop –Rogart

### Ranger Events—Education and Training

Joint partnership events were organised for Highland Archaeology Fortnight this year. NHFT joined forces with the Highland Council Ranger Service, Strathnaver Museum, Lairg Primary School and the North Coast Sutherland primary schools to run two woodland/natural heritage/archaeology events involving 28 primary school youngsters and 13 adults.



Lairg Event



Strathnaver Event



Greenwood—Strathnaver

## Publications

NHFT produces two newsletters and occasional reports.

- *Word from the Wood* - regular newsletter of NHFT
- *The Woodstack* - regular newsletter to promote sales of timber and timber & forestry related contractors and services, published jointly with support from Forestry Commission Scotland's Dornoch Forest District



## Networking Projects

- In addition to our two newsletters, the website provides an up-to-date information service for groups in the North, as well as promoting community forestry across Caithness & Sutherland
- We also communicate through an E-list with a variety of groups and individuals in the North, highlighting and promoting events, business and funding opportunities and providing information. We also encourage these groups and individuals to connect with other established E-communication links and E-fora such as that provided by the Community Woodlands Association or Reforesting Scotland

## Miscellaneous Activities

- NHFT responded to various consultations during the year,
- NHFT have participated in a number of seminars and conferences and workshops including: CWA Annual Conference - Strontian, Scottish Archaeology Fair - Strathpeffer, Touchwood Festival—Dingwall, Native Woodlands Discussion Group Woodland Archaeology Workshop - Sunart, Reforesting Scotland Gathering - Ullapool, ELAV Conference - Orkney, Six Cities Design Festival—Inverness and the Vital Spark Interpretation Conference, Aviemore.

NHFT Display Stand at Scottish Archaeology Fair



Mike Ellis –shave horse demonstration



- The Community Development Forester has participated in various networks, including the Forestry Policy Group and Reforesting Scotland. The Project Coordinator has attended meetings for the Lairg Interpretation Plan for Ferrycroft Centre, Ferrycroft Wood, Lairg Auction Mart and The Ord, and taken part in an ELAV International Exchange to Koli in Finland in September 2007.

Marlyn with group in Koli, Finland



ELAV meeting at Koli Harbour



- **Northern Peripheries ELAV (*Enhancing Local Activity and Values from forest land through community-led strategic planning*) Project**

NHFT continue to support the East Sutherland ELAV pilot project. Viv Halcrow took over from Ailsa Spindler as the project officer and is currently based in Golspie. This project is providing a further contribution to community forestry activity within the East Sutherland area. A number of community woodland events have been organised in Ardgay, Lairg, Rosehall and Golspie to enable communities to meet and consult on woodland community development issues. Through exchange trips, participants compare ideas and techniques of planning and practice within similar and diverse forest communities in the Scandinavian project partner areas.

- **Wood Pasture in Sutherland Project**

Thousands of easily-recognisable veteran trees in the countryside have great antiquity, they have often been culturally modified by man in the past, and usually occupy a significant location. All of these things make them useful as archaeological evidence in that they tell us, or at least give us clues, about how the land was worked in the past. The NHFT Wood Pasture Project aims to familiarise local people, including forest managers and graziers, with some of the typical features of these sites and provide training for survey work to be undertaken over a two year period. Twenty participants were involved in an initial three-day event to explore a number of good quality wood pasture sites in East Sutherland and Assynt in October 2007.

**In the year to come we aim to target funding support for an expansion of the project and continuation of existing projects such as:**

- provide support and services for groups and individuals involved in the management and sustainable development of community woodland, and also stimulate and encourage the development of new groups of all ages and abilities.
- develop our forum, training events and newsletters in partnership with community woodland groups, project partners, contractors and consultants. The new and enhanced website, two quality newsletters (*Word from the Wood* and *The Woodstack*) and our E-list/E-forum will provide up-to-date information, advice and networking opportunities for individuals and groups.
- explore further partnerships with a range of organisations and individuals to help deliver new and innovative projects for the sustainable development of community forestry and associated activities in Caithness & Sutherland.
- continue to work in partnership with various training providers, such as the Community Learning Centres throughout Sutherland and Caithness to deliver training courses and workshops based on activities linked to sustainable development of communities and community forestry.
- encourage the development and understanding of the community woodland resource as a cultural and heritage asset, linking people and the woodland environment, learning from the past to inform the present and the future.



