

**Company no: 04965522**

**Charity no: 293190**

**Friends of Westonbirt Arboretum**

**Annual report and financial statements**

**for the year ended 31st December 2009**

**Woodward Hale  
Chartered Accountants  
Registered Auditors  
38 Dollar Street  
Cirencester  
Gloucestershire  
GL7 2AN**

# Friends of Westonbirt Arboretum

## Report and financial statements for the year ended 31st December 2009

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**Friends of Westonbirt Arboretum**

**Report of the trustees for the year ended 31st December 2009**

**Reference and administrative information**

Charity registration number	293190		
Company registration number	04965522 (England and Wales)		
Registered office	The Great Oak Hall Westonbirt The National Arboretum Tetbury Gloucestershire GL8 8QS		
Trustees (directors)	J M Alcock S E Bradley-Jones R J N Busby CBE (resigned 31st December 2009) D M Evans (resigned 25th April 2009) C J Fraser (appointed 25th April 2009) P M Gobbett J D K Hammond (appointed 1st January 2010) P M Hazel (appointed 25th April 2009) M B Headen P J Higginbotham (appointed 25th April 2009) P L Houlton (resigned 25th April 2009) J E Kendall R G Manuel M B Potter H F Purkess S J B Segar K D Thornton J M Westgate		
Chair of trustees (directors)	S J B Segar		
Secretary	R G Manuel		
Treasurer	P M Hazel		
Charity manager	J C Dalton		
Auditors	Woodward Hale Chartered Accountants and Registered Auditors 38 Dollar Street Cirencester Gloucestershire GL7 2AN		
Bankers	Lloyds TSB plc 14 Castle Street Cirencester Gloucestershire GL7 1QJ	CAF Bank Limited 25 Kings Hill Avenue West Malling Kent ME19 4JQ	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ
Solicitors	Wilmot & Co 38 Castle Street Cirencester Gloucestershire GL7 1QH		

## **Friends of Westonbirt Arboretum**

### **Report of the trustees for the year ended 31st December 2009**

The trustees are pleased to present their report together with the financial statements for the year ended 31st December 2009. The directors of the charitable company (the charity) are also its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The financial statements comply with current statutory requirements, the memorandum and articles of association and *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005)* issued in March 2005.

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

The charity is a company limited by guarantee and is governed by its memorandum and articles of association. Under those articles, up to six trustees are nominated by the Forestry Commission and up to nine trustees are elected to serve for a period of three years after which they may seek re-election. In order to maintain the smooth running of the board, a third of those elected will retire annually by rotation and, being eligible, offer themselves for re-election. Nominees appointed by the Forestry Commission are subject to the appointment processes of that body. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

New trustees receive an induction training pack to brief them on their legal obligations under charity and company law, the content of the memorandum and articles of association, the committee and decision making processes, the business plan and the recent financial performance of the charity. Trustees are encouraged to spend time shadowing office staff and attend appropriate external training events where these will facilitate the undertaking of the role.

The strategic direction and development of the charity is managed by the trustee board which meets six times a year. The executive committee has delegated powers, meets four times a year, and reports to the trustee board. There is a structure of sub-committees which also report to the trustee board. The day to day operation of the charity is devolved to the charity manager and her staff.

The trustee board has conducted a review of the major risks to which the charity is exposed and a risk register has been established which is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks which the charity faces. The trustees minimise financial risk by the preparation and monitoring of budgets; internal control risk by the implementation of procedures for the authorization of all transactions; strategic risk by the maintenance of good practice in the allocation of grants; and operational risk and regulation compliance risk through the use of professional advisers to ensure the health and safety of staff, volunteers, and visitors to our premises. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

#### **Objects and activities for the public benefit**

The primary objective is:

- to support the National Arboretum at Westonbirt in promoting public understanding of the crucial role of trees to the environment and society. We particularly recognise both the importance of the Arboretum's research and education in all fields relating to trees, and the Arboretum's role in maintaining, and providing public access to, the historically important collection of trees at Westonbirt.

We support, in particular:

- the provision of funds to enhance the visitor experience at the Arboretum and encourage the public understanding of trees and their importance to both the environment and economy of Britain and beyond.
- the conservation, maintenance and development of the unique tree collection and historic landscape for future generations.
- the recruitment, training and management of volunteers to support the management of the Arboretum for the public.

## Friends of Westonbirt Arboretum

### Report of the trustees for the year ended 31st December 2009

#### Objects and activities for the public benefit (continued)

- the funding of education and learning within the Arboretum.
- the purchase or acceptance of any material connected with the study of trees on behalf of the Arboretum and the financing of the publication of material connected to that.
- the provision of funds for students to work at the Westonbirt Arboretum and also to enable appropriate persons to travel for the study and collection of material for inclusion in the collections at the Arboretum.
- the provision of funds for such other charitable purposes as will further the work and purposes connected with the Arboretum.

The charity's strategy for pursuing its objectives fall into the following main activities:

- Management of investments to optimise returns
- Efficiently administering the charity
- Controlling the charity in an effective manner
- Adherence to good practice in the allocation of grants

The charity's activities fall into the following main areas:

- Awarding and monitoring grants to the Forestry Commission to support new or ongoing activities <sup>1</sup>
- Co-ordination of volunteer activities
- Provision of educational assistance to the general public
- Administration of membership subscriptions <sup>2</sup>
- Organisation of the letting of the Great Oak Hall for civil weddings, civil partnerships and other events <sup>3</sup>
- Publication of a quarterly magazine for members
- Organisation of events, external visits and other fund-raising activities

<sup>1</sup> Requests for grants are initially considered by the grants committee, and, where appropriate, are taken to the trustee board for further consideration and sanction.

<sup>2</sup> Subscription to the Friends of Westonbirt Arboretum ("the Friends") enables members of the public unlimited access to the Arboretum for an annual payment.

<sup>3</sup> The commercial letting of the Great Oak Hall is the principal activity of the charity's subsidiary undertaking, The Great Oak Hall Limited.

Grants made to the Forestry Commission are for the benefit of the public at large visiting the National Arboretum. These include funding learning/education visits offered to school children and part of the grants subsidize inner city school visits increasing the diversity and access across a wider spectrum.

#### Achievements and performance

There has been a growth in subscription income to £478,531 (2008: £407,357) and the Gift Aid scheme boosts this figure by a further £116,865 (2008: £104,354). Over 50% of our members help to reduce costs by using the direct debit facility for their subscription payment.

The hiring of the Great Oak Hall for ceremonies, celebrations and meetings made a profit of £24,935 (2008: £42,530), and an amount of £24,935 is shortly to be paid to the parent company. The wedding market has been affected by the recession resulting in fewer bookings for the year. Forward bookings continue to be affected – there will be a review of the future for weddings during 2010.

We are grateful to our donors who gave £12,376 (2008: £62,513). Special mention should be made of the small team of volunteers involved in the wood sales initiative that generated £9,896 (2008: £14,932).

During the year we agreed 9 projects totalling £255,542 and these are listed in note 7. We have continued to support the education team, enhance the visitor experience in various ways, improve access for the disabled, and made improvements to the collection.

## Friends of Westonbirt Arboretum

### Report of the trustees for the year ended 31st December 2009

#### Achievements and performance (continued)

We have ensured that funds have been designated towards the matched funding requirement for the Partnership's Heritage Lottery Fund bid referred to under the Plans for Future Periods sub-heading.

Behind the monetary accounts lies the enormous contribution made by our volunteer members. They gave over 20,750 hours of their time and skill to guiding, stewarding, managing the Arboretum information desk, inspiring school children in the education centre, and on work parties throughout the Arboretum. They promote the Arboretum at all times with their infectious enthusiasm and keenness.

The table below provides a summary of key objectives and progress made during the year.

<b>Grants payable objectives</b>	<b>Result</b>	<b>Comments</b>
Work with Forestry Commission to ensure maximum benefit from outcomes of delivered grant support.	Achieved	Grants made of £255,542, with balance of surplus funds designated to Westonbirt Project.
Review policy on reserves in accordance with current and future grant commitments at Q4 2009 Board Meeting.	Achieved	Reviewed.
<b>Revenue raising objectives</b>	<b>Result</b>	<b>Comments</b>
Maximise income from membership subscriptions to achieve surplus funds of at least £388,000 before grants.	Achieved	Transfer to designated funds of £529,800 during the year.
Support Forestry Commission in achieving their objective of 1,800 additional members.	Achieved	Growth to 22,253 members exceeded target.
Maximise contribution from our trading activities in the Great Oak Hall and from our commercial and specialised wood sales.	Not achieved	Economic situation has impacted on numbers of ceremonies – future to be reviewed during 2010.
Plan the Appeals Campaign in conjunction with Forestry Commission to be launched in March 2010 to support the fund raising required for the Westonbirt Project.	Not achieved	Public launch has been postponed until after the result of Heritage Lottery Fund Round 2 application late 2010.
<b>Administrative efficiency objectives</b>	<b>Result</b>	<b>Comments</b>
Achieve a cost/income (C/I) ratio of below 40%.	Achieved	In prior years this excluded magazine costs – it has been decided to include these. The C/I ratio is 35.2% (2008: 29.8%, 32.5% excluding legacies).

## Friends of Westonbirt Arboretum

### Report of the trustees for the year ended 31st December 2009

#### Achievements and performance (continued)

<b>Administrative efficiency objectives</b>	<b>Result</b>	<b>Comments</b>
Achieve direct debit penetration for membership subscriptions of at least 60% in the future. This will directly benefit our income stream by reducing the bank charges levied.	Not achieved	Direct debit penetration currently stands at 50%. Implementation of chip and pin has impacted on DD take up for new members. Incentive programme for 2010 renewals.
Implement new website by Q4 2009.	Achieved	Implemented.
Implement new branding by Q3 2009.	Achieved	Implemented.
<b>Organisational development objectives</b>	<b>Result</b>	<b>Comments</b>
Governance review to include committee structure, succession and partnership agreement with Forest Enterprises. Ensure financial rules and procedures in place to fully comply with the revised accounting, budgeting, reserves policy and reporting structures.	Part achieved	Partnership agreement revised. Further revision of financial rules and governance will be carried out in 2010.

#### Financial review

The subscription income during the year increased by £71,174 although total incoming resources reduced to £672,710 compared with £704,119 in the prior year, which included a legacy of £58,000. The amount of interest received was less due to the fall in interest rates. Net incoming resources available for charitable application decreased slightly to £422,439 from £477,861 in the prior year.

Net increase in resources, after costs of generating funds, charitable activities and governance costs, were £233,934 (2008: £312,961). There has been a corresponding increase in total funds of the group to £659,800 from £425,866.

#### Reserves policy

The trustees aim to maintain general funds (those unrestricted funds which are not designated for a specific purpose or otherwise committed) at least at a level which equates to the cost of approximately six months of administrative operations. The trustees consider that this level will ensure that sufficient funds are available in the event of any unexpected setbacks as well as providing funds to ensure that there are sufficient resources available to fulfil legal obligations in the (unlikely) event that the charity ceases to operate. The target for the current year is £121,236 and at 31st December 2009 general funds stood at £130,000.

During the current year, the trustees have designated £529,800 for the Westonbirt Project Fund. The charity awards grants to the Forestry Commission in accordance with policy. The target level of reserves is reviewed annually as part of the budgeting process.

#### Plans for future periods

The Westonbirt Heritage Partnership consists of the Forestry Commission, Friends of Westonbirt Arboretum, Westonbirt School and The Holfords of Westonbirt Trust and has been formed to deliver the development plan called the Westonbirt Project, which seeks to undertake essential conservation work to secure the long-term future of Westonbirt and to enable more people to learn about this heritage.

## **Friends of Westonbirt Arboretum**

### **Report of the trustees for the year ended 31st December 2009**

#### **Plans for future periods (continued)**

Three of our trustees continue to represent the Friends on the Steering Group. We were successful in obtaining a Round 1 bid from the Heritage Lottery Fund. The Partnership now has up to September 2010 to submit more detailed plans for a Round 2 bid to receive a grant of £2,800,000. The total development plan for the Arboretum is expected to cost in excess of £7,500,000. Architects have drawn plans up to RIBA stage D, with the intention to submit for planning approval by the end of April 2010.

The Head of Fundraising is in place and we are actively seeking funds from Grant Making Trusts and private donors. We have postponed a launch to the public until after the Round 2 Heritage Lottery Fund submission.

#### **Thanks**

We are, above all, extremely grateful to Jacqueline Dalton and her excellent and dedicated team who maintain the highest standards of quality in the discharge of their duties to the charity. The Friends office continues to rise to meet the new challenges and we are fortunate to have the business of the charity discharged in such a professional manner.

Cheryl Pearson is Head of Volunteering without whom we could not have delivered the added value to the Arboretum aided by the significant contribution from our hard working and loyal 260 volunteers - Friends who untiringly promote both the Arboretum and the charity.

Our relationship with the Forestry Commission officials, management and staff grows closer with our activities integrated as part of operations at the Arboretum and we thank them for engendering high levels of mutual trust and regard.

Finally, our thanks to all members for their enthusiastic support of our National Arboretum.

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

The trustees (who are also directors of the company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company 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 charitable company (and the group) and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company (and the group) and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

## **Friends of Westonbirt Arboretum**

### **Report of the trustees for the year ended 31st December 2009**

#### **Statement of trustees' responsibilities (continued)**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **Auditors**

The auditors, Woodward Hale, will be proposed for re-appointment at the forthcoming Annual General Meeting. This report has been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice* (SORP 2005) issued in March 2005 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board on 8th April 2010 and signed on its behalf by

**S J B Segar**  
**Chair of the trustees**

## **Friends of Westonbirt Arboretum**

### **Independent auditor's report to the members and trustees of Friends of Westonbirt Arboretum**

We have audited the financial statements of Friends of Westonbirt Arboretum for the year ended 31st December 2009 which comprise the consolidated statement of financial activities, the consolidated and parent company balance sheets and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006, and, in respect of the group financial statements, to the charity's trustees, as a body, in accordance with regulations made under Section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

The trustees' (who are also directors of the company for the purposes of company law) responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of trustees' responsibilities.

We have been appointed as auditors under the Companies Act 2006 and section 43 of the Charities Act 1993 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993. We also report to you whether, in our opinion, the information given in the trustees' report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and the charitable parent company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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.

## **Friends of Westonbirt Arboretum**

### **Independent auditor's report to the members and trustees of Friends of Westonbirt Arboretum**

#### **Basis of audit opinion (continued)**

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available for Small Entities, in circumstances set out in note 18 to the financial statements.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31st December 2009, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993; and
- the information given in the trustees' report is consistent with the financial statements.

**Vincent Edward Cowling (Senior statutory auditor)**

**for and behalf of Woodward Hale**

**Registered Auditors &**

**Chartered Accountants**

**38 Dollar Street**

**Cirencester**

**Gloucestershire**

**GL7 2AN**

**16th April 2010**

**Friends of Westonbirt Arboretum**

**Consolidated statement of financial activities  
(including income and expenditure account)  
for the year ended 31st December 2009**

	Notes	Unrestricted funds 2009 £	Unrestricted funds 2008 £
<b>Incoming resources</b>			
<i>Incoming resources from generated funds</i>			
Activities for generating funds	<b>3</b>	656,258	620,828
Voluntary income	<b>4</b>	12,376	62,513
Investment income	<b>5</b>	4,076	20,778
<b>Total incoming resources</b>		<u>672,710</u>	<u>704,119</u>
 <b>Resources expended</b>			
<i>Costs of generating funds</i>	<b>6, 8</b>	242,471	219,478
<i>Charitable activities</i>			
Grants	<b>7, 8</b>	154,215	131,485
Volunteer activities	<b>8</b>	34,290	33,415
<i>Governance costs</i>	<b>8, 9</b>	7,800	6,780
<b>Total resources expended</b>		<u>438,776</u>	<u>391,158</u>
 <b>Net income for the year</b>		<u>233,934</u>	<u>312,961</u>
<i>Net movement in funds</i>		233,934	312,961
Fund balances brought forward		425,866	112,905
<b>Fund balances carried forward</b>	<b>21</b>	<u>659,800</u>	<u>425,866</u>

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

**The notes on pages 12 to 22 form part of these accounts.**

**Friends of Westonbirt Arboretum**

**Consolidated balance sheet  
as at 31st December 2009**

	Notes	Group 2009 £	Charity 2009 £	Group 2008 £	Charity 2008 £
<i><b>Fixed assets</b></i>					
Tangible fixed assets	<b>11</b>	33,148	33,148	37,053	37,053
Fixed asset investments	<b>13</b>	-	4,686	-	4,686
		<u>33,148</u>	<u>37,834</u>	<u>37,053</u>	<u>41,739</u>
<i><b>Current assets</b></i>					
Debtors	<b>14</b>	43,081	70,938	66,252	64,917
Cash at bank and in hand		811,680	772,648	538,825	528,530
		<u>854,761</u>	<u>843,586</u>	<u>605,077</u>	<u>593,447</u>
<i><b>Liabilities:</b></i>					
Creditors: amounts falling due within one year	<b>15</b>	(228,109)	(221,620)	(216,264)	(209,320)
Net current assets		<u>626,652</u>	<u>621,966</u>	<u>388,813</u>	<u>384,127</u>
<b>Net assets</b>		<u><u>659,800</u></u>	<u><u>659,800</u></u>	<u><u>425,866</u></u>	<u><u>425,866</u></u>
<i><b>The funds of the charity</b></i>					
Unrestricted income funds	<b>21</b>	659,800	659,800	425,866	425,866
<b>Total charity funds</b>		<u><u>659,800</u></u>	<u><u>659,800</u></u>	<u><u>425,866</u></u>	<u><u>425,866</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board on 8th April 2010 and signed on its behalf by

**P M Hazel**  
Trustee

**The notes on pages 12 to 22 form part of these accounts.**

## Friends of Westonbirt Arboretum

### Notes to the financial statements for the year ended 31st December 2009

#### 1 Accounting policies

##### 1.1 Basis of financial statements

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), *Accounting and Reporting by Charities: Statement of Recommended Practice* (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Charities Act 1993. The principal accounting policies adopted in the preparation of the financial statements are set out below.

##### Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary The Great Oak Hall Limited. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by paragraph 397 of the SORP.

##### 1.2 Incoming resources

Donations are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Legacies are accounted for based on settlement of the estate or receipt of payment, whichever is earlier. Membership subscriptions are paid to 31st January each year. No provision is made for the prepaid element of subscriptions expiring within one month of the year end, however, the prepaid element of subscriptions received in respect of the year commencing in the following February are fully deferred. Subscriptions for life memberships are treated as income in full in the year of receipt. Other income is accounted for on an accruals basis as far as it is prudent to do so. Income includes income tax recoverable.

##### 1.3 Resources expended

All expenditure is included on an accruals basis and is recognised when a legal or constructive obligation arises. The majority of costs are directly attributable to specific activities. Shared costs are apportioned to activities based on the proportion of time spent on each of these areas of work. Provisions for grants are made once the charity has made an unconditional commitment at a full meeting of the trustees and this is communicated to the recipient. The charity uses annual reviews to determine whether funding is provided in the subsequent years of a recurring obligation and retains the discretion to terminate a grant. For this reason, an immediate liability arises only for the first year of the funding commitment.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided on these assets at annual rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:-

Leasehold improvements	5% straight line
Computer equipment and software	10% and 20% straight line
Furniture and office equipment	20% straight line

##### 1.5 Volunteers and donated services and facilities

The charity receives the benefit of work carried out by volunteers, and receives the use of facilities and equipment without charge. No value is placed on these items although work carried out by volunteers totals 20,750 hours for the current year (2008: 16,500) which equates to £176,375 at a rate of £8.50 per hour.

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

**1.6 Taxation**

The charity benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from value added tax.

**1.7 Fund accounting**

The charity maintains two types of funds and the relevant reserves policies are given on page 5 of the trustees' report. The two types of fund are designated unrestricted funds where the trustees have set aside unrestricted funds for a specific purpose and general unrestricted funds that represent income that is expendable at the discretion of the trustees in furtherance of the objects of the charity.

**1.8 Pensions**

The charity contributes to a defined contribution pension scheme for the benefit of employees. The assets of the scheme are held separately in independently administered funds. The pension cost charge represents contributions payable to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

**2. Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

**3. Activities for generating funds**

	<b>2009</b>	<b>2008</b>
	£	£
Subscriptions	478,531	407,357
Gift Aid	116,865	104,354
Trading income of subsidiary - The Great Oak Hall Limited	34,209	51,753
Wood sales	9,896	14,932
Westonbirt Magazine advertising	7,796	24,264
Public events	5,811	3,529
Members events	3,150	7,919
Craft Barn Project	-	6,720
	<b>656,258</b>	<b>620,828</b>
	<b>656,258</b>	<b>620,828</b>

**4. Voluntary income**

	<b>2009</b>	<b>2008</b>
	£	£
Legacies	4,310	58,000
Donations	8,066	4,513
	<b>12,376</b>	<b>62,513</b>
	<b>12,376</b>	<b>62,513</b>

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

<b>5. Investment income</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank interest	4,076	20,778
	<u>4,076</u>	<u>20,778</u>
<b>6. Costs of generating funds</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Westonbirt Magazine production costs	78,362	65,323
Salaries, wages and pensions	78,339	69,315
Printing, postage and stationery	22,769	18,842
General maintenance	9,510	8,614
Information technology	8,834	6,140
Auditors' remuneration for other services - accounting system conversion	7,297	4,790
Insurance	6,442	6,352
Depreciation	6,277	9,104
Trading expenditure of subsidiary - The Great Oak Hall Limited	5,911	5,973
Miscellaneous expenses	3,715	4,244
Utilities	3,227	3,963
Marketing and public relations	3,065	-
Members events	2,894	7,912
Fundraising	1,881	-
Bookkeeping	1,175	2,750
Rates	930	887
Telephone	893	413
Staff recruitment and training	600	1,152
Public events	350	-
Bank charges	-	2,354
Legal fees	-	1,350
	<u>242,471</u>	<u>219,478</u>

## Friends of Westonbirt Arboretum

### Notes to the financial statements (continued) for the year ended 31st December 2009

#### 7. Grants

The charity undertakes its charitable activities through grant making and awarded the following grants to the Forestry Commission, an institution, in furtherance of its charitable activities during the year.

		£
<b>Arboretum support projects</b>	Learning	83,500
	Tree team	48,000
	Visitor services	12,500
	Events	6,000
	Travel	5,000
		<u>155,000</u>
<b>Westonbirt Project</b>		<u>40,000</u>
<b>Special projects</b>	Caron vehicle	22,892
	Woodchipper	22,000
	Website	15,650
		<u>60,542</u>
Sub-total		255,542
Grants written back		<u>(101,327)</u>
<b>Total</b>		<u><u>154,215</u></u>

Grants written back relate to the balance of 2007 and 2008 commitments that the Forestry Commission has agreed not to collect.

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

**8. Analysis of activities and support costs**

	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2009</b>	<b>2008</b>
<b>Basis of apportionment</b>	<b>Grant funding</b>	<b>Charitable projects</b>	<b>Activities undertaken directly</b>	<b>General support costs</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Costs of generating funds</i>						
Direct	-	-	222,438	20,033	242,471	219,478
<i>Charitable activities</i>						
Grants						
Direct	154,215	-	-	-	154,215	131,485
Volunteer activities						
Time	-	34,290	-	-	34,290	33,415
<i>Governance costs</i>						
Direct	-	-	-	7,800	7,800	6,780
	<u>154,215</u>	<u>34,290</u>	<u>222,438</u>	<u>27,833</u>	<u>438,776</u>	<u>391,158</u>

The office costs of the charity including insurance, information technology, utilities, rates, and staff training and recruitment have been allocated directly to general support costs.

Volunteer activities includes £19,540 (2008: £19,358) which represents 90% (2008: 90%) of the cost of a staff member's salary whose role is to co-ordinate such activities.

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

<b>9. Governance costs</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	4,680	4,068
Auditors' remuneration for other services - accounts preparation	3,120	2,712
	<u>7,800</u>	<u>6,780</u>
	<u><u>7,800</u></u>	<u><u>6,780</u></u>
<b>10. Staff costs</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Salaries and wages	90,004	82,035
Social security costs	7,223	6,638
Pensions	652	-
	<u>97,879</u>	<u>88,673</u>
	<u><u>97,879</u></u>	<u><u>88,673</u></u>

The average number of employees in the year, calculated on a full time equivalent basis, was 4 (2008: 4).

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

**11. Tangible fixed assets**

	<b>Leasehold improvements £</b>	<b>Computer equipment £</b>	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1st January 2009	25,325	32,887	24,326	82,538
Additions	70	1,753	548	2,371
At 31st December 2009	<u>25,395</u>	<u>34,640</u>	<u>24,874</u>	<u>84,909</u>
<b>Depreciation</b>				
At 1st January 2009	3,706	18,049	23,730	45,485
Charge for the year	1,270	4,409	597	6,276
At 31st December 2009	<u>4,976</u>	<u>22,458</u>	<u>24,327</u>	<u>51,761</u>
<b>Net book values</b>				
At 31st December 2009	<u>20,419</u>	<u>12,182</u>	<u>547</u>	<u>33,148</u>
At 31st December 2008	<u>21,619</u>	<u>14,838</u>	<u>596</u>	<u>37,053</u>

**12. Income from subsidiary's trading activities**

The charity owns the whole of the ordinary share capital, consisting of 1 ordinary share of £1, of The Great Oak Hall Limited, a company incorporated in England and Wales.

The principal activity of the company is the commercial letting of the Great Oak Hall at Westonbirt Arboretum. The subsidiary donates its taxable profits to the charity each year by Gift Aid. Its trading result, as extracted from the audited financial statements, are summarised below:

	<b>2009 £</b>	<b>2008 £</b>
Turnover	34,230	51,805
Cost of sales	(3,058)	(3,574)
Gross profit	<u>31,172</u>	<u>48,231</u>
Administrative expenses	(6,237)	(5,701)
Net profit	<u>24,935</u>	<u>42,530</u>
Gift Aid	(24,935)	(42,537)
Net (loss)/profit for the year	<u>-</u>	<u>(7)</u>

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

**13. Fixed asset investments - The Great Oak Hall Limited**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Cost	4,686	4,686
	<u>4,686</u>	<u>4,686</u>

At 31st December 2009 the aggregate amount of this company's assets, liabilities, share capital and reserves was:

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Current assets	41,962	12,966
Creditors: amounts falling due within one year	(37,276)	(8,280)
<b>Net assets</b>	<u>4,686</u>	<u>4,686</u>
<i>Capital and reserves</i>		
Share capital	1	1
Profit and loss account	4,685	4,685
<b>Shareholder's funds</b>	<u>4,686</u>	<u>4,686</u>

**14. Debtors**

	<b>Group 2009</b>	<b>Charity 2009</b>	<b>Group 2008</b>	<b>Charity 2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	5,649	3,052	11,516	9,846
Amounts due from subsidiary undertakings	-	30,787	-	1,336
Prepayments and accrued income	37,432	37,099	54,736	53,735
	<u>43,081</u>	<u>70,938</u>	<u>66,252</u>	<u>64,917</u>

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

	<b>Group 2009</b>	<b>Charity 2009</b>	<b>Group 2008</b>	<b>Charity 2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	4,252	4,252	7,875	7,875
Grant commitments	117,500	117,500	107,827	107,827
Other taxes and social security	6,920	6,920	9,485	9,485
Accruals	12,054	10,415	14,478	13,059
Deferred income (note 16)	87,383	82,533	76,599	71,074
	<u>228,109</u>	<u>221,620</u>	<u>216,264</u>	<u>209,320</u>

