

**Touche
Ross**

Deloitte Touche
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International



1982873

THE WOODLAND TRUST

ANNUAL REPORT AND ACCOUNTS

31 DECEMBER 1994



Registered Company No. 1982873
Registered Charity No. 294344



PATRONS

Dame Sylvia Crowe, DBE; The Right Honourable Lord Denning;
P F Garthwaite Esq, OBE; R Hammond Innes Esq, CBE;
The Earl of Lichfield; Dame Moura Lympsey, DBE;
E M Nicholson, Esq, CB, CVO; The Lord Barber of Tewkesbury;
Sir James Stormonth Darling, CBE, MC.

COUNCIL OF MANAGEMENT

K Watkins, OBE (Founder & President);
S Edgcumbe, JP, FCA (Chairman) (died 25 February 1995);
C P Wright, MSc, ARICS, ALI; R H Trafford, MA;
T H White, FRICS; T W Wright, BSc (For), PhD;
D H Marks, MIPA; A P Golding FCA, ATII.

The Council of Management are also the
Directors of the Company.

CHIEF EXECUTIVE

John D James

FINANCIAL DIRECTOR

Julian C Purvis, BSc, FCA

WOODLAND OPERATIONS DIRECTOR

Philip C Keeble, BSc

The Woodland Trust is a non-profit making company limited by guarantee
and is a registered charity.



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INTRODUCTION

Welcome to the Woodland Trust's latest Annual Report and Accounts which covers the Trust's activities for the year 1 January 1994 to 31 December 1994.

The Trust strives to ensure that its work meets the objectives originally set out in the Trust Deed and subsequently included in its Memorandum of Association, when it became a company limited by guarantee in 1986.

"The objectives of the Trust are to conserve, restore and re-establish trees and in particular broadleaved trees, plants and all forms of wildlife in the United Kingdom of Great Britain and Northern Ireland and thereby to secure and enhance the enjoyment by the public of the natural environment of those territories."

During the year, the Trust acquired 73 new properties covering 2,373 acres and now manages a total of 692 properties, giving public access to 23,300 acres across 59 counties and regions. The Trust also planted over 153,000 trees throughout Britain as part of its continuing programme of woodland creation. The number of active supporters stands at more than 150,000 of whom over 58,000 give support through membership.

The Trust continues to be one of Britain's foremost conservation organisations and is the largest national charity concerned solely with the conservation of Britain's heritage of native and broadleaved trees and woodland through acquisition, management and planting.



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 1994

The Directors have pleasure in presenting their report together with the audited accounts for the year ended 31 December 1994.

1. **Chairman's Report**

In 1994, the Trust's total income exceeded £7.4m for the first time. Not only does this represent growth of some £1.8m (32% over 1993) but more importantly it has enabled a record investment of nearly £5.0m in woodland conservation, the largest sum the Trust has achieved in its twenty-two year history. This also means that 67% of the Trust's total expenditure went directly towards fulfilling our primary aims of land acquisition, woodland management and woodland creation. The most significant event of the year was the gift of 810 acres of land and woodland from the Glenrothes Development Corporation together with a substantial endowment to provide for its future management. Throughout the year, cash flow remained healthy but in a difficult operating climate, a year end deficit had been anticipated. This was avoided thanks to the exceptionally generous response of supporters to an appeal from the Trust's Founder.

The year ahead will without doubt present many challenges. Charitable giving in general is under some pressure and with business confidence remaining somewhat fragile, corporate sponsorship is recovering only slowly. The effect of the National Lottery has yet to be properly assessed, both as a source of new funding and as a possible dampener on charitable giving. The Forestry Commission remains intact for the time being following the announcement of the result of the Forestry Review Group but changes in its structure and *modus operandi* may still take place. A more immediate impact on our woodland creation activity has been the changes to the Woodland Grant Scheme which has led to net costs of tree planting rising.

2. **Directors**

The Directors of the Company throughout the year were:

K Watkins (Founder and President)	T H White
S Edgcumbe (Chairman) (died 25 February 1995)	T W Wright
C P Wright	D H Marks
R H Trafford	A P Golding

It is with great regret that we have to report the death of Mr S Edgcumbe, who died on 25 February 1995. Mr Edgcumbe was one of the Trust's earliest trustees and his experience and wisdom will be sadly missed. Mr T H White becomes Chairman in his stead.

D G Waddams retired as a Director of the Trust on 11 December 1994.

The Directors form the Council of Management of the Trust.