North Highland Forest Trust Website  
[www.nhff.org.uk](http://www.nhff.org.uk)

# **North Highland Forest Trust**

(A company limited by guarantee, not having share capital)

## **TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**For the year ended  
31 MARCH 2007**

Charity Number SC029559  
Company Number: 201352

## Contents

	<b>Page</b>
• Legal and administrative information	<b>13</b>
• Trustees' report	<b>14</b>
• Accountants' report	<b>15</b>
• Statement of financial activities	<b>16</b>
• Balance sheet	<b>17 - 18</b>
• Notes to the financial statements	<b>19 - 24</b>

**Legal and Administrative Information:****Status**

Trustees	Claire Belshaw Chairperson Tony Bradford Terry Keatinge Rodney W MacLeod Andrew Dawson <i>resigned 8 July 2006</i> Brigitte Geddes David Glass <i>appointed 18 November 2006</i> Sasha Laing <i>appointed 18 November 2006</i> George MacGregor <i>appointed 16 January 2007</i> Mike Ellis <i>appointed 16 January 2007</i> Douglas Henderson <i>appointed 13 March 2007</i>
Company number	201352
Charity number	SC029559
Company Secretary	Christine Ross
Registered office	Main Street Golspie Sutherland KW10 6RJ
Accountant	Ian Mackay Mackay & Co Main Street Golspie Sutherland KW10 6RJ
Bankers	Bank of Scotland Main Street Golspie Sutherland KW10 6RJ
Solicitors	MacLeod & MacCallum 28 Queensgate Inverness IV1 1YN

## Trustees' Report for the year ended 31 March 2007:

The trustees of North Highland Forest Trust have pleasure in presenting their report and the unaudited financial statements for the period to 31 March 2007.

### Principal activity

The primary objective of the Company, set by the Memorandum of Association, is to promote and undertake the conservation, sustainable management and expansion of woodlands and forest in the north highlands of Scotland as an important part of Scotland's natural environment for the benefit of rural communities and the public, and to advance education and training in respect of the natural environment of this area for the benefit of rural communities and the public.

### Trustees

The North Highland Forest Trust is a company limited by guarantee and has no share capital. The Articles and Memorandum of Association established the constitution of the company. It is recognised by the Inland Revenue as a Scottish Charity. Its Scottish Charity number is SC029559. The power to appoint and remove trustees rests with the members of the company.

The following persons acted as trustees during the year to 31 March 2007 and up to the date of this report:

Claire Belshaw	<i>Chairperson</i>	Rodney W MacLeod
Tony Bradford		Andrew Dawson
Terry Keatinge		Brigitte Geddes
Sasha Laing		David Glass
Mike Ellis		George MacGregor
Douglas Henderson		

### Combined Liability insurance

During the year the company purchased and maintained liability insurance for its directors and staff as permitted by Section 310(3) of the Companies Act 1985.

### Statement of trustees' responsibilities

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have
- been followed subject to any departures disclosed and explained in the financial statements;
- and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with Companies Act 1985 and the Charities Accounts (Scotland) Regulations 1992. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the trustees on 5 October 2007 and signed on its behalf by



**Claire Belshaw** Chairperson

## **Reporting accountant's report to the trustees on the unaudited financial statements of North Highland Forest Trust.**

I report on the financial statements of North Highland Forest Trust for the year ended 31 March 2007 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention and the accounting policies set out therein.

### **Respective responsibilities of the trustees and reporting accountants**

As described in the statement of trustees responsibilities the trustees are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures designed to enable us to report our opinion.

### **Basis of opinion**

My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

### **Opinion**

In our opinion:

- i the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985.
- ii having regard only to, and on the basis of, the information in those accounting records:
  - a those financial statements have been drawn up in a manner consistent with the provisions of the Act as specified in Section 249C(6), so far as applicable to the company.
  - b the company satisfied the requirements of Section 249A(4) of the Act modified by Section 249A(5), for the financial year in question, and did not fall within Section 249B (1)(a) to (f) at any time within that financial year.



