

Company no: 04965522
Charity no: 293190

Friends of Westonbirt Arboretum
Annual report and financial statements
for the year ended 31st December 2010

Woodward Hale Limited
Statutory Auditors
38 Dollar Street
Cirencester
Gloucestershire
GL7 2AN

Friends of Westonbirt Arboretum

Report and financial statements for the year ended 31st December 2010

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Friends of Westonbirt Arboretum

Report of the trustees for the year ended 31st December 2010

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 C J Fraser P M Gobbett (resigned 28th May 2010) J D K Hammond P M Hazel M B Headen P J Higginbotham J E Kendall R G Manuel A Mills (appointed 28th May 2010) 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 Limited 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 2010

The trustees are pleased to present their report together with the financial statements for the year ended 31st December 2010. 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 2010

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 ¹
- Co-ordination of volunteer activities – this responsibility was passed to the Forestry Commission in January 2011 following a Volunteer Strategy review – the principal object being to widen opportunities for volunteering beyond the Friends' membership.
- Provision of educational assistance to the general public
- Administration of memberships ²
- Organisation of the letting of the Great Oak Hall for civil weddings, civil partnerships and other events ³
- Publication of a quarterly magazine for members
- Organisation of events, external visits and other fund-raising activities

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

² Membership of the Friends of Westonbirt Arboretum ("the Friends") entitles the public to unlimited access of the Arboretum for an annual payment.

³ 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 membership income to £517,946 (2009: £478,531) and the Gift Aid scheme boosts this figure by a further £135,704 (2009: £116,865). Over 51% of our members help to reduce costs by using the direct debit facility for their membership payment.

The hiring of the Great Oak Hall for ceremonies, celebrations and meetings made a profit of £28,452 (2009: £24,935), and an amount of £28,452 is shortly to be paid to the parent company.

We are grateful to our donors who gave £46,920 (2009: £12,376). Special mention should be made of the small team of volunteers involved in the wood sales initiative that generated £8,182 (2009: £9,896).

During the year we agreed 14 projects totalling £436,896 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 make improvements to the collection.

Friends of Westonbirt Arboretum

Report of the trustees for the year ended 31st December 2010

Achievements and performance (continued)

We have ensured that funds have been designated towards the Westonbirt Project 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 20,000 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.

Grants payable objectives	Result	Comments
Work with the Forestry Commission to ensure maximum benefit from outcomes of delivered grant support.	Achieved	
Revenue raising objectives	Result	Comments
Maximise income from memberships to achieve surplus funds of at least £401,000 before charitable activities.	Achieved	Surplus funds before charitable activities of £519,439.
Work with the Forestry Commission to submit Round 2 Heritage Lottery Fund application Q4/2010.	Not achieved	Application withdrawn in November 2010. Inadequate matched funding raised.
Trustees to achieve 90% attendance at all Westonbirt Project Delivery and Strategy Group Meetings.	Achieved	
Achieve a 10% increase in profit of our subsidiary's trading activities relating to the commercial letting of the Great Oak Hall.	Achieved	Great Oak Hall profit increased to £28,452 (2009: £24,935)
Achieve a 10% increase from our commercial and specialised wood sales.	Not Achieved	Wood sales declined to £8,182 (2009: £9,896)
Administrative efficiency objectives	Result	Comments
Achieve a cost/income (C/I) ratio of below 50% whilst aiming for a lower level to increase efficiencies.	Achieved	The C/I ratio has improved to 31.9% (2009: 35.2%).
Review insurance broker, update value of recorded assets and introduce Disaster recovery Plan to maintain good governance.	Part achieved	Broker review postponed. Asset register updated. Recovery plan c/f to 2011.
Increase direct debit penetration for memberships from 50% to 60% to directly benefit our income stream by reducing bank charges levied.	Small improvement to 51.4%	Incentive programme planned for 2011 renewals.
Introduce rolling year memberships.	Achieved	In addition 10 year membership scheme introduced
Budget for and implement marketing plan to maximise returns on membership, hiring and volunteering.	Achieved	

Friends of Westonbirt Arboretum

Report of the trustees for the year ended 31st December 2010

Achievements and performance (continued)

Organisational development objectives	Result	Comments
Governance – resolve management of volunteers' issue.	Achieved	Volunteer management transferred to FC 01/2011
Review Board structure, governance and finalise Charity organisational chart.	Part achieved	FC Partnership agreement revised, remainder carried forward to 2011.
Update review of Five Year plan	Not progressed	Withheld due to unknown factors in respect of HLF funding and the Westonbirt project.
Note for 2011 - Review business potential of Great Oak Hall corporate and commercial letting, involving an increase in staff resource.		

Financial review

Membership income during the year increased by £39,415 and total incoming resources increased to £784,872 compared with £672,710 in the prior year. Net incoming resources available for charitable application increased to £519,439 from £422,439 in the prior year.

Net increase in resources, after costs of generating funds, charitable activities and governance costs, were £89,693 (2009: £233,934). There has been a corresponding increase in total funds of the group to £749,493 from £659,800 in the prior year.

Voluntary income during the year included receipts to the restricted Westonbirt Project fund of £31,224.

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 £128,001 and at 31st December 2010 general funds stood at £130,000.

The trustees have designated £251,679 for the Westonbirt Project Fund this year.

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 Project

Phase 1 of the project, consisting of the Welcome building, car park and restoration of the Grade 1 listed downs is costed at £3.6M - planning permission has been obtained for this and the walkway which will form part of phase 2.

We had applied for a Heritage Lottery grant as the Westonbirt Heritage Partnership (consisting of the Forestry Commission, Friends of Westonbirt Arboretum, Westonbirt School and the Holfords of Westonbirt Trust). We were successful with our Round 1 bid but withdrew our application in November 2010 when it

Friends of Westonbirt Arboretum

Report of the trustees for the year ended 31st December 2010

Plans for future periods – the Westonbirt Project (continued)

became clear that none of the parties to that bid would have sufficient matched funding in place by the March 2011 deadline. We are continuing to explore the possibility of submitting a new bid for the arboretum on a stand alone basis. Three of our trustees continue to represent the Friends on the Steering Group.

In January 2011 Louise Bird joined us as Head of Fundraising; she is working alongside Nick Healey who is concentrating on applications to Grant Making Trusts. We are setting up a Campaign Board.

Public Forest Estate debate

The Secretary of State has withdrawn the consultation and announced an independent review panel which is to report in the autumn. Until then we will not know the long term proposals that may affect the ownership and management of the Arboretum. The Friends exist to support the National Arboretum and have worked ever closer with the Forestry Commission since our inception 26 years ago. We are in a very strong position to influence any change in the future ownership and management of the arboretum.

Thanks

We are, above all, extremely grateful to Jacqueline Dalton and her excellent 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, as Head of Volunteering has now moved over to sit alongside the arboretum Learning team. This follows a review of the Volunteer Strategy, where we are looking to open up opportunities for volunteering beyond the Friends' membership. Without her we could not have delivered the added value to the Arboretum aided by the significant contribution from our hard working and loyal 227 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.

Friends of Westonbirt Arboretum

Report of the trustees for the year ended 31st December 2010

Statement of trustees' responsibilities (continued)

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.

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 Limited, 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 7th April 2011 and signed on its behalf by

S J B Segar
Chair of the trustees

Friends of Westonbirt Arboretum

Independent auditor's report to the trustees of Friends of Westonbirt Arboretum

We have audited the financial statements of Friends of Westonbirt Arboretum for the year ended 31st December 2010 which comprise the consolidated statement of financial activities, the consolidated and parent company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

As explained more fully in the statement of trustees' responsibilities (set out on page 6), the trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 43 of the Charities Act 1993 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31st December 2010, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 1993.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Friends of Westonbirt Arboretum

Independent auditor's report to the trustees of Friends of Westonbirt Arboretum

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 1993 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Vincent Cowling (Senior statutory auditor)
for and on behalf of Woodward Hale Limited, Statutory Auditor
38 Dollar Street
Cirencester
Gloucestershire
GL7 2AN

11th April 2011

Woodward Hale Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Friends of Westonbirt Arboretum

**Consolidated statement of financial activities
(including income and expenditure account)
for the year ended 31st December 2010**

	Notes	Unrestricted funds	Restricted funds	Total funds 2010 £	Total funds 2009 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Activities for generating funds	3	734,724	-	734,724	656,258
Voluntary income	4	15,696	31,224	46,920	12,376
Investment income	5	3,228	-	3,228	4,076
Total incoming resources		753,648	31,224	784,872	672,710
Resources expended					
<i>Costs of generating funds</i>					
<i>Charitable activities</i>	6, 8	256,002	-	256,002	242,471
Grants	7, 8	399,156	-	399,156	154,215
Volunteer activities	8	30,590	-	30,590	34,290
<i>Governance costs</i>	8, 9	9,431	-	9,431	7,800
Total resources expended		695,179	-	695,179	438,776
Net income for the year		58,469	31,224	89,693	233,934
Net movement in funds		58,469	31,224	89,693	233,934
Fund balances brought forward		659,800	-	659,800	425,866
Fund balances carried forward	21	718,269	31,224	749,493	659,800

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 2010**

	Notes	Group 2010 £	Charity 2010 £	Group 2009 £	Charity 2009 £
<i>Fixed assets</i>					
Tangible fixed assets	11	32,519	32,519	33,148	33,148
Fixed asset investments	13	-	4,686	-	4,686
		<u>32,519</u>	<u>37,205</u>	<u>33,148</u>	<u>37,834</u>
<i>Current assets</i>					
Debtors	14	54,171	86,026	43,081	70,938
Cash at bank and in hand		993,202	948,716	811,680	772,648
		<u>1,047,373</u>	<u>1,034,742</u>	<u>854,761</u>	<u>843,586</u>
<i>Liabilities:</i>					
Creditors: amounts falling due within one year	15	(330,399)	(322,454)	(228,109)	(221,620)
Net current assets		<u>716,974</u>	<u>712,288</u>	<u>626,652</u>	<u>621,966</u>
Net assets		<u><u>749,493</u></u>	<u><u>749,493</u></u>	<u><u>659,800</u></u>	<u><u>659,800</u></u>
<i>The funds of the charity</i>					
Unrestricted funds	20	718,269	718,269	659,800	659,800
Restricted funds	20	31,224	31,224	-	-
Total charity funds		<u><u>749,493</u></u>	<u><u>749,493</u></u>	<u><u>659,800</u></u>	<u><u>659,800</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 7th April 2011 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 2010

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 (as amended by the Charities Act 2006). 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. Annual memberships purchased before 1st June 2010 in the current year expire on 31st January 2011. No provision has been made for the prepaid element of annual memberships expiring within one month of the year end, as in previous years. Life memberships purchased before 1st June 2010 are treated as income in full in the year of receipt, as in previous years. With effect from 1st June 2010, rolling membership was introduced. Annual memberships purchased after this date have a membership year based on anniversary of commencement and "life" memberships purchased after this date are limited in duration to ten years. Annual and "life" membership income paid from 1st June 2010 is deferred and released to the consolidated statement of financial activities over the period to which the membership relates. 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

Friends of Westonbirt Arboretum

Notes to the financial statements (continued) for the year ended 31st December 2010

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 20,025 hours for the current year (2009: 20,750) which equates to £170,200 at a rate of £8.50 per hour.

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 four types of funds and these include general unrestricted funds that represent income that is expendable at the discretion of the trustees in furtherance of the objects of the charity, non-charitable trading funds that represent the reserves of the trading subsidiary, designated unrestricted funds where the trustees have set aside unrestricted funds for a specific purpose and restricted income funds that are to be used in accordance with specific restrictions imposed by donors.

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

	2010	2009
	£	£
Memberships	517,946	478,531
Gift Aid	135,704	116,865
Trading income of subsidiary - The Great Oak Hall Limited	37,975	34,209
Westonbirt Magazine advertising	27,118	7,796
Wood sales	8,182	9,896
Public events	5,112	5,811
Members events	2,687	3,150
	<u>734,724</u>	<u>656,258</u>

Friends of Westonbirt Arboretum

**Notes to the financial statements (continued)
for the year ended 31st December 2010**

4. Voluntary income	2010	2009
	£	£
Legacies	3,000	4,310
Donations	43,920	8,066
	<u>46,920</u>	<u>12,376</u>
5. Investment income	2010	2009
	£	£
Bank interest	3,228	4,076
	<u>3,228</u>	<u>4,076</u>
6. Costs of generating funds	2010	2009
	£	£
Westonbirt Magazine production costs	96,013	78,362
Salaries, wages and pensions	77,545	78,339
Printing, postage and stationery	23,157	22,769
General maintenance	14,817	9,510
Information technology	8,818	8,834
Depreciation	6,706	6,277
Trading expenditure of subsidiary - The Great Oak Hall Limited	6,135	5,911
Insurance	5,952	6,442
Telephone	3,108	893
Utilities	3,107	3,227
Miscellaneous expenses	2,986	3,670
Members events	2,407	2,894
Auditors' remuneration for other services - accounting system	1,225	7,297
Fundraising	1,196	1,881
Marketing and public relations	965	3,065
Rates	934	930
Staff recruitment and development	701	600
Public events	175	350
Bank charges	55	45
Bookkeeping	-	1,175
	<u>256,002</u>	<u>242,471</u>

Friends of Westonbirt Arboretum

Notes to the financial statements (continued) for the year ended 31st December 2010

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.

	£
Arboretum support projects	
Learning	83,500
Tree team	50,000
Visitor services	20,000
Woodchip composting	20,000
Events	16,500
Travel	5,000
	<hr/>
	195,000
	<hr/>
Westonbirt Project	193,210
	<hr/>
Special projects	
Composting facility	20,000
Interactive map	9,400
Volunteer uniforms	9,289
Disabled access doors for Forest Shop	4,778
Mobility scooter	3,450
Website	1,440
Dishwasher for Keepers Cottage	329
	<hr/>
	48,686
	<hr/>
Sub-total	436,896
Grants written back from 2009 Arboretum Support Budget	(37,740)
	<hr/>
Total	399,156
	<hr/> <hr/>

Friends of Westonbirt Arboretum

**Notes to the financial statements (continued)
for the year ended 31st December 2010**

8. Analysis of activities and support costs

	2010	2010	2010	2010	2010	2009
Basis of apportionment	Grant funding	Charitable projects	Activities undertaken directly	General support costs	Total	Total
	£	£	£	£	£	£
<i>Costs of generating funds</i>						
Direct	-	-	236,490	19,512	256,002	242,471
<i>Charitable activities</i>						
Grants	399,156	-	-	-	399,156	154,215
Volunteer activities	-	30,590	-	-	30,590	34,290
<i>Governance costs</i>						
Direct	-	-	-	9,431	9,431	7,800
	<u>399,156</u>	<u>30,590</u>	<u>236,490</u>	<u>28,943</u>	<u>695,179</u>	<u>438,776</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 £21,659 (2009: £19,540) which represents a proportion 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 2010**

9. Governance costs	2010	2009
	£	£
Auditors' remuneration	5,505	4,680
Auditors' remuneration for other services - accounts preparation	3,669	3,120
Trustees' activities	257	-
	<u>9,431</u>	<u>7,800</u>
	<u><u>9,431</u></u>	<u><u>7,800</u></u>
10. Staff costs	2010	2009
	£	£
Salaries and wages	85,463	90,004
Social security costs	7,113	7,223
Pensions	6,628	652
	<u>99,204</u>	<u>97,879</u>
	<u><u>99,204</u></u>	<u><u>97,879</u></u>

The average number of employees in the year, calculated on a full time equivalent basis, was 4 (2009: 4).

Friends of Westonbirt Arboretum

**Notes to the financial statements (continued)
for the year ended 31st December 2010**

11. Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Furniture and equipment £	Total £
Cost				
At 1st January 2010	25,395	34,640	24,874	84,909
Additions	1,669	3,483	925	6,077
At 31st December 2010	<u>27,064</u>	<u>38,123</u>	<u>25,799</u>	<u>90,986</u>
Depreciation				
At 1st January 2010	4,976	22,458	24,327	51,761
Charge for the year	1,353	4,950	403	6,706
At 31st December 2010	<u>6,329</u>	<u>27,408</u>	<u>24,730</u>	<u>58,467</u>
Net book values				
At 31st December 2010	<u>20,735</u>	<u>10,715</u>	<u>1,069</u>	<u>32,519</u>
At 31st December 2009	<u>20,419</u>	<u>12,182</u>	<u>547</u>	<u>33,148</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:

	2010 £	2009 £
Lettings income	37,975	34,209
Bank interest received	7	21
	<u>37,982</u>	<u>34,230</u>
Expenses	(6,135)	(5,911)
	<u>31,847</u>	<u>28,319</u>
Friends of Westonbirt Arboretum service charge	(3,395)	(3,384)
	<u>28,452</u>	<u>24,935</u>
Net profit	28,452	24,935
Gift Aid	(28,452)	(24,935)
	<u>-</u>	<u>-</u>
Net profit for the year	<u>-</u>	<u>-</u>

Friends of Westonbirt Arboretum

**Notes to the financial statements (continued)
for the year ended 31st December 2010**

13. Fixed asset investments - The Great Oak Hall Limited

	2010	2009
	£	£
Cost	4,686	4,686
	<u>4,686</u>	<u>4,686</u>

The aggregate amount of this company's assets, liabilities, share capital and reserves was:

	2010	2009
	£	£
Current assets	49,692	41,962
Creditors: amounts falling due within one year	(45,006)	(37,276)
Net assets	<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
Shareholder's funds	<u>4,686</u>	<u>4,686</u>

14. Debtors

	Group 2010	Charity 2010	Group 2009	Charity 2009
	£	£	£	£
Trade debtors	8,002	5,392	5,649	3,052
Amounts due from subsidiary undertakings	-	37,062	-	30,787
Prepayments and accrued income	46,169	43,572	37,432	37,099
	<u>54,171</u>	<u>86,026</u>	<u>43,081</u>	<u>70,938</u>

15. Creditors: amounts falling due within one year

	Group 2010	Charity 2010	Group 2009	Charity 2009
	£	£	£	£
Trade creditors	15,269	15,269	4,252	4,252
Grant commitments	189,410	189,410	117,500	117,500
Other taxes and social security	9,568	9,568	6,920	6,920
Accruals	13,632	11,462	12,054	10,415
Deferred income (note 16)	102,520	96,745	87,383	82,533
	<u>330,399</u>	<u>322,454</u>	<u>228,109</u>	<u>221,620</u>

Friends of Westonbirt Arboretum

**Notes to the financial statements (continued)
for the year ended 31st December 2010**

16. Deferred income

Subscriptions received in advance	Group 2010	Charity 2010	Group 2009	Charity 2009
	£	£	£	£
Balance at 1st January	82,533	82,533	71,074	71,074
Amount released to incoming resources	(82,533)	(82,533)	(71,074)	(71,074)
Amount deferred in the year	96,745	96,745	82,533	82,533
Balance at 31st December	<u>96,745</u>	<u>96,745</u>	<u>82,533</u>	<u>82,533</u>
Commercial lettings deposits	Group 2010	Charity 2010	Group 2009	Charity 2009
	£	£	£	£
Balance at 1st January	4,850	-	5,525	-
Amount released to incoming resources	(4,850)	-	(5,525)	-
Amount deferred in the year	5,775	-	4,850	-
Balance at 31st December	<u>5,775</u>	<u>-</u>	<u>4,850</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 2010**

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 £480 (2009: £506) 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 2010 (2009: £nil).

The charity trustees were not paid or reimbursed for expenses during the year (2009: £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 (2009: £nil).

Friends of Westonbirt Arboretum

**Notes to the financial statements (continued)
for the year ended 31st December 2010**

20. Movements in funds

	Balance at 1st January 2010 £	Income £	Expended £	Transfers £	Balance at 31st December 2010 £
General funds	130,000	715,666	(495,834)	(219,832)	130,000
Non-charitable trading funds	-	37,982	(6,135)	(31,847)	-
Designated funds:					
<i>Westonbirt Project Fund</i>	529,800	-	(193,210)	251,679	588,269
Total unrestricted funds	659,800	753,648	(695,179)	-	718,269
Restricted income funds:					
<i>Westonbirt Project Fund</i>	-	31,224	-	-	31,224
Total funds	659,800	784,872	(695,179)	-	749,493

The transfer between funds includes the donation by Gift Aid of the taxable profits of The Great Oak Hall Limited of £28,452 (2009: £24,935) and charge for services levied by the charity of £3,395 (2009: £3,384).

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 improved visitor and learning facilities with a new Welcome building and a viewpoint above the trees.

21. Analysis of net assets between funds

	General £	Designated £	Restricted £	Total funds £
Fixed assets	32,519	-	-	32,519
Cash at bank and in hand	373,709	588,269	31,224	993,202
Other current assets	54,171	-	-	54,171
Current liabilities	(330,399)	-	-	(330,399)
	130,000	588,269	31,224	749,493