Company Law requires the directors to prepare financial statements for each financial year 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 the surplus or deficit of the company for that period. In preparing those financial statements, the Directors 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 have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

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

3. Share Capital

The company does not have a share capital and is limited by guarantee.

4. Auditors

Touche Ross and Co have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the Annual General Meeting.

By Order of the Board

JOHN D JAMES
Secretary
30 March 1995



Chartered Accountants

Touche Ross & Co.
St. John's House
East Street
Leicester LE1 6NG

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THE WOODLAND TRUST AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE

AUDITORS' REPORT TO THE MEMBERS OF THE WOODLAND TRUST

We have audited the financial statements on pages 8 to 20 which have been prepared under the accounting policies set out on pages 11 to 12.

Respective responsibilities of Directors and Auditors

As described on page 5 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled for the year ended 31 December 1994 to the exemption conferred by Section 248 of the Companies Act 1985 from the requirement to prepare group accounts.

Touche Ross & Co

30 March 1995

Touche Ross & Co
Chartered Accountants and
Registered Auditor

Aberdeen, Bath, Belfast, Birmingham, Bournemouth, Bracknell, Bristol, Cambridge, Cardiff, Crawley, Dartford, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London, Manchester, Milton Keynes, Newcastle upon Tyne, Nottingham and Southampton.

Principal place of business at which a list of partners' names is available:
Stonecutter Court, 1 Stonecutter Street, London EC4A 4TR.

Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>Note</u>	<u>Year ended</u> <u>31 December 1994</u>		<u>Year ended</u> <u>31 December 1993</u>	
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
INCOME					
Membership subscriptions	1b(i)	1,088		987	
Legacies		636		881	
Fundraising		2,013		1,889	
Total voluntary income		-----	3,737	-----	3,757
Grants for woodland and land purchase		793		741	
Income for woodland management	1b(ii)	1,123		634	
Donated woodland and land	1c(i)	1,355		140	
Total contribution from woodland operations		-----	3,271	-----	1,515
Investment income	4	125		183	
Contribution from Woodland Trust (Enterprises) Ltd	13	265		153	
Sundry income		43		37	
Total other sources of income		-----	433	-----	373
TOTAL INCOME			7,441		5,645
EXPENDITURE					
Supporter recruitment and services	1d(i)	773		413	
Fundraising	1d(ii)	417		461	
Public Relations/Public Affairs		338		292	
Administration and Financial	1d(iii)	802		738	
Depreciation	1e(i)	192		108	
TOTAL EXPENSES (EXCLUDING COST OF WOODLAND MANAGEMENT)			2,522		2,012
			-----		-----
			4,919		3,633
Net movement on funds	12		54		224
Balance available for woodland and land acquisition and management			4,973		3,857
Cost of woodland management during period	1d(iv)		(2,032)		(1,935)
Balance for period available for woodland and land acquisition, transferred to Capital Fund	2 & 12		2,941		1,922
Woodland and land acquisition during period	5		2,772		1,539


All income and expenditure relates to continuing operations.

There are no recognised gains or losses, other than those shown in the income and expenditure account.

THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
BALANCE SHEET AT 31 DECEMBER 1994

	Note	<u>31 December 1994</u>		<u>31 December 1993</u>	
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
FIXED ASSETS					
Tangible Assets					
Woodland and land	5	17,869		15,097	
Other fixed assets	6	211		332	
		-----		-----	
Investments	7		18,080		15,429
			4,272		1,427
			-----		-----
			22,352		16,856
CURRENT ASSETS					
Stock	8	20		40	
Debtors	9	504		792	
Cash at bank and in hand		886		404	
		-----		-----	
		1,410		1,236	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	1,070		835	
		-----		-----	
NET CURRENT ASSETS			340		401
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			22,692		17,257
			-----		-----
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11		538		521
			-----		-----
			22,154		16,736
			-----		-----
FINANCED BY:					
Capital fund	12	18,687		15,746	
Designated funds	12	18		68	
Restricted fund	12	34		38	
Permanent endowment	12	3,415		884	
		-----		-----	
			22,154		16,736
			-----		-----

These accounts were approved by the Directors on 30 March 1995.


.....
T H White (Chairman)



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 1994

		<u>Year ended</u> <u>31 December 1994</u>		<u>Year ended</u> <u>31 December 1993</u>	
	<u>Note</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Net cash inflow from operating activities	18(a)		4,691		1,336
Return on investments					
Investment income			131		91
			-----		-----
Net cash inflow from returns on investments			131		91
Investing activities					
Payments to acquire woodland and land			(1,417)		(1,399)
Payments to acquire other fixed assets			(72)		(67)
Purchase of investments			(2,935)		(1,017)
Receipts from sales of other fixed assets			-		5
Receipts from sale of investments			84		1,018
			-----		-----
Net cash outflow from investing activities			(4,340)		(1,460)
Increase/(Decrease) in cash and cash equivalents	18(c)		482		(33)
			-----		-----



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1994

1. **ACCOUNTING POLICIES**

Except as described in note b(ii), the financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below:

Basis of Accounting

- a(i) These accounts have been prepared under the historical cost convention and in accordance with the recommendations set out in the Statement of Recommended Practice No. 2 "Accounting by Charities".
- a(ii) The Woodland Trust is a registered charity and as such can claim exemption from corporation tax on its income and gains which are applied for charitable purposes under section 505, Income and Corporation Taxes Act 1988.

Income

- b(i) Membership subscriptions and donations paid by deed of covenant are received net of basic rate income tax; the Trust reclaiming the income tax from the Inland Revenue. An estimate of the income tax reclaimable at the period end is included in these accounts.
- b(ii) Grants for woodland management are credited to the Income and Expenditure Account in the year in which they are receivable. This treatment is not in accordance with the relevant Statement of Standard Accounting Practice requiring grant income to be matched with the expenditure for which it relates in any financial year.

However, in view of the nature of the Trust's activities, it is considered inappropriate to adopt a different treatment for grants received from public bodies than that adopted for donations received for woodland management as a result of appeals.

It is not practicable to quantify the effect of this departure due to the number, variety and extended lifecycle of grants received and as the terms of some grants do not specify precisely the expenditure they are intended to meet.

Assets

- c(i) Incoming resources in the form of donated assets have been included in the Income and Expenditure Account and capitalised where appropriate at a reasonable estimate of their value.

This constitutes a departure from the Companies Act 1985 which requires any fixed assets to be valued at their purchase price. This departure is necessary to enable the accounts to reflect the value of donated assets, and to comply with Statement of Recommended Practice No 2 "Accounting by Charities".

The amount of donated assets is disclosed in note 5 to the accounts.

The value of donated land and woodland is based on a rolling three year average price per acre of woodland and land purchased by the Trust during the latest financial years. This is a change in method from that used previously which has been adopted to even out yearly fluctuations in land values and prevent the value attributed to gifts from being distorted.

Hall Farm, which was given to the Trust during the year ended 31 October 1985 by the Chairman of the Trust Mr K Watkins, and his wife, was valued on 31 October 1985 at £138,000 subject to a tenancy. It has been incorporated in these accounts at this value.

THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

1. **ACCOUNTING POLICIES (CONTINUED)**

Expenditure

- d(i) Supporter recruitment and services includes the cost of recruiting and servicing supporters, and providing them with information on the Trust's activities.
- d(ii) Fundraising costs include expenditure on appeals to the Trust's supporters, including charitable trusts and companies.
- d(iii) Administration and financial expenditure includes all office premises costs, the costs of maintenance of computer systems and office equipment, and the salaries and related overhead costs of the central service functions of personnel and finance.
- d(iv) Woodland Management includes the cost of all management works on Trust properties and licence schemes and the salary and related costs of the Regional and Head Office Woodland Operations staff.

Depreciation

- e(i) Depreciation has been charged at the following rates charging a full year's depreciation in the year on purchase and none in the year of disposal. This represents a change from the previous method of apportioning the charge for assets acquired/disposed of part way through a year.

Computer equipment	20% per annum on cost
Office equipment - fixtures	10% per annum on cost
Office equipment - other	20% per annum on cost
Motor vehicles	25% per annum on cost

Investments

- f(i) Investments are stated at cost less any provision for permanent diminution in value.

Stocks

- g(i) Stocks are stated at the lower of cost and net realisable value. Cost comprises of purchase price.

Other

- h(i) Operating lease rentals are charged to the income and expenditure account on equal annual amounts over the lease term.
- h(ii) The Company operates defined contribution pension schemes. The cost of providing pensions is charged to the income and expenditure account in the period in which contributions are made.
- h(iii) Deferred Income:

For the preparation of these accounts life membership credit is taken annually for one twentieth of life membership.

Deposited covenants credit is taken annually for the appropriate fraction of the total number of years that the covenant is in existence; the remaining sums are carried forward to be used in future years.