**Ian Mackay**  
Accountant

Mackay & Co  
Main Street  
Golspie  
Sutherland  
KW10 6RJ

## Statement of financial activities

### For the year ended 31 March 2007

	Notes	Unrestricted funds £	Restricted funds £	2007 Total £	2006 Total £
<b>Incoming resources</b>					
Grants	2	23,180	21,069	44,249	36,811
Subscriptions	3	-	10	10	5
Investment income	4	1,948	112	2,060	1,988
Other incoming resources	5	250	382	632	689
Total incoming resources		25,378	21,573	46,951	39,493
<b>Resources expended</b>					
Staff costs		23,441	16,004	39,445	34,618
Staff training		255	-	255	405
Rent, rates and service charge		1,007	-	1,007	1,107
Insurance		2,386	-	2,386	2,145
Light and heat		323	-	323	133
Printing, postage and stationery		1,100	-	1,100	2,000
Advertising		60	-	60	136
Telephone		1,258	-	1,258	802
Travelling		3,503	-	3,503	3,389
Accounting		1,022	-	1,022	307
Consulting fees		1,849	-	1,849	-
Project promotion & demos		9,248	4,975	14,223	4978
General expenses		808	-	808	785
Subscriptions		403	-	403	266
Company Secretary and Directors Costs		2,892	-	2,892	-
Depreciation and amortisation		94	1,517	1,611	1,738
Total resources expended		(49,649)	(22,496)	(72,145)	(52,809)
Net incoming resources before transfers		(24,271)	(923)	(25,194)	(13,316)
Transfers between funds		(1,334)	1,334	-	-
<b>Net movement in funds</b>		(25,605)	411	(25,194)	(13,316)
Total funds brought forward		70,145	28,736	98,881	112,197
<b>Total funds carried forward</b>		44,540	29,147	73,687	98,881

The notes on pages 19 to 24 form an integral part of these financial statements

**Balance sheet  
as at 31 March 2007**

	Notes	2007		2006	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		7,807		9,104
<b>Current assets</b>					
Debtors	12	2,241		4,080	
Cash at bank and in hand		67,650		86,369	
		<u>69,891</u>		<u>90,449</u>	
<b>Creditors: amounts falling due within one year</b>					
	13	(4,011)		(672)	
		<u>          </u>		<u>          </u>	
<b>Net current assets</b>			65,880		89,777
			<u>          </u>		<u>          </u>
<b>Net assets</b>			73,687		98,881
			<u>          </u>		<u>          </u>
<b>Funds</b>					
Unrestricted funds	14		44,540		70,145
Restricted funds	15		29,147		28,736
			<u>73,687</u>		<u>98,881</u>
			<u>          </u>		<u>          </u>

The trustees' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

**Balance sheet (continued)****Trustees' statements required by Section 249B(4)  
for the year ended 31 March 2007**

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 March 2007 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) 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 profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board on 5 October 2007 and signed on its behalf by



**Claire Belshaw**  
**Trustee**

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**Notes to the Financial Statements for the year ended 31 March 2007:****1. Accounting policies****1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and follow the recommendations in 'Accounting and Reporting by Charities: Statement of Recommended Practice'.

**1.2. Incoming resources**

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

**1.3. Resources expended**

Resources expended are recognised in the year in which they are incurred.

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

**1.4. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Woodland improvements	-	Straight line over ten years
Fixtures, fittings and equipment	-	20% straight line

**1.5. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

The regular cost of providing retirement pensions and related benefits is charged to the SOFA over the employees' service lives on the basis of a constant percentage of earnings.

**Notes to the Financial Statements for the year ended 31 March 2007:**
**2. Grant income**

	Unrestricted funds £	Restricted funds £	2007 £	2006 £
Grants - Leader +	-	6,452	6,452	10,997
Grants - Crofters Commission	-	-	-	1,500
Grants - Highland Council	-	6,550	6,550	-
Grants - Scottish Natural Heritage	10,809	4,191	15,000	-
Grants - HIE—Caithness & Sutherland	7,371	1,948	9,319	7,412
Grants - Forestry Commission	5,000	500	5,500	15,000
Grants - SAC	-	1,428	1,428	1,902
	<u>23,180</u>	<u>21,069</u>	<u>44,249</u>	<u>36,811</u>

