



**SYLVA**  
FOUNDATION

helping trees and people grow together

**Trustees' report and accounts**  
for the year ended  
31 March 2017





# **Sylva Foundation**

## **Trustees' Report and Accounts**

for the year ended  
March 2017



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## Trustees' Report

### Reference and administrative details of the charity, its advisers and trustees.

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2017.

Sylva Foundation is an environmental charity founded in 2009. The charity is active across Britain, with its headquarters in Oxfordshire.

#### Registration

Charity registered in England and Wales (1128516), and in Scotland (SC041892).

Company registration number 6589157.

#### Registered office

Sylva Wood Centre  
Little Wittenham Road  
Long Wittenham  
Oxfordshire  
OX14 4QT

### Principal professional advisers

#### Banking

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

Affirmative Deposit Fund  
Epworth Investment Management  
9 Bonhill Street  
London  
EC2A 4PE

#### Independent Examiner

Andrew Churchill Stone  
Mercer Lewin Ltd.  
41 Cornmarket Street  
Oxford  
OX1 3HA

#### Insurance Brokers

NFU Mutual  
Views Farm Barns  
Windmill Hill  
Great Milton  
Oxfordshire  
OX44 4NW

#### Legal Advisors

Freeths LLP  
5000 Oxford Business Park South  
Oxford  
OX4 2BH

## Trustee Board and Staff

### Trustees

#### Chair of Trustees

Dr Peter Savill FICFor

#### Chair, Finance & Personnel Sub-Committee

Lucius Cary OBE

#### Other Trustee Board members

Dr Nick Brown

Luke Hughes

Samantha Leigh

Michael Wills

Lady Audrey Wood OBE

Sir Martin Wood FRS

### Staff

#### Chief Executive

Dr Gabriel Hemery FICFor

#### Chief Operating Officer

Alistair Yeomans MICFor

#### Director, Forestry & Rural Enterprise

Paul Orsi MICFor

Lesley Best	Administration Manager
Tina Jacobs	Head of Fundraising & Development
Jen Hurst	Education Manager
Pieterneel Overweel	Education Officer
Richard Pigott	IT Manager

#### Advisors and Associates

Dr Philip Koomen	Furniture & Wood
Rob Penn	Media
Dr Gill Petrokofsky	Science

## Structure, Governance and Management

### Legal Structure

Sylva Foundation ('Sylva' or 'the charity') is a charity registered in England and Wales 1128516 and in Scotland SC041892, and a company limited by guarantee 06589157. The company (a private company not having a share capital) was established under a Memorandum of Association (dated 11<sup>th</sup> March 2009 and updated by Special Resolution 28<sup>th</sup> March 2013).

The governing body of the charity is the Trustee Board ('the board'). Up to ten trustees may be appointed to the board. During 2016-17 seven trustees were on the board, and there were no changes in personnel.

The day-to-day management of the charity is delegated by the Trustee Board to the Chief Executive and carried out by members of staff.

The charity's registered address is in Oxfordshire, and this is its sole headquarters. Sylva's activities extend across Britain, and occasionally internationally.

### Statement of trustees' responsibilities

The charity trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland. The law applicable to charities in England, Wales, and Scotland requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the charity trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statements of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;

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

The charity trustees are responsible for keeping adequate accounting records that:

- are sufficient to show and explain the charity's transactions;
- disclose with reasonable accuracy at any time the financial position of the charity; and
- ensure that the financial statements comply with the reporting and legal regulations and the provisions of the charity's constitution as set out in the Articles of Association and Memorandum of Association.

They are also responsible for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

### **Risk management**

The charity trustees are responsible for identifying and managing the major risks facing the charity. Risk management is well-established and is considered in every aspect of our work.

We maintain a Risk Register which provides a comprehensive view of the following areas of risk:

- financial risks, including contingency plans to deal with insufficient income;
- operational risks, including loss of key personnel, and data management;
- reputational risks, including failure of a project, maintaining high standards in the management of the charity's estate;
- external environment, including environmental change (e.g. pests, diseases);
- organisational, including loss of key staff;
- governance, including ensuring trustee experience and skills, fraud; and
- health safety, for staff and visitors.

The Risk Register is scrutinised annually by the Trustee Board. Following the most recent review

in March 2017, the charity trustees confirm that they are satisfied with such arrangements and identified a number of strategic risks which are explained in Achievements, Challenges and Future Plans.

