

Charity Registration No. 1061322

**FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Michael Box Christopher Inglis Christopher Starr Fiona Angier	(Appointed 1 July 2016)
<b>Secretary</b>	Edward Mills	
<b>Charity number</b>	1061322	
<b>Principal address</b>	5 Beech Court Birkrigg Park Ulverston Cumbria LA12 0UH	
<b>Independent examiner</b>	Colin Frame CA Greaves West & Ayre 17 Walkergate Berwick upon Tweed Northumberland TD15 1DJ	
<b>Bankers</b>	Unity Trust Bank plc Nine Brindleyplace 4 Oozells Square Birmingham B1 2HB	

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# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

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# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Trustees present their report and the financial statements for the year ended 31st December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Charities Act 2011 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) (effective 1 January 2015)"

### **Objectives and activities**

The trustees shall hold the trust fund and its income upon trust to apply them for the following object ("the objects") in the UK and Republic of Ireland ("the area of benefit").

1. The advancement of education of Confor members employed in the forestry or related industries in particular but without limitation by the provision of grants and assistance which will enable such persons to further their education or training and improve their professional development.
2. The provision of assistance to Confor members or their dependants employed in the forestry or related industries who may be in conditions of need, hardship or distress.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### **Review of Activities**

The trustees considered the draft audited annual report and accounts 2015 and commented by email. The accounts were duly signed off on 23 September 2016.

In 2016, there were 3 eligible applications to the Education Fund and none to the Provident Fund. This compares with 2 in 2015. There were 0 ineligible applications in the year. The 3 paid awards were to: J M Blagden, M L Drury and SRUC Barony Campus.

Again, the un-spent interest and accumulation is rolled over, meaning that in 2017, £14,612.32 of Education Fund and £36,255.66 of Provident Fund are available for distribution.

### **Achievements and performance**

#### **Financial review**

The attached accounts show the current financial position of the charity which the trustees consider to be sound. The funds of the charity are held primarily in Charifund Investments valued at £154,248 (2015 £132,385) and in the Unity Trust Bank which had a balance of £13,266 at the year end (2015 £21,168). Expenditure connected with the management and administration of the charity has been met by Confor.

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The trustees continue to promote the availability of the funds and potential beneficiaries.

#### **Reserves Policy**

The trustees have reviewed the reserves of the charity and have considered the nature of the income and expenditure streams. They consider that the reserves held are sufficient and necessary to allow the charity to fulfil its objectives.

The Trustees' continue to promote the funds available at every opportunity and hope more applications are received in the next 12 months.

Whilst not constituting a permanent endowment fund, funds have been donated with the intention that income from them be used for charitable purposes; for this reason, they are held as separate designated funds.

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **Investment Policy**

The trust deed allows the trustees to invest funds in any investment they think fit, at their absolute discretion and to apply the investment income and any part of the capital to fulfil the aims of the charity.

### **Public Benefit**

In considering the operation, achievements and performance and finances of the charity, the trustees are satisfied that public benefit has been provided in accordance with the Charities Act 2011 and the guidance provided by the Charity Commission.

### **Risk Assessment**

Major risks to which the charity has been exposed have been identified and reviewed by the trustees and systems have been established to mitigate these risks.

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

#### **Constitution**

The charity was established by Trust Deed dated 29th January 1997 by the Association of Professional Foresters of Great Britain, and is registered with the Charity Commission No. 1061322.

The charity amended its constitution in February 2002 and December 2009 changing its name in the process. The charity's administration activities are covered by the Confederation of Forest Industries (UK) Limited (Confor) and in order to benefit from the charity's activities beneficiaries must be a member of Confor or a dependent of a Confor member.

#### **Trustees**

The trustees who served during the year were:

Michael Box

Christopher Inglis

Jane Karthaus

(Resigned 1 July 2016)

Christopher Starr

Fiona Angier

(Appointed 1 July 2016)

Trustees hold office for a period of 4 years (Nominated Trustees) or 5 years (Co-opted Trustees). Nominated trustees are appointed by the Board of Directors of Confor. Co-opted trustees are appointed by resolution of the trustees passed at a special meeting.

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **Statement of trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees' report was approved by the Board of Trustees.



**Christopher Inglis**

Trustee

Dated: *14/12/17*

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

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I report on the accounts of the charity for the year ended 31 December 2016, which are set out on pages 5 to 11.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Colin Frame CA  
Greaves West & Ayre  
17 Walkergate  
Berwick upon Tweed  
Northumberland  
TD15 1DJ

Dated: ..... 4 August 2017

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

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	Notes	2016 £	2015 £
<b><u>Income from:</u></b>			
Donations and legacies	3	-	500
Investments	4	6,571	6,389
<b>Total income</b>		<u>6,571</u>	<u>6,889</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	2,473	1,335
Net gains on investments	9	9,863	(398)
<b>Net movement in funds</b>		<u>13,961</u>	<u>5,156</u>
Fund balances at 1 January 2016		153,553	148,397
<b>Fund balances at 31 December 2016</b>		<u><u>167,514</u></u>	<u><u>153,553</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



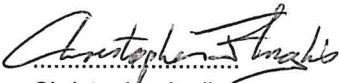
# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Investments	10		154,248		132,385
<b>Current assets</b>					
Cash at bank and in hand		13,266		21,168	
<b>Net current assets</b>			13,266		21,168
<b>Total assets less current liabilities</b>			167,514		153,553
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	12	167,514		153,553	
			167,514		153,553
			167,514		153,553

The accounts were approved by the Trustees on 4/8/17

  
 Christopher Inglis  
 Trustee

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2016*

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### 1 Accounting policies

#### Charity information

Forest Industries Education and Provident Fund is a charity established by Trust Deed dated 29th January 1997 by the Association of Professional Foresters of Great Britain, and is registered with the Charity Commission No. 1061322.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's [governing document], the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 December 2016 are the first accounts of Forest Industries Education and Provident Fund prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Donations and legacies

	2016	2015
	£	£
Donation from Confor for secretarial expenses	-	500

### 4 Investments

	2016	2015
	£	£
Income from investments	6,555	6,371
Interest receivable	16	18
	<u>6,571</u>	<u>6,389</u>

### 5 Charitable activities

	2016	2015
	£	£
Secretarial expenses	-	500
Education grants	2,437	835
Service charges	36	-
	<u>2,473</u>	<u>1,335</u>
	<u>2,473</u>	<u>1,335</u>

### 6 Trustees

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any trustee or to any person or persons known to be connected with any of them.

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year.

### 7 Employees

There were no employees during the year.

### 8 Management and administration of the charity

Expenditure connected with the management and administration of the charity has been borne by Confor.

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 9 Net gains/(losses) on investments

	2016	2015
	£	£
Revaluation of investments	9,863	(398)

### 10 Fixed asset investments

	£
<b>Cost or valuation</b>	
At 31 December 2015	132,385
Additions	12,000
Valuation changes	9,863
At 31 December 2016	154,248
<b>Carrying amount</b>	
At 31 December 2016	154,248
At 31 December 2015	132,385

### 11 Financial instruments

	2016	2015
	£	£
<b>Carrying amount of financial assets</b>		
Equity instruments measured at cost less impairment	154,248	132,385

### 12 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balance at 31 December 2016 £
	Balance at 1 January 2016 £	Total incoming resources £	Total resources expended £	Gains/ (Losses) on investments £	
Education Fund	70,998	3,490	(2,455)	5,479	77,512
Provident Fund	82,555	3,081	(18)	4,384	90,002
	<u>153,553</u>	<u>6,571</u>	<u>(2,473)</u>	<u>9,863</u>	<u>167,514</u>

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2016*

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### 13 Related party transactions

There were no disclosable related party transactions during the year (2015- none).

# FOREST INDUSTRIES EDUCATION AND PROVIDENT FUND

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

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	£	2016 £	£	2015 £
<b>Donations and legacies</b>				
Donations		-		500
<b>Investment income</b>				
Dividends received	6,555		6,371	
Deposit account interest	16		18	
	<u>        </u>	6,571	<u>        </u>	6,389
<b><u>Resources expended</u></b>				
<b>Charitable activities</b>				
Secretarial expenses	-		500	
Education and provident grants	2,437		835	
Service charge	36		-	
	<u>        </u>	(2,473)	<u>        </u>	(1,335)
<b>Net gains on investments</b>				
Revaluation of investments		9,863		(398)
<b>Surplus for the Year</b>		<u><u>13,961</u></u>		<u><u>5,156</u></u>