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

2. **SURPLUS FOR THE PERIOD**

The surplus for the period is after charging:

	<u>Year ended</u> <u>31 December 1994</u> <u>£'000</u>	<u>Year ended</u> <u>31 December 1993</u> <u>£'000</u>
<u>Staff Costs</u>		
Wages and salaries	1,704	1,398
Social security costs	177	133
Other pension costs	43	35
	-----	-----
	1,924	1,566
	-----	-----
 Depreciation	 192	 108
Fees payable to the auditors:		
for the audit	6	5
Hire of equipment	1	1
Rental under operating leases	294	159

The average number of employees during the year was 140 (1993: 121).

3. **DIRECTORS' EMOLUMENTS**

The Directors of the company, who comprise its Council of Management, did not receive any remuneration during the period. Travelling expenses incurred by them on Council business are reimbursed and amounted to £1,614 (1993: £1,528) during the period.

Mr R H Trafford is a consultant with Stones which is one of the firms of solicitors the Trust uses to undertake its legal work.

4. **INVESTMENT INCOME**

Income from investments was as follows:

	<u>1994</u> <u>£'000</u>	<u>1993</u> <u>£'000</u>
Income from listed investments	73	9
Income from other authorised investments	58	83
(Loss)/Profit on sale of investments	(6)	91
	----	----
	125	183
	----	----



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

5. FIXED ASSETS - WOODLAND AND LAND

	<u>TOTAL</u>	<u>WOODLAND AND LAND PURCHASED (FREEHOLD)</u>	<u>WOODLAND AND LAND PURCHASED (LONG LEASEHOLD)</u>	<u>WOODLAND AND LAND DONATED (FREEHOLD)</u>	<u>WOODLAND AND LAND DONATED (LONG LEASEHOLD)</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Cost or donated value at 1 January 1994	15,097	13,064	229	1,682	122
Additions for the period	2,772	1,362	-	1,061	349
Cost or donated value at 31 December 1994	17,869	14,426	229	2,743	471

The additions to donated woodland and land include legal fees of £55,167.

The Trust also leases 97 acres (1993: 97 acres) of woodland under short leaseholds at peppercorn rents. In the opinion of the Directors it is impracticable to assign a value to these leases.



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

6. **OTHER FIXED ASSETS**

	<u>TOTAL</u> <u>£'000</u>	<u>COMPUTER</u> <u>EQUIPMENT</u> <u>£'000</u>	<u>OFFICE</u> <u>EQUIPMENT</u> <u>£'000</u>	<u>MOTOR</u> <u>VEHICLES</u> <u>£'000</u>
<u>Cost or donated value</u>				
At 1 January 1994	854	618	218	18
Additions	72	46	26	-
Disposals	(155)	(130)	(25)	-
	---	---	---	---
At 31 December 1994	771	534	219	18
	---	---	---	---
<u>Depreciation</u>				
At 1 January 1994	522	407	103	12
Provision for the year	171	119	46	6
Disposals	(133)	(130)	(3)	-
	---	---	---	---
At 31 December 1994	560	396	146	18
	---	---	---	---
<u>Net Book Value</u>				
At 31 December 1994	211	138	73	-
	---	---	---	---
At 31 December 1993	332	211	115	6
	---	---	---	---

7. **INVESTMENTS**

	<u>31 December 1994</u>		<u>31 December 1993</u>	
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Shares in group companies		1		1
Other investments:				
Permanent Endowment	3,504		967	
Investment of restricted fund	34		45	
Investment of designated funds	-		18	
Contingency fund	733		396	
	-----		----	
		4,271		1,426
		-----		-----
		4,272		1,427
		-----		-----

The Woodland Trust owns the entire issued share capital (100 ordinary shares of £1) in each of its two subsidiaries, Woodland Trust (Enterprises) Ltd and Woodland Trust (Properties) Ltd, both of which are incorporated in England. Details of their trading activities are set out in note 13 to the accounts.