### **Fundraising activities**

Our work—bringing people and trees closer together—is only possible because of the support of donors, funders and other partners who contribute vital funding. During 2016-17 we have benefited from the support of a professional fundraiser on our staff, supported by the John Ellerman Foundation.

Sylva Foundation is a member of the Fundraising Regulator. Alongside our own high standards in fundraising, we follow its Codes of Practice.

### **Volunteers**

We receive important assistance from volunteers, without whom some of what we have achieved would be much diminished. During 2016-17 we benefited in particular from volunteers from the local community in support of our outreach work at the Sylva Wood Centre, including our two Artweeks exhibitions. A great host of volunteers, comprising more than 150 families plus local businesses, helped plant 7,500 trees in the Future Forest. A skilled education volunteer supported our work helping young people in Oxfordshire gain a closer affinity with the natural world.

New volunteers are always welcome. Please contact us direct or visit our website:

**[sylva.org.uk](http://sylva.org.uk)**.

## Objectives, activities and public benefit

The charity's objects are set out in the company's memorandum of association. These are **to promote the conservation of the environment for the public benefit consistent with sustainable development principles** by:

1. promoting and conducting research for the public benefit about effective sustainable forest management and the dissemination of the useful results of such research;
2. advancing education for the public benefit in the theory and practice of sustainable forest management;
3. supporting the development and application of sustainable forest management for the public benefit;
4. advancing education and business enterprise in the design and production of home-grown wood products for the public benefit.

The charity trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities which are described in the section *Achievements, challenges and future plans*. Sylva has a range of means of achieving these objectives and its public benefit, combining them to best effect. For the purposes of preparing Sylva's accounts, these means are grouped under the following main headings:

### Science

- We gather intelligence and insights about the challenges affecting woodlands to influence policy and change practice on the ground. Our *British Woodlands Survey* series is our main activity.

- We support a scholarship with University of Oxford focussed on understanding environmental change.

### Education

- We undertake and support activities that help people understand why managing woodlands matters, and empower them to be active.
- We train educators, especially those delivering forest school sessions to young people.
- Our outreach activities often combine art and science to inform and inspire the general public.

### Forestry

- Our *myForest Service* is used by some 3,500 woodland owners and professionals to care for more than 50,000 ha of woodland across Britain. We have embedded the UK Forestry Standard in our tools and services.
- We work widely in partnership with other organisations to support sustainable forest management.
- We underpin our delivery with our own research and development activities.

### Wood

- At the Sylva Wood Centre we enable 12 or more wood businesses to thrive, supporting rural employment and adding value to the local woodchain.
- Our business start-up facilities help new wood businesses establish.
- A formal link with a further education college enables us to provide structured support for business enterprise.



## Achievements, challenges and future plans

This section highlights the achievements, challenges and future plans for activities under our four main work programmes of Science (1), Education (2), Forestry (3) and Wood (4).

### SCIENCE

*Exploring the impact of, and solutions to, ash dieback*

Work continued within the five-year **Living Ash Project** (funded by Defra). With the help of many hundreds of 'citizen scientists' we are identifying ash trees across Britain that have tolerance to Chalara ash dieback. The concept is to collect material from these trees, produce a new generation of resilient trees and make these available for new planting. Our project partners are Earth Trust, Future Trees Trust and Forest Research. The project will conclude next financial year. [www.LivingAshProject.org.uk](http://www.LivingAshProject.org.uk)

Current scholar Louise Hill continued her research supported by the **Oxford-Sylva Graduate Scholarship** – a partnership between Sylva and the Department of Plant Sciences at the University of Oxford. Louise made excellent progress studying the ecological impacts of Chalara ash dieback disease in UK woodlands. Data from another of our projects, the *myForest Service*, were used to support novel modelling of environmental change. A peer-reviewed scientific paper was published on her modelling work. Further publications are planned for what will be the final year of this research project. Sadly, we have been unsuccessful in fundraising in support of this initiative and although both partners are keen to continue, without funding in place we will not be recruiting a new graduate scholar next year.

[www.sylva.org.uk/forestryhorizons/scholarship](http://www.sylva.org.uk/forestryhorizons/scholarship)

*Developing a marketplace for ecosystem services*

In partnership with University of Oxford (Institute for New Economic Thinking, and the Oxford Long-term Ecology Laboratory) we continued work developing an international marketplace for ecosystem services. The **NaturEtrade** project, funded by the European Union's Life+ programme, will be provided as a demonstration

project across four European countries.