**3. Subscription income**

	2007 £	2006 £
Memberships	10	5
	<u>10</u>	<u>5</u>

**4. Investment income**

	Unrestricted funds £	Restricted funds £	2007 £	2006 £
Interest received	1,948	112	2,060	1,988
	<u>1,948</u>	<u>112</u>	<u>2,060</u>	<u>1,988</u>

**5. Other incoming resources**

	2007 £	2006 £
Other income	632	689
	<u>632</u>	<u>689</u>

## Notes to the Financial Statements for the year ended 31 March 2007:

### 6. Costs of activities in furtherance of the objects of the charity

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Staff costs	39,445	34,618
Staff training	255	405
Rent, rates and service charge	1,007	1,107
Insurance	2,386	2,145
Light and heat	323	133
Printing, postage and stationery	1,100	2,000
Advertising	60	136
Telephone & Internet	1,258	802
Travelling	3,503	3,389
Demos	-	3,007
Accounting	1,022	307
Consultancy Fees	1,849	-
Project promotion and forums	14,223	1,971
General expenses	808	785
Subscriptions	403	266
	<u>67,642</u>	<u>51,071</u>

### 7. Management and administration

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Company Secretary costs	1100	-
Depreciation and amortisation	1,611	1,738
Directors and AGM Costs	1,792	-
	<u>4,503</u>	<u>1,738</u>

### 8. Operating gain

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Operating gain is stated after charging:		
Depreciation and other amounts written off tangible assets	1,611	1,738
	<u>1,611</u>	<u>1,738</u>

## Notes to the Financial Statements for the year ended 31 March 2007:

### 9. Employees

#### Number of employees

The average monthly numbers of employees (including the trustees) during the year were:

	<b>2007 Number</b>	<b>2006 Number</b>
	2	2

#### Employment costs

	<b>Charitable Expenditure £</b>	<b>2007 £</b>	<b>2006 £</b>
Wages and salaries	34,430	34,430	30,632
Social security costs	3,121	3,121	2,667
Other pension costs	1,894	1,894	1,319
	<u>39,445</u>	<u>39,445</u>	<u>34,618</u>

	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2007 £</b>	<b>2006 £</b>
Wages and salaries	20,534	13,896	34,430	30,632
Social security costs	1,861	1,260	3,121	2,667
Other pension costs	1,046	848	1,894	1,319
	<u>23,441</u>	<u>16,004</u>	<u>39,445</u>	<u>34,618</u>

### 10. Pension costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £1,894.00 (2006 - £1,319).

**Notes to the Financial Statements for the year ended 31 March 2007:****11. Tangible fixed assets**

	<b>Woodland improvements £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2006	9,823	5,148	14,971
Additions	-	314	314
At 31 March 2007	<u>9,823</u>	<u>5,462</u>	<u>15,285</u>
<b>Depreciation</b>			
At 1 April 2006	2,535	3,332	5,867
Charge for the year	982	629	1,611
At 31 March 2007	<u>3,517</u>	<u>3,961</u>	<u>7,478</u>
<b>Net book values</b>			
At 31 March 2007	<u>6,306</u>	<u>1,501</u>	<u>7,807</u>
At 31 March 2006	<u>7,288</u>	<u>1,816</u>	<u>9,104</u>

**12. Debtors**

	<b>2007 £</b>	<b>2006 £</b>
Prepayments and accrued income	2,241	4,080
	<u>2,241</u>	<u>4,080</u>

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

	<b>2007 £</b>	<b>2006 £</b>
Trade creditors	3,311	342
Accruals and deferred income	700	330
	<u>4,011</u>	<u>672</u>
	<u>4,011</u>	<u>672</u>

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**Notes to the Financial Statements for the year ended 31 March 2007:**

<b>14. Unrestricted funds</b>	<b>1 April 2006</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Transfers</b>	<b>31 March 2007</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted Funds	70,145	25,378	49,649	(1,334)	44,540
	=====	=====	=====	=====	=====
<b>15. Restricted funds</b>	<b>1 April 2006</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Transfers</b>	<b>31 March 2007</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted Funds	28,736	21,573	22,496	1,334	29,147
	=====	=====	=====	=====	=====





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North Highland Forest Trust is currently funded by:

