

REGISTERED CHARITY NUMBER: 1103202

**Report of the Trustees and
Financial Statements for the Year Ended
5 April 2014
for
FUTURE TREES TRUST**

Grosvenor Tax Practice Limited
7 Larksfield Road
Kingscourt
Stroud
Gloucestershire
GL5 3PL

FUTURE TREES TRUST

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for the year ended 5 April 2014**

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FUTURE TREES TRUST

Report of the Trustees for the year ended 5 April 2014

The trustees present their report with the financial statements of the charity for the year ended 5 April 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1103202

Principal address

Brandywell
3 Queens Square
Chalford Hill
Stroud
Gloucestershire
GL6 8EG

Trustees

J Fennessy
G Douglas
P Savill
N Weiss
J Hubert

Independent examiner

A T Jones ATT
Grosvenor Tax Practice Limited
7 Larksfield Road
Kingscourt
Stroud
Gloucestershire
GL5 3PL

Bankers

HSBC
32 Gloucester Road
Ross on Wye
Herefordshire
HR9 5LF

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The governing document is a Declaration of Trust dated 23 October 2003, as amended by a supplemental Trust Deed dated 24 February 2004. Trustees are appointed by the Trustees. Clause 9 (vi) specifies that all Trustees shall "work in consultation with the Management Committee of the Future Trees Trust in all fund raising matters and particularly concerning the selection of suitable Trustees, the appropriate number of Trustees and having regard to available talent within the voting membership of the Future Trees Trust."

Related parties

Future Trees Trust also operates in the Republic of Ireland under the name 'British & Irish Hardwood Trust' or 'BIHT'. The process of changing the charity's name in the Republic of Ireland from BIHT to Future Trees Trust is currently ongoing. BIHT is registered with the Irish Revenue Commissioners and has the charitable exemption number CHY 16229. BIHT receives support from the Irish government body the Department of Agriculture, Food and the Marine (previously COFORD) and subsequently funds much of the charity's work in the Republic of Ireland in euros. Separate accounts are produced for BIHT in accordance with Irish charity legislation and guidelines. BIHT's accounts should be read in conjunction with Future Trees Trust's accounts.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

FUTURE TREES TRUST

Report of the Trustees for the year ended 5 April 2014

OBJECTIVES AND ACTIVITIES

Objectives and aims

To promote and commission improvements in hardwood forestry in the UK and Ireland and, in particular, research into growing and improvement of British and Irish broad leaved species through collections, trials and the distribution of tested seed and scion material for wider public benefit and the dissemination of the useful results of such work.

To advance the education of the public in the work of the Future Trees Trust and in sustainable forest and woodland management. Sustainable forest and woodland management is used in the context of development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

ACHIEVEMENT AND PERFORMANCE

The British and Irish Hardwoods Improvement Programme (re-named Future Trees Trust in September 2011) began in 1992 as a cooperative linkage between scientists both from British and Irish universities, from the Forestry Commission and the Irish Forestry Services (Coford) and between British and Irish landowners and professionals in all sectors of the industry. Its aim is to carry out the long term scientific research, trials and testing as required to select and develop the best adaptive and productive genetic traits of the principal hardwood species common throughout the woods of Great Britain and Ireland. Aspects of vigour, form and disease resistance need to be considered, with seven hardwood species selected for the work. These are Oak, Ash, Wild Cherry, Sweet Chestnut, Birch, Sycamore and Walnut. Different scientific approaches were tested and the best ways were proven of selecting superior trees as breeding stock, creating databases of them, carrying out provenance trials and establishing seed orchards that will yield improved planting stock for future physical and socio-economic environments.

The timescale is 10 to 20 years of continuous monitoring and refining before better material can become widely available. Future Trees Trust has established the disciplines and the procedures to ensure that best possible outcomes in the shortest possible timescale. Ireland's scientific and development work is complementary and it was agreed that a twin country approach would achieve the most rapid development and avoid duplication of effort. This is now proving effective and most productive.

Future Trees Trust achieves more and better woodland creation and restoration in Great Britain and Ireland. Future Trees Trust undertakes tree improvement and selection activities in the major temperate hardwood species grown in Great Britain and Ireland in stem volume, wood quality and disease resistance. In addition, this results in significant improvements in resilience of these trees to climate change and carbon sequestration, amongst others, with rapid dissemination of information and technologies.

FUTURE TREES TRUST

Report of the Trustees for the year ended 5 April 2014

FINANCIAL REVIEW

Following the outbreak of ash die-back disease in October 2012, Future Trees Trust's ash breeding programme has been postponed, which has had a significant impact on our plans to promote the major achievements of the charity in producing EU Tested ash seed.

A fortunate consequence of our 20 year's work into ash breeding has been the recognition by DEFRA of our expertise and the value of our collective data and experience. This year saw Future Trees Trust work in partnership with others to form the Living Ash Project. Funded by DEFRA for five years, this project aims to identify ash trees among Future Trees Trust's many collections and elsewhere that are resilient to ash die-back and to develop techniques for their rapid multiplication, to ensure a sustainable supply of resilient ash trees for the future market. Future Trees Trust received almost £12,000 in funding for this project this year.

The launch of our tree improvement policy influencing document "A future with broadleaved trees" at the House of Commons in October 2013 and Dublin Botanic Gardens in November 2013 raised the profile not only of our charity but the significance of the tree improvement work to which we, with our partners Earth Trust and Forest Research are committed. Many influential and high-profile policy and decision-makers from across the forestry and ecology sectors attended these events and all have since been kept aware of the progress we are making. A substantial increase in donations and media interest in our work has been experienced since the launch of this document.

Our raised profile has enabled us to make confident approaches to more major forestry companies with partnership proposals and sponsorship initiatives, similar to the model we developed with Tubex - selected marketing and promotion opportunities in return for financial support for our work. We are delighted that Tubex have confirmed their on-going support for our Research Co-ordinator at Earth Trust, as it demonstrates that they clearly recognise the commercial benefits such a partnership brings to their brand, profile and customer perception. We hope to develop more such partnerships this year.

Our Development Officer, Tim Rowland, continues to develop the charity and secured more funds this year than in any year of our existence to date. We continue to invest in tree-improvement research and are grateful for the ongoing support of the David Webster Charitable Trust, Mr Henry Hoare, the Northwick Trust, the H.B. Allen Charitable Trust, Forestry Commission, Department of Agriculture, Food and the Marine, Teagasc, Agriculture & Food Development Authority, Woodland Heritage and our many other donors, without whose long-term and sustained support, many of our successes would not have been possible.

ON BEHALF OF THE BOARD:



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P Savill - Trustee

Date: 12-7-2014

**Independent Examiner's Report to the Trustees of
Future Trees Trust**

I report on the accounts for the year ended 5 April 2014 set out on pages five to eleven.

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 required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- 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
- 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 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 statements below.

Independent examiner's statement

In connection with 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 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

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.

A. Jones

A T Jones ATT
Grosvenor Tax Practice Limited
7 Larksfield Road
Kingscourt
Stroud
Gloucestershire
GL5 3PL

Date: 16/7/2014

FUTURE TREES TRUST

**Statement of Financial Activities
for the year ended 5 April 2014**

	Notes	Unrestricted fund £	Restricted fund £	5.4.14 Total funds £	5.4.13 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	76,101	75,518	151,619	147,807
Investment income	3	141	-	141	-
Total incoming resources		<u>76,242</u>	<u>75,518</u>	<u>151,760</u>	<u>147,807</u>
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income		4,179	26,756	30,935	29,652
Charitable activities					
Scientific research and testing		18,803	45,169	63,972	29,758
Public education and lobbying to further charitable objectives		10,000	11,288	21,288	20,786
Governance costs		3,338	-	3,338	7,082
Other resources expended	5	10,805	6,565	17,370	4,139
Total resources expended		<u>47,125</u>	<u>89,778</u>	<u>136,903</u>	<u>91,417</u>
NET INCOMING/(OUTGOING) RESOURCES		29,117	(14,260)	14,857	56,390
RECONCILIATION OF FUNDS					
Total funds brought forward		15,227	132,264	147,491	91,101
TOTAL FUNDS CARRIED FORWARD		<u><u>44,344</u></u>	<u><u>118,004</u></u>	<u><u>162,348</u></u>	<u><u>147,491</u></u>

The notes form part of these financial statements

FUTURE TREES TRUST

**Balance Sheet
At 5 April 2014**

		Unrestricted fund £	Restricted fund £	5.4.14 Total funds £	5.4.13 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	8	-	1	1	210
CURRENT ASSETS					
Debtors	9	-	-	-	409
Cash at bank		45,694	120,786	166,480	150,725
		<u>45,694</u>	<u>120,786</u>	<u>166,480</u>	<u>151,134</u>
CREDITORS					
Amounts falling due within one year	10	(1,350)	(2,783)	(4,133)	(3,853)
NET CURRENT ASSETS		<u>44,344</u>	<u>118,003</u>	<u>162,347</u>	<u>147,281</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		44,344	118,004	162,348	147,491
NET ASSETS		<u>44,344</u>	<u>118,004</u>	<u>162,348</u>	<u>147,491</u>
FUNDS	11				
Unrestricted funds				44,344	15,227
Restricted funds				118,004	132,264
TOTAL FUNDS				<u>162,348</u>	<u>147,491</u>

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



Trustee

12-8-2014

FUTURE TREES TRUST

notes to the financial statements for the year ended 5 April 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Computer equipment	- 33% on cost
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Taxation

The charity is exempt from 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

FUTURE TREES TRUST

**Notes to the Financial Statements - continued
for the year ended 5 April 2014**

2. VOLUNTARY INCOME

DONATIONS RECEIVED

	2014 £
Alan Cadbury Trust	1,000
Anonymous donor	10,000
Balney Charitable Trust	3,000
Business Innovation	645
Carew Pole Charitable Trust	1,000
Cecil Pilkington Charitable Trust	3,000
CHK Charities Ltd	5,000
Cobb Charity	750
Coleman Gift Fund	500
David Webster Charitable Trust	10,000
DEFRA	11,774
D'Oyly Carte Charitable Trust	5,000
Fiberweb	15,600
Finnis Scott Foundation	2,400
Forestry Commission	33,000
HB Allen Charitable Trust	10,000
Hoare Trustees	10,000
J A Pye Charitable Trust	500
J B Pelly Charitable Trust	2,000
Lord Faringdon Charitable Trust	500
Major Tom Wills	1,000
Marsh Christian Trust	400
Martin Wills Wildlife Maintenance Trust	1,000
Northwick Trust	10,000
Panton Trust	1,000
Peter Goodwin	4,500
Peter Samuel Trust	1,000
W F Southall Trust	1,000
Whitaker Charitable Trust	1,000
Woodland Heritage	5,000
	151,619
	151,619

3. INVESTMENT INCOME

	5.4.14 £	5.4.13 £
Deposit account interest	141	-
	141	-
	141	-

4. GRANTS PAYABLE

	5.4.14 £	5.4.13 £
Scientific research and testing	63,972	29,758
	63,972	29,758
	63,972	29,758

FUTURE TREES TRUST

Notes to the Financial Statements - continued for the year ended 5 April 2014

4. GRANTS PAYABLE - continued

	2014	2013
	£	£
Sweet Chestnut Group	18,222	11,881
Wild Cherry Group		10,172
Sweet Chestnut Group		4,177
Earth Trust - Research Co-ordination	15,600	-
Tree Improvements Policy Influencing Project	22,340	-
Sycamore Group	155	298
Birch Group	1,000	-
Oak Group	6,655	3,231
Walnut Group	-	-
	63,972	29,759
	63,972	29,759

5. OTHER RESOURCES EXPENDED

Other resources expended includes an exceptional item of £16,202. This relates to the removal of the balance on a Bank of Ireland account from the accounts of Future Trees Trust. These funds are managed by the Trustees of the British & Irish Hardwood Trust (BIHT) in the Republic of Ireland. The relationship between the Future Trees Trust and BIHT is explained further on page 1 of these accounts. As the transactions relating to the Bank of Ireland Account are accounted for in the accounts of BIHT in the Republic of Ireland, the Trustees of Future Trees Trust consider that, in order to avoid any possible confusion, such transactions should not also be included in the accounts of Future Trees Trust.

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2014 nor for the year ended 5 April 2013.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2014 nor for the year ended 5 April 2013.

7. STAFF COSTS

	5.4.14	5.4.13
	£	£
Wages and salaries	35,088	33,536
Social security costs	2,540	2,417
	37,628	35,953
	37,628	35,953

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

	5.4.14	5.4.13
Development Officer	1	1
	1	1
	1	1

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

FUTURE TREES TRUST

**Notes to the Financial Statements - continued
for the year ended 5 April 2014**

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 6 April 2013 and 5 April 2014	620
DEPRECIATION	
At 6 April 2013	410
Charge for year	209
	<u>619</u>
At 5 April 2014	<u>619</u>
NET BOOK VALUE	
At 5 April 2014	<u>1</u>
At 5 April 2013	<u>210</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.14 £	5.4.13 £
Other debtors	-	409
	<u>-</u>	<u>409</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.14 £	5.4.13 £
Taxation and social security	3,053	2,783
Other creditors	1,080	1,070
	<u>4,133</u>	<u>3,853</u>

11. MOVEMENT IN FUNDS

	At 6.4.13 £	Net movement in funds £	At 5.4.14 £
Unrestricted funds			
General fund	15,227	29,117	44,344
Restricted funds			
Restricted fund	132,264	(14,260)	118,004
	<u>147,491</u>	<u>14,857</u>	<u>162,348</u>
TOTAL FUNDS	<u>147,491</u>	<u>14,857</u>	<u>162,348</u>

FUTURE TREES TRUST

Notes to the Financial Statements - continued for the year ended 5 April 2014

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	76,242	(47,125)	29,117
Restricted funds			
Restricted fund	75,518	(89,778)	(14,260)
TOTAL FUNDS	<u>151,760</u>	<u>(136,903)</u>	<u>14,857</u>

FUTURE TREES TRUST

**Detailed Statement of Financial Activities
for the year ended 5 April 2014**

	5.4.14 £	5.4.13 £
INCOMING RESOURCES		
Voluntary income		
Donations	151,619	147,807
Investment income		
Deposit account interest	141	-
Total incoming resources	151,760	147,807
RESOURCES EXPENDED		
Costs of generating voluntary income		
Wages	23,800	22,750
Social security	2,540	2,417
Employees expenses	-	666
Travelling & subsistence	1,952	1,857
Website expenses	250	171
Staff training	464	-
Promotional fund raising material	451	885
Telephone	686	565
Postage and stationery	501	327
Computer equipment	209	-
Bank interest	82	14
	30,935	29,652
Charitable activities		
Wages	11,288	10,786
Public education and lobbying in furtherance of charitable objectives	10,000	10,000
Grants to institutions	63,972	29,758
	85,260	50,544
Governance costs		
Accountancy & bookkeeping	2,172	2,235
Professional fees	-	2,922
Meeting expenses	1,166	1,925
	3,338	7,082
Other resources expended		
Miscellaneous expenses	834	298
Insurance	334	-
HMRC Input VAT Repaid	-	3,841
Exceptional items	16,202	-
	17,370	4,139
Total resources expended	136,903	91,417

This page does not form part of the statutory financial statements

FUTURE TREES TRUST

Detailed Statement of Financial Activities
for the year ended 5 April 2014

	5.4.14 £	5.4.13 £
Net income	<u>14,857</u>	<u>56,390</u>

This page does not form part of the statutory financial statements