[www.naturetrade.net](http://www.naturetrade.net)

*Influencing forestry policy and practice in the UK*

Sylva staff continued to take a lead role in developing an action plan for climate change adaptation in the forestry sector, supported by contracts from Forestry Commission England. There are plans for a national workshop next year. [www.sylva.org.uk/forestryhorizons/environmental-change](http://www.sylva.org.uk/forestryhorizons/environmental-change)

We started work on the next major five-yearly **British Woodlands Survey** which supports evidence-based policy making. Funding was provided by the Forestry Commission Scotland, Scottish Forestry Trust, and the Woodland Trust. In-kind support has been provided by Forest Research (Social & Economic Research Group) and University of Oxford. BWS2017 will launch in summer 2017, its themes based on those voted by stakeholders through a series of online surveys plus workshops held in England, Scotland and Wales. [www.sylva.org.uk/bws](http://www.sylva.org.uk/bws)

### EDUCATION

*Providing unique, practical resources to support primary & secondary education in sustainable forest management*

Thanks to continued support from the Patsy Wood Trust, Sylva's Education Manager delivered two main education projects: *myForest for Education* and *TIMBER!*

**myForest for Education** is a free, easy-to-use online application that enables any environmental educator to generate straightforward woodland management plans, maps and ecological impact assessments for woodland sites and school grounds. By the end of 2016-17 more than 900 environmental educators across Britain—many of who are Forest School Leaders—were using the service.

[www.sylva.org.uk/myforest/education](http://www.sylva.org.uk/myforest/education)

**TIMBER!** was launched to support learning about sustainable forest management. A wide number of partners, specialists and practitioners have been engaged to help create targeted and impactful resources. [www.sylva.org.uk/timber](http://www.sylva.org.uk/timber)

*Raising the profile of sustainable forest management amongst the general public*

Sylva staff delivered talks across the country to an estimated 4,000 people. A wide range of media channels featured our work during the year.

Thanks to funding from Tesco and Groundwork UK, and the Ernest Cook Trust, we were able to dedicate an area of the new 'Future Forest' (see Estate below) for use by local schoolchildren. More than 700 primary school children visited the site during the early spring; every child planted a tree.

From its onset Sylva has been a core supporter of the *Tree Charter*, an initiative led by the Woodland Trust. We collected stories from more than 200 woodland owners across Britain, and are collaborating to deliver a national arts project next year.

## FORESTRY

*Supporting the development and application of sustainable forest management*

The freely available **myForest service** is a core programme of Sylva Foundation. The service provides mapping and management tools for woodland owners, agents and other managers and enables them to bring their woodlands into good condition for the environment, society and the economy. Numbers using the service continued to grow, and by year-end we were supporting woodland owners who manage 8,589 woodlands extending across 53,876ha of Britain.

Thanks to support from the Dulverton Trust we are developing a paid level of the myForest service—alongside a continued offering of the free level—to offer more advanced tools to some users. Income from this will help secure the continued development of the service on a sustainable basis.

Our collaboration with Forestry Commission England and Forestry Commission Scotland continued to ensure that woodland owners draw-up management plans compliant with the UK Forestry Standard. A pilot study was initiated with the Argyll Small Woods Cooperative, seeking to support cooperation between owners in the region.

A new project was agreed with the Woodland Trust to support woodland creation using the myForest service. Work on the software is underway in readiness for a launch next year.

Sylva has been commissioned to develop a **Woodland Wildlife Toolkit** by the RSPB and Woodland Trust. Its concept is to bring together woodland management advice for overall enhancement of woodland biodiversity, together with species-specific advice for a locality. It is supported by a group of organisations, including the two funders, plus Plantlife, Bat Conservation Trust, Natural England, and the Forestry Commission.

Our existing partnerships with two forestry membership organisations (Royal Forestry Society and the Small Woods Association) continued.

Sylva started a collaborative four-year project with the **Deer Initiative** allowing landowners to monitor and record the impact of deer browsing in the woodlands of England and Scotland. We have built a new IT platform which allows users of the myForest service to record data that will be used to inform policy and practice at landscape scale.

Next year we hope to initiate a new landscape-scale project within Oxfordshire in conjunction with a wide range of partners. This follows work undertaken this year to develop a county-wide strategy for forestry funded by Oxfordshire County Council and TOE2.

[www.myForest.org.uk](http://www.myForest.org.uk)

Sylva's role within the Forestry Advisory Consortium England (FACE), supported by a contract issued by Forestry Commission England, enabled us to deliver free advice to more than 50 forestry-related businesses under the Rural Development Programme.