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

7. **INVESTMENTS (CONTINUED)**

Investments consist of:-

	<u>Cost</u>		<u>Market value</u>	
	<u>1994</u>	<u>1993</u>	<u>1994</u>	<u>1993</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Listed investments	2,974	577	3,020	683
Other authorised investments	1,297	849	1,523	1,246
	-----	-----	-----	-----
	4,271	1,426	4,543	1,929
	-----	-----	-----	-----

The movement on other investments is as follows:

	<u>£'000</u>
Balance at 1 January 1994	1,426
Additions	2,935
Disposals	(90)

Balance at 31 December 1994	4,271

8. **STOCK**

	<u>1994</u>	<u>1993</u>
	<u>£'000</u>	<u>£'000</u>
Raw materials and consumables	20	10
Goods for resale	-	29
Seeds and cultivation	-	1
	---	---
	20	40
	---	---

9. **DEBTORS**

	<u>1994</u>	<u>1993</u>
	<u>£'000</u>	<u>£'000</u>
Trade debtors	107	161
Grants receivable	157	297
Amounts owed by subsidiary companies	1	1
Other debtors	67	170
Prepayments and accrued income	172	163
	-----	-----
	504	792
	-----	-----



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>1994</u> <u>£'000</u>	<u>1993</u> <u>£'000</u>
Payments received on account of future projects	188	195
Trade creditors	308	456
Amounts owed to subsidiary companies	24	51
VAT creditor	409	-
Taxation and social security	59	47
Other creditors	6	16
Accruals and deferred income	76	70
	-----	----
	1,070	835
	-----	----

11. **CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<u>1994</u> <u>£'000</u>	<u>1993</u> <u>£'000</u>
Accruals and Deferred income		
Life membership provision	497	469
Deposited covenant provision	41	27
Payments received on account of future projects	-	25
	-----	----
	538	521
	-----	----

12. **MOVEMENT ON FUNDS**

	<u>AT</u> <u>1 JAN 1994</u> <u>£'000</u>	<u>RECEIVED</u> <u>DURING THE</u> <u>YEAR</u> <u>£'000</u>	<u>EXPENDED</u> <u>DURING THE</u> <u>YEAR</u> <u>£'000</u>	<u>NET</u> <u>MOVEMENT</u> <u>ON FUNDS</u> <u>£'000</u>	<u>AT</u> <u>31 DEC 1994</u> <u>£'000</u>
CAPITAL FUND	15,746	2,941	-	2,941	18,687
Other Funds:-	-----	-----	-----	-----	-----
DESIGNATED FUNDS:					
Plant a Tree fund	56	-	(56)	(56)	-
Woodland Management endowments	12	6	-	6	18
	-----	-----	-----	-----	-----
	68	6	(56)	(50)	18
RESTRICTED FUND:					
D D Miles legacy	38	-	(4)	(4)	34
	-----	-----	-----	-----	-----
	38	-	(4)	(4)	34
PERMANENT ENDOWMENT:					
Warrington & Runcorn	884	17	-	17	901
Glenrothes	-	2,514	-	2,514	2,514
	-----	-----	-----	-----	-----
	884	2,531	-	2,531	3,415
	-----	-----	-----	-----	-----
TOTAL ALL FUNDS	16,736	5,478	(60)	5,418	22,154
	-----	-----	-----	-----	-----



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

12. **MOVEMENT ON FUNDS (CONTINUED)**

The Plant-a-Tree fund represents income received for tree planting. This fund has now been fully utilised.

The endowment for woodland management represent capital sums donated in conjunction with gifts of woodland to provide for the costs of their future management. These endowments are not permanent and therefore are expended as necessary.

The D D Miles legacy was left to the Trust by Mr Denis Miles of Norwich for the provision of seats in woods, preferably in Norfolk and Kent, in memory of his wife.

The Permanent Endowment represents funds given to the Trust in association with gifted land and woodland under terms requiring the Trust to permanently invest the sums given to provide income for the future management of that land and woodland.

13. **SUBSIDIARY COMPANIES**

Woodland Trust (Enterprises) Ltd is a trading company established to undertake mail order, sponsorship and promotional activities and it covenants its profits to the Woodland Trust.

The Trust has taken advantage of Section 248 of the Companies Act 1985 and not prepared consolidated accounts. These accounts are thus the accounts of the parent company and not those of the group.

The profit of £240,257 which has been covenanted to the Woodland Trust, together with a payment to the Woodland Trust of £25,000, in respect of a licence arrangement, have been included within income.

The summary of the subsidiary's accounts which follows represents the year ended 31 December 1994.

Woodland Trust (Enterprises) Ltd

Profit and Loss Account for the year ended 31 December 1994

	<u>Year ended</u> <u>31 December 1994</u>		<u>Year ended</u> <u>31 December 1993</u>	
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Turnover		431		263
Cost of sales		154		84
Gross profit		277		179
Licence payment to the Woodland Trust	25		50	
Distribution costs	20		22	
Administration expenses	31		29	
	---		---	
		76		101
		---		---
Other operating income		201		78
		39		25
		---		---
		240		103
		---		---
Profit covenanted to the Woodland Trust		240		103
		---		---

13. SUBSIDIARY COMPANIES (CONTINUED)

31 December 1993
£'000

	<u>£'000</u>	<u>£'000</u>
CURRENT ASSETS		
Stock	50	17
Debtors	33	81
Cash at bank	42	16
	----	----
	125	114
CREDITORS:		
AMOUNTS DUE WITHIN ONE YEAR	125	114
	----	----
	-	-
	----	----

The Trust's other subsidiary company, Woodland Trust (Properties) Ltd which was incorporated on 24 October 1988, has yet to commence trading. Its Capital and Reserves stand at (£1,438) (1993 : (£1,306)).

At 31 December 1994, the Woodland Trust is committed to making the following payments during the next year in respect of operating leases.

	<u>Land and Buildings</u>	<u>Other</u>
	<u>£'000</u>	<u>£'000</u>
Leases which expire:		
within one year	-	37
within 2 to 5 years	-	98
after 5 years	113	-
	----	----
	113	135
	----	----

There are commitments for expenditure not provided for in these accounts in respect of woodland and land purchases and computer and office equipment as follows:

	<u>1994</u>	<u>1993</u>
	<u>£'000</u>	<u>£'000</u>
Contracts placed	-	5
Authorised by the Directors	1,374	1,950
	-----	-----
	1,374	1,955



THE WOODLAND TRUST
AUTUMN PARK, DYSART ROAD, GRANTHAM, LINCOLNSHIRE
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1994

16. PENSION SCHEMES

The Trust operates defined contribution schemes for all qualifying employees. The assets of the schemes are held in separate funds administered by independent pension providers. The total cost of pensions for the year incurred by the Trust was £42,583 (1993 : £35,000). Included in other creditors is £5,658 (1993 : £10,000) in respect of pension schemes.

17. CONTINGENT LIABILITIES

The directors were not aware of any significant contingent liabilities at 31 December 1994 and 31 December 1993.

18. NOTES TO THE CASH FLOW STATEMENT

a)	Reconciliation of operating profit to net cash inflow from operating activities	<u>1994</u>	<u>1993</u>
		<u>£'000</u>	<u>£'000</u>
	Balance for period available for woodland and land acquisition	2,941	1,922
	Endowments received	2,532	-
	Loss/(Profit) on disposal of tangible fixed assets	-	(1)
	Depreciation charges	192	108
	Decrease/(Increase) in stocks	20	(19)
	Decrease/(Increase) in debtors	288	(316)
	Increase in creditors	252	189
	Decrease in designated and restricted funds	(54)	(224)
	Donated woodland and land	(1,355)	(140)
	Investment income	(125)	(183)
		-----	-----
		4,691	1,336
		-----	-----
b)	Analysis of changes in cash and cash equivalents during the year	<u>1994</u>	<u>1993</u>
		<u>£'000</u>	<u>£'000</u>
	Balance at 1 January 1994	404	437
	Net cash inflow	482	(33)
		-----	-----
	Balance at 31 December 1994	886	404
		-----	-----
c)	Analysis of cash and cash equivalents as shown in the Balance Sheet.	<u>1994</u>	<u>1993</u>
		<u>£'000</u>	<u>£'000</u>
	Cash at Bank and in hand:		

<u>31 December</u>	<u>Change in</u>	<u>31 December</u>	<u>Change in</u>	<u>31 December</u>
<u>1994</u>	<u>Year</u>	<u>1993</u>	<u>Year</u>	<u>1992</u>
<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
886	482	404	(33)	437

PROFESSIONAL ADVISORS

AUDITORS

Touche Ross and Co, Chartered Accountants, Leicester

BANKERS

Lloyds Bank plc, Grantham and Plymouth
Royal Bank of Scotland plc, Edinburgh

INSURANCE BROKERS

Willis Corroon Midlands Ltd, Leicester

INVESTMENT ADVISORS

Touche Ross Financial Services Ltd, London
Cantrade Investment Management Ltd, London

SOLICITORS

Michael Barton and Co, Kingsbridge, Devon
Stones, Exeter, Devon
Tods Murray WS, Edinburgh
Mills and Reeve, Cambridge
Roythorne and Co, Spalding, Lincolnshire