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

**16. Deferred income**

<b>Subscriptions received in advance</b>	<b>Group 2009 £</b>	<b>Charity 2009 £</b>	<b>Group 2008 £</b>	<b>Charity 2008 £</b>
Balance at 1st January	71,074	71,074	56,983	56,983
Amount released to incoming resources	(71,074)	(71,074)	(56,983)	(56,983)
Amount deferred in the year	82,533	82,533	71,074	71,074
Balance at 31st December	<u>82,533</u>	<u>82,533</u>	<u>71,074</u>	<u>71,074</u>
<b>Commercial lettings deposits</b>	<b>Group 2009 £</b>	<b>Charity 2009 £</b>	<b>Group 2008 £</b>	<b>Charity 2008 £</b>
Balance at 1st January	5,525	-	9,300	-
Amount released to incoming resources	(5,525)	-	(9,300)	-
Amount deferred in the year	4,850	-	5,525	-
Balance at 31st December	<u>4,850</u>	<u>-</u>	<u>5,525</u>	<u>-</u>

**17. Company limited by guarantee**

The company is limited by guarantee and therefore there are no individual controlling parties. The company is controlled by the directors and its members.

**18. APB Ethical Standard - Provisions Available for Small Entities**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of financial statements.

## **Friends of Westonbirt Arboretum**

### **Notes to the financial statements (continued) for the year ended 31st December 2009**

#### **19. Related party transactions and trustees' remuneration**

The charity has a close relationship with the Forestry Commission and this body nominates a minority of trustees for appointment at any one time.

The charity operates from the Great Oak Hall at Westonbirt Arboretum which is leased from the Forestry Commission at a peppercorn rent. The purpose of the Great Oak Hall is to provide administrative offices for the charity, a hall for the use of the charity, the Forestry Commission, and for commercial lettings; and a visitor centre for the Arboretum. The value of the above could not be quantified and therefore has not been included in these financial statements.

Trustee remuneration of £1,175 (2008: £2,750) was paid to D M Evans for bookkeeping services, and £506 (2008: £544) was paid to R G Manuel for hosting fees relating to the commercial letting of the Great Oak Hall, as allowed by the charity's governing document.

There were no outstanding balances with related parties as at 31st December 2009 (2008: £nil).

The charity trustees were not paid or reimbursed for expenses during the year (2008: £nil).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2008: £nil).

#### **20. Contingent liabilities**

The charity anticipates recognising a commitment of £240,000 relating to a grant payable to the Forestry Commission and pertaining to the Westonbirt Project once conditions attaching to the grant are met.

**Friends of Westonbirt Arboretum**

**Notes to the financial statements (continued)  
for the year ended 31st December 2009**

**21. Movements in funds**

	<b>Balance at 1st January 2009 £</b>	<b>Income £</b>	<b>Expended £</b>	<b>Transfers £</b>	<b>Balance at 31st December 2009 £</b>
<b>Unrestricted funds</b>					
Westonbirt Project Fund	-	-	-	529,800	529,800
General funds	425,866	638,480	(432,865)	(501,481)	130,000
Charity	425,866	638,480	(432,865)	28,319	659,800
Non-charitable trading funds	-	34,230	(5,911)	(28,319)	-
<b>Group</b>	<b>425,866</b>	<b>672,710</b>	<b>(438,776)</b>	<b>-</b>	<b>659,800</b>

The transfer between funds includes the donation by Gift Aid of the taxable profits of The Great Oak Hall Limited of £24,935 (2008: £42,537) and charge for services levied by the charity of £3,384 (2008: £3,302).

The unrestricted funds are available to be spent for any of the purposes of the charity and includes designated funds where the trustees have set aside money for a specific purpose.

**Purpose of designated funds**

The Westonbirt Project seeks to undertake essential conservation work to secure the long-term future of the National Arboretum and to enable more people to learn about this heritage. Central to the plans will be the development of a viewpoint above the trees and improved visitor and learning facilities. The Westonbirt Heritage Partnership consisting of the Forestry Commission, Friends of Westonbirt Arboretum, Westonbirt School and the Holfords of Westonbirt Trust has been formed to deliver the Project.

**22. Analysis of net assets between funds**

	<b>Designated £</b>	<b>General £</b>	<b>Total group £</b>
Fixed assets	-	33,148	33,148
Cash at bank and in hand	529,800	281,880	811,680
Other current assets	-	43,081	43,081
Current liabilities	-	(228,109)	(228,109)
	<b>529,800</b>	<b>130,000</b>	<b>659,800</b>