## WOOD

*Supporting enterprise and innovation in home-grown wood*

The **Sylva Wood Centre**, which opened in the previous year, has gone from strength to strength. By year-end we saw the nascent facilities fully utilised with 14 small businesses taking out tenancies or using our new 'hot bench' start-up facilities.

A formal collaboration with Oxford City College saw the first 'craftsperson-in-residence' appointed from among recent graduates via a competitive process. Appointee, Jan Waterson, is establishing his new business using our incubation facilities.

We collaborated with TRADA in running a national design competition for architectural and engineering schools. Called *Arboreal* the competition attracted more than 100 entries, with groups challenged to replace one of the old barns at the Wood Centre with a wood-based construction. Shortlisted candidates presented their designs to funders and judges at an event hosted by Sylva. The winning entry, 'The Leaf', was submitted by students from Aalborg University in Denmark.

We invested more of our Capital Development Fund, together with a grant from LEADER, to begin constructing a forestry yard which will house a mobile sawmill and forestry contracting business from next year. This will help add value to local woodland produce and feed home-grown timber into the local woodchain.

In the next financial year the trustees are exploring the potential to convert another semi-redundant ex-farm building at the Wood Centre by investing the funds remaining in the Capital Development Fund. There is further potential to develop other buildings on the site to support business enterprise, education and training, but we will need to fundraise to meet these costs.

[www.sylva.org.uk/wood](http://www.sylva.org.uk/wood)

## ESTATE

The charity owns 12 ha (20 acres) of land at the Sylva Wood Centre in south Oxfordshire. During the year we initiated work to enhance the landscape, working closely with the local community, in line with our charitable objects.

### *Future Forest*

We developed plans for a new 3 hectare woodland, comprising 7,500 trees, to communicate the challenges trees face from environmental change. Thanks to grants provided by the Woodland Trust, and Trust for Oxfordshire's Environment (TOE2) with funding from Grundon Waste Management, D'Oyly Carte Charitable Trust, and Finnis Scott Foundation we were able to implement this early in 2017. A sponsorship scheme was developed whereby people could adopt and plant a plot of 25 trees in the name of their family or business, to enable a lasting relationship between local people and the new forest.

As part of this project we created an area dedicated to education (see Education section above).

### *Community Orchard*

With support from the People's Postcode Lottery Local Trust, and Naturesave Trust, we were able to dedicate a plot of land near the village of Long Wittenham as a community orchard. It was planted with more than 50 apple varieties, together with other fruit and nut trees. A 'cropshare' scheme was initiated allowing the community to invest in the future produce from the orchard. The Rowse Family Trust supported the creation of an Apiary in the orchard, together with equipment for a team of volunteers from the South Chilterns Beekeeping Association to manage the enterprise. The orchard was opened by Oxfordshire's High Sheriff in March.

## Financial Review

This section is prepared by Trustees to offer a summary of the charity's finances. The accounts, which form the following section of this report, comply with the requirements of FRS102 – The Financial Reporting Standard applicable in the UK.

The finances of the charity are overseen by a sub-committee of trustees, together with senior staff who meet on a quarterly basis. This group makes recommendations and reports to the Trustee Board. The Board oversees a Financial Strategy and annual financial plan, which is revised and updated at each meeting.

### Reserves Policy

Sylva Foundation holds funds to be applied to future activities in two categories:

- A 'Reserve Fund' is maintained to ensure that operational expenditure can be supported for at least three months, this represents funds sufficient to meet contingency exit costs. This fund was £83,000 at the end of FY 2016-17.
- 'General Funds' (additional to the Reserve Fund) was £24,669.
- The Reserves Policy was reviewed by trustees in March 2017 and it was agreed that additional funds would be added to the financial reserves as finances allow. A target figure of £182,000 was calculated which is 50% of the gross budgeted expenditure for the year.
- Restricted funds are maintained to ensure that specific purposes intended by the donor can be met. Our main fund is a Capital Development Fund relating to the development of land and buildings at the Wood Centre.
- Funds related to specific funded projects are also maintained as restricted and designated funds.

## Financial report on the year

### Introduction

During the year Sylva has been successful in diversifying its income streams. Support from a dedicated fundraiser in our staff has helped transform our fundraising activities. Continued success in developing a business-minded approach whereby we seek to win contracts for work that delivers our charitable objects while earning us much needed core income, has proven effective. The charity has moved closer to matching financial expenditure with income raised but during 2016-17 needed to call upon its General Funds to bridge a gap in funding.

### Income

Income (£443,182) was slightly higher compared to the last financial year (£435,992). Sources of income were derived from several sources including:

- £134,864 or 30% of total income was received in donations, the majority of which were restricted in their application.
- Incoming resources from charitable activities was £248,594. This consisted of £13,244 for the sale of goods and services (5%); £140,329 of performance related grants (56%); and £95,021 for contractual payments for work (38%).
- Other trading activities totalled £58,582, of which £3,580 (6%) was in sponsorships; £5,809 from Fundraising events (10%); £4,553 from shop sales (8%); £36,960 from Wood Centre and estate rentals; and £7,680 from other activities for generating funds.
- Bank interest (detailed under 'Investment income') totalled £1,142 representing less than half of one percent.

### Fixed Assets

The value of fixed assets (after depreciation) increased by £33,081 to £1,077,750, following further investment (£49,481) in the development of the Sylva Wood Centre which was supported by a restricted fund (see below).

**Restricted funds**

Total restricted funds stand at £1,149,059, of which £1,092,600 is valued as the land and buildings assets at the Sylva Wood Centre. Funds of £56,459 are for project staff and are restricted for this use as defined by donors. Restricted funds are derived from donations and grants with specific conditions attached, and these are accounted for separately in our operational accounts.

**Unrestricted funds**

The unrestricted funds (general funds and designated funds) arise from fundraising, consultancy, grants, rental income from the Sylva Wood Centre, and our day-to-day operations. These funds are used by Sylva Foundation to achieve the strategic objectives. The balance at the end of the year was £160,714.

**Expenditure**

Total resources expended<sup>1</sup> was £399,081. Delivery of the charity's strategic objectives cost £396,381: £291,229 (73%) in unrestricted funds and £105,156 (27%) in restricted funds. Support costs expended on the governance of the charity were £2,700.

The majority of expenditure (66%; £262,537) was staff salaries. Staff salary costs include direct project delivery costs as well as staff time attributed to overhead costs. From our management accounts for 2016-17 we calculate these overhead costs<sup>2</sup>, including salaries, to be:

- generating income £30,647 (7%);
- governance £31,081 (7%);
- administration £32,381 (7%).

<sup>1</sup> Note that 'expenditure' in financial reporting terms excludes capital investment. During the year £49,481 was invested in the Sylva Wood Centre – see Fixed Assets.

<sup>2</sup> Percentages calculated against total of expenditure (£399,081) plus investment in fixed assets (£49,481).

**Outcome for the future**

The trustees are very conscious of the difficult fundraising environment for small charities. We have an important environmental message to deliver to a wide-range of stakeholders in a

complex political and social landscape. Raising funds has proven to be a difficult task.

We are investing time in a new financial system that will improve reporting—for example staff time—and help us demonstrate better full-cost recovery for each project.

In the coming year the charity may need to rely again on its reserve funds to maintain operational capacity. Meanwhile, plans are being implemented to invest the remainder of the Capital Development Fund which will provide much-needed cash revenue from future business tenancies at the Wood Centre.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 10<sup>th</sup> July 2017 and signed on behalf of the board of trustees by:



Dr Peter Savill  
Chair



## Independent Examiner's Report to the Trustees of Sylva Foundation

I report on the financial statements for the year ended 31 March 2017, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

### Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011. The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 and section 144 of the Charities Act 2011 do not apply. The charity is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 145 of the Charities Act 2011;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011; and
- to state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations) and the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

### Independent examiner's statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1)(a) of the 2005 Act, Regulation 4 of the 2006 Accounts Regulations and section 130 of the Charities Act 2011, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations and the requirements of the Charities Act 2011

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Andrew Churchill Stone  
MERCER LEWIN LTD  
Chartered accountant  
41 Cornmarket Street, Oxford, OX1 3HA

## Statement of Financial Activities

		Unrestricted funds	2017 Restricted funds	Total funds	2016 Total funds
	Note	£	£	£	£
<b>Income and endowments</b>					
Donations and legacies	5	45,364	89,500	134,864	221,292
Charitable activities	6	157,423	91,171	248,594	181,314
Other trading activities	7	58,582	–	58,582	32,067
Investment income	8	1,142	–	1,142	1,320
<b>Total income</b>		<u>262,511</u>	<u>180,671</u>	<u>443,182</u>	<u>435,993</u>
<b>Expenditure</b>					
Expenditure on charitable activities	9,10	293,925	105,156	399,081	317,112
<b>Total expenditure</b>		<u>293,925</u>	<u>105,156</u>	<u>399,081</u>	<u>317,112</u>
<b>Net income and net movement in funds</b>		<u>(31,414)</u>	<u>75,515</u>	<u>44,101</u>	<u>118,881</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		192,128	1,073,544	1,265,672	1,146,791
<b>Total funds carried forward</b>		<u>160,714</u>	<u>1,149,059</u>	<u>1,309,773</u>	<u>1,265,672</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

## Statement of Financial Position

		2017		2016
		£	£	£
<b>Fixed assets</b>				
Tangible fixed assets	<b>16</b>		1,077,750	1,044,669
<b>Current assets</b>				
Debtors	<b>17</b>	43,252		16,882
Cash at bank and in hand		223,025		211,330
		<u>266,277</u>		<u>228,212</u>
<b>Creditors: amounts falling due within one year</b>	<b>18</b>	<u>34,254</u>		<u>7,209</u>
<b>Net current assets</b>			232,023	221,003
<b>Total assets less current liabilities</b>			<u>1,309,773</u>	<u>1,265,672</u>
<b>Net assets</b>			<u>1,309,773</u>	<u>1,265,672</u>
<b>Funds of the charity</b>				
Restricted funds			1,149,059	1,073,544
Unrestricted funds			<u>160,714</u>	<u>192,128</u>
<b>Total charity funds</b>	<b>20</b>		<u>1,309,773</u>	<u>1,265,672</u>

For the year ending 31 March 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

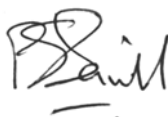
Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 10<sup>th</sup> July 2017 and are signed on behalf of the board by:

Dr PS Savill



Chair of Trustees

**The notes on pages 15 to 22 form part of these financial statements.**

## Notes to the Financial Statements

### 1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England, Wales and Scotland. The address of the registered office is The Wood Centre, Long Wittenham, ABINGDON, OX14 4QT.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.



### 3. Accounting policies *(continued)*

#### **Tangible assets *(continued)***

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	4% straight line
Equipment	-	25% straight line

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

**3. Accounting policies (continued)****Financial instruments (continued)**

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

**4. Limited by guarantee**

The company is limited by guarantee and does not have a share capital. The members undertake to contribute a sum, not exceeding £1 each, to the assets of the company in the event of it being wound up.

**5. Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2017 £</b>	Total Funds 2016 £
Core donations	–	–	–	104,000
Other donations	45,364	14,500	59,864	17,292
Donations re Sylva Wood Centre	–	75,000	75,000	100,000
	<u>45,364</u>	<u>89,500</u>	<u>134,864</u>	<u>221,292</u>

**6. Charitable activities**

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2017 £</b>	Total Funds 2016 £
Sale of goods/services as part of direct charitable activities	13,244	–	13,244	16,779
Performance-related grants	49,158	91,171	140,329	93,560
Other income from charitable activities - Contractual payments	95,021	–	95,021	70,975
	<u>157,423</u>	<u>91,171</u>	<u>248,594</u>	<u>181,314</u>

**7. Other trading activities**

	Unrestricted Funds £	<b>Total Funds 2017 £</b>	Unrestricted Funds £	Total Funds 2016 £
Sponsorships	3,580	3,580	–	–
Fundraising events	5,809	5,809	–	–
Shop income	4,553	4,553	9,937	9,937
Rental income	36,960	36,960	22,130	22,130
Other activities for generating funds	7,680	7,680	–	–
	<u>58,582</u>	<u>58,582</u>	<u>32,067</u>	<u>32,067</u>

**8. Investment income**

	Unrestricted Funds £	<b>Total Funds 2017 £</b>	Unrestricted Funds £	Total Funds 2016 £
Bank interest receivable	1,142	1,142	1,320	1,320

**9. Expenditure on charitable activities by fund type**

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2017 £</b>	Total Funds 2016 £
Science, Education, Forestry and Wood	291,226	105,156	396,381	313,711
Support costs	2,699	–	2,700	3,401
	<u>293,925</u>	<u>105,156</u>	<u>399,081</u>	<u>317,112</u>

**10. Expenditure on charitable activities by activity type**

	Activities undertaken directly £	Support costs £	<b>Total funds 2017 £</b>	Total fund 2016 £
Science, Education, Forestry and Wood	396,381	–	396,381	313,711
Governance costs	–	2,700	2,700	3,401
	<u>396,381</u>	<u>2,700</u>	<u>399,081</u>	<u>317,112</u>

**11. Analysis of support costs**

	Support costs	<b>Total 2017</b>	Total 2016
	£	£	£
Finance costs	2,700	2,700	3,400

**12. Net income**

Net income is stated after charging/(crediting):

	<b>2017</b>	2016
	£	£
Depreciation of tangible fixed assets	16,400	13,008

**13. Independent examination fees**

	<b>2017</b>	2016
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	700	750
Other financial services	2,000	2,650
	<u>2,700</u>	<u>3,400</u>

**14. Staff costs**

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2017</b>	2016
	£	£
Wages and salaries	232,929	222,219
Social security costs	21,306	20,173
Employer contributions to pension plans	8,302	7,835
	<u>262,537</u>	<u>250,227</u>

The average head count of employees during the year was 7 (2016: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2017</b>	2016
	No.	No.
All staff	<u>7</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

**15. Trustee remuneration and expenses**

No trustee received any remuneration during the year.

No expenses were reimbursed to trustees during the year.

**16. Tangible fixed assets**

	Land and buildings £	Equipment £	Total £
<b>Cost</b>			
At 1 April 2016	1,040,735	26,313	1,067,048
Additions	49,481	–	49,481
<b>At 31 March 2017</b>	<u>1,090,216</u>	<u>26,313</u>	<u>1,116,529</u>
<b>Depreciation</b>			
At 1 April 2016	12,000	10,379	22,379
Charge for the year	14,000	2,400	16,400
<b>At 31 March 2017</b>	<u>26,000</u>	<u>12,779</u>	<u>38,779</u>
<b>Carrying amount</b>			
<b>At 31 March 2017</b>	<u>1,064,216</u>	<u>13,534</u>	<u>1,077,750</u>
At 31 March 2016	<u>1,028,735</u>	<u>15,934</u>	<u>1,044,669</u>

**17. Debtors**

	<b>2017</b> £	2016 £
Trade debtors	34,272	170
Prepayments and accrued income	8,980	16,712
	<u>43,252</u>	<u>16,882</u>

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

	<b>2017</b> £	2016 £
Trade creditors	2,314	5
Accruals and deferred income	26,965	4,432
Social security and other taxes	4,497	2,772
Other creditors - pension	478	–
	<u>34,254</u>	<u>7,209</u>

**19. Pensions and other post-retirement benefits****Defined contribution plans**

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £8,302 (2016: £7,835).



**20. Analysis of charitable funds****Unrestricted funds**

	At 1 April 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
General and designated funds	192,128	262,511	(293,925)	160,714

**Restricted funds**

	At 1 April 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
Scholarship	2,497	14,500	(16,997)	-
Education manager	-	42,371	(27,482)	14,889
Fundraiser	38,047	48,800	(45,277)	41,570
Wood Centre	1,033,000	75,000	(15,400)	1,092,600
	1,073,544	180,671	(105,156)	1,149,059

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

	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Tangible fixed assets	934	1,076,816	1,077,750
Current assets	194,034	72,243	266,277
Creditors less than 1 year	(34,254)	-	(34,254)
<b>Net assets</b>	160,714	1,149,059	1,309,773

## How you can help Sylva Foundation

Sylva relies on the help of many people and organisations. This section outlines some of the ways we currently receive support. You may choose whatever route you prefer if you choose to support our work.

### Donate

There are a number of ways you can donate to support Sylva. We offer specific opportunities, such as helping towards a new building, or sponsoring a bench for a start-up business. We also benefit from regular small donations from people who believe in the importance of our work. Find out more: [sylva.org.uk/support](http://sylva.org.uk/support)

### Remember Sylva in your Will

Leaving a Legacy to Sylva is a powerful way to make your support for the charity live on. We believe that trees and forests underpin life on Earth, especially if cared for as part of a dynamic living landscape. Your Legacy will support our ongoing work to achieve a sustainable society and environment. You may contact us to find out more: telephone or email [legacy@sylva.org.uk](mailto:legacy@sylva.org.uk).

### Campaigns and appeals

Support our campaigns and appeals, and you can help our work helping people and trees grow closer together. Subscribe to our enews at [sylva.org.uk/subscribe](http://sylva.org.uk/subscribe) so that you are kept up-to-date.

### Shopping

We have a small online shop which helps us raise much-needed income. [www.sylva.org.uk/shop](http://www.sylva.org.uk/shop)

### Get involved

There are a wide range of options for you to get involved in our work. For example, this year we held workshops across Britain asking for help in developing our next national survey, and these were attended by professionals and woodland owners alike. At the local level we enjoy support from the public caring for our small estate, and promoting our work through events at the Sylva Wood Centre.

### Fundraise

Sylva is not a membership charity with the

regular income this provides, so we need to raise funds for specific projects and build a strong foundation of income to support our core costs. We don't have teams of individuals fundraising for us but if you can help promote our work, especially our campaigns and appeals, you will make a difference.

### Local groups

Sylva tends to work in partnership with other organisations to achieve its reach across Britain. We are most active locally via the Sylva Wood Centre in Oxfordshire, where local people can help support our Future Forest, Community Orchard, and arts events.

### Volunteering

If you are looking for an exciting and interesting way to make a difference to our environment, please consider volunteering with Sylva. We have recently benefited volunteers helping with school visits, data entry, visitor welcoming, tree planting, and even a business angel. You don't have to know anything about trees, forestry or wood to volunteer with Sylva. Find out more at [sylva.org.uk/volunteer](http://sylva.org.uk/volunteer)

## Acknowledgements 2016-17

We are very grateful for all the support offered this year by so many individuals and organisations.

### Legacies

We recognise that legacies could provide an important source of income to support our charitable work and have taken steps to enable giving from benefactors in future. Please contact us to find out more or visit: [sylva.org.uk/legacy](http://sylva.org.uk/legacy)

### Volunteers and community groups

Andrew Lea  
Argyll Small Woods Cooperative  
British Woodland Survey respondents  
Gillian Petrokofsky  
Living Ash Project volunteers  
Kevin Waldie  
Paul Williams  
Philip Koomen  
Pieterneel Overweel  
Robert Penn  
Sally Duff  
Simon Fineman  
Sylva Forest Friends  
South & Vale District Conservation Group  
South Chilterns Beekeeping Association  
Wittenham Warriors  
Wittenham Community Orchard cropsharers

### Charitable trusts and individual donors

D'Oyly Carte  
Doris Field Charitable Trust  
Dulverton Trust  
Earth Trust  
Ernest Cook Trust  
EU LIFE+ programme  
Finnis Scott Foundation  
Grundon Waste Management  
John Ellerman Foundation  
Lord Farringdon Charitable Trust  
Lucius Cary  
Margaret Pinsent & John Gambles  
Naturesave Trust  
Patsy Wood Trust  
People's Postcode Lottery Local Trust  
Robin Bennett  
Rodney Portman

Rowse Family Trust  
Sandra Charitable Trust  
Scottish Forestry Trust  
Sir Martin and Lady Wood  
Tesco Bags of Hope  
The RSPB  
Trust for Oxfordshire's Environment (TOE2)  
Wittenhams Community Orchard Cropsharers  
Woodland Trust

### Business supporters

Alba Trees  
Blenheim Palace  
Freeths LLP  
Forest Holidays LLP  
Forestry Advisory Consortium (FACE)  
Grown In Britain  
Kubota UK  
Nicholson Nurseries  
North Oxford Property Services  
Rokesmith  
Vastern Timber  
Wood Festival

### NGOs

Berks, Bucks, and Oxon Wildlife Trust  
Bishops Wood Field Centre  
British Ecological Society  
Confor  
Country Land and Business Association  
Edinburgh Centre for Carbon Innovation  
Evenlode Catchment Partnership  
Forest Education Network  
Forest School Association  
Harcourt Arboretum  
Hooke Park  
Institute of Chartered Foresters  
Llais y Goedwig  
National Forest  
Oxford City College – Rycotewood Furniture Centre  
Oxfordshire Forest School Service  
Plunkett Foundation  
Royal Forestry Society  
Royal Scottish Forestry Society  
Sandra Charitable Trust  
Small Woodland Owners Group  
Small Woods

**Acknowledgements 2016-17** *(continued)*

TRADA

University of Oxford

Dept. Education

Dept. Plant Sciences

Dept. Zoology

Harcourt Arboretum

Wild Oxfordshire

Woodland Trust

Wychwood Project

Wyre Forest Community Land Trust

**Statutory sector and other public bodies**

Department for Environment, Food and Rural  
Affairs (Defra)

Derbyshire Forest Schools (Derbyshire County  
Council)

Forestry Commission England

Forestry Commission Scotland

Hill End Environmental Education Centre  
(Oxfordshire County Council)

Natural England

Natural Resources Wales

Oxfordshire County Council

Rural Development Programme for England  
(LEADER)

South and Vale District Council



## **Contact us**

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**[sylva.org.uk](http://sylva.org.uk)**