

COMMUNITY FORESTS NORTH WEST LIMITED

(A Company Limited by Guarantee)

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st March 2010**

Company Registration No. 3598556

Registered Charity No. 1072706

Community Forests North West's Vision, Mission, Values, Objectives and 5-year targets

Vision

Our Vision is to achieve green regeneration, underpinning sustainable, social and economic development.

Mission

Our mission is to support community forestry and green infrastructure centred on the North West of England.

Values

- *Evangelical about the Forests*
- *Passionate about green infrastructure*
- *Open, inclusive and co-operative*
- *'Down to Earth' and business-like*
- *Enjoyment*

Objectives

- *12m new trees by 2030*
- *1,000 miles of forest trails by 2030*
- *A woodland for every school by 2030*
- *Otters in the Forests by 2030*
- *100,000 new street trees by 2030*

5 year targets

- *Plant 500,000 trees (working towards doubling tree cover in line with North West aspirations)*
- *Plant 5,000 street trees in the most needy areas*
- *Engage 500 schools in community forestry*
- *Safeguard existing red squirrel habitat*

C O N T E N T S

Page	
1	Legal and administrative information
2 - 16	Trustees' report
17 - 18	Auditors' report
19	Statement of financial activities
20	Balance sheet
21 - 31	Notes to the financial statements

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER:	1072706
CHARITY REGISTRATION NUMBER	3598556
REGISTERED OFFICE	Dock Office Trafford Road Salford Quays Salford M50 3XB
TRUSTEES/DIRECTORS	Mr D Antrobus Mr M P Boyett Mrs S M Carson Mr B D Crouch Mr S B Falder Mr H Matthewson Mr R O Michaelson Mr S Newman
BANKERS	The Cooperative Bank Plc PO Box 101 1 Balloon Street Manchester M60 4EP
AUDITORS	Booth Ainsworth LLP Alpha House 4 Greek Street Stockport Cheshire SK3 8AB

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2010

INTRODUCTION

The trustees of Community Forests North West, who are also directors of the company, present their annual report for the year ended 31st March 2010 under the Companies Act 2006 and the Charities Act 1993, together with the audited financial statements for that year. The financial statements comply with the Companies Act 2006, the Charities Governing Document and the relevant Statements of Recommended Practice (The Charities SORP 2005).

REFERENCE AND ADMINISTRATIVE INFORMATION

Community Forests North West Ltd is a registered charity (No: 1072706) and company (No: 3598556) limited by membership guarantee. Its registered office is shown on the company information sheet.

The trustees, who are also directors for the purpose of company law, who served during the year, were:

Mr D Antrobus
Mr M P Boyett
Mrs S M Carson
Mr B D Crouch
Mr S B Falder
Ms D M Gilmore - Stewart
Mr W Johnson
Mr K M Jones
Mr D J Mapple
Mr H Matthewson
Mr R O Michaelson
Mr S Newman
Mr P W Smith

Mr K Jones resigned on 4th November 2009
Mr W Johnson resigned on 5th November 2009
Mr P Smith resigned on 29th April 2009
Mr H Matthewson was appointed on 29th April 2009
Mr D Mapple resigned on 14th January 2010
Ms D M Gilmore Stewart resigned on 11th August 2010

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Bodies

The charity is managed by a Board of Trustees who are also Directors of the company. The Board meets approximately four times a year and one meeting includes the AGM. The Company Secretary is appointed by the Trustees to manage the day to day running of the Trust with the support of the Director of The Mersey Forest. To facilitate effective operations, the Company Secretary and the Director of The Mersey Forest have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and project development and delivery.

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010

(continued)

Recruitment and Training of Trustees

Prospective Trustees are recruited to ensure that the Board of Trustees has the requisite range of experience and skills to effectively manage the Trust. There is currently no formal procedure for the induction and training of trustees.

RISK MANAGEMENT

The monitoring and management of risk is a dynamic process and the Trust faces some level of risk in the activities, events and contracts that it engages in. The Trust is currently reviewing its risk management procedures and the following is a brief outline of the classification and examples of risks that the Trust has identified:

1. Governance risks - eg inappropriate organisational structure, difficulties recruiting trustees with relevant skills, conflict of interest;
2. Operational risks - eg service quality and development, contract pricing, employment issues; health and safety issues; fraud and misappropriation;
3. Financial risks - eg accuracy and timeliness of financial information, adequacy of reserves and cash flow, diversity of income sources, investment management;
4. External risks - eg public perception and adverse publicity, demographic changes, government policy;
5. Compliance with law and regulation - eg breach of trust law, employment law, and regulatory requirements of particular activities such as fund-raising or the running of care facilities.

The Trust's review of its risk management will continue to help to ensure:

- the charity's aims are achieved more effectively;
- significant risks are known and monitored enabling trustees to make a more effective contribution; and
- there is improved forward planning

OBJECTS, MISSION, VISION AND ACTIVITIES

The primary objective of the Charity as laid out in its Memorandum and Articles of Association is to promote for the benefit of the public generally any charitable purpose within the North West of England and beyond connected with the enhancement and improvement, maintenance and protection of the environment and landscape.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010**
(continued)

Our activities are reported against the additional Objects of the Charity as laid out in its Memorandum and Articles of Association;

Object - Promote, provide and enhance woodland for the benefit of the public.

Achievement/Performance:

Creating and Managing Woodland

Woodlands and trees provide many benefits, from improvements in local air quality through to the provision of timber products, and as such woodlands can have a positive impact on many parts of our lives. Woodlands form an important part of the green infrastructure that makes our towns and cities beautiful and enjoyable places to live and work.

At Nutsford Vale in Manchester, we have put together a woodland management plan for this underutilised but important greenspace in Gorton. Some of the original tree planting which the Forest helped establish in 1998 has now successfully grown into woodland. The plan will help direct future site improvements, many of which will be supported through the Newlands Setting the Scene for Growth programme.

Throughout 2009-10 the Training and Skills Share programme continued to deliver, with 11 workshops covering cultural awareness training, bees and beekeeping, outdoor play, green roofs, creative wall hanging, play and interpretation.

Trees for Cities

2009-10 saw the continuing achievements of our partnership with London based charity Trees for Cities. Using funding from the 2009 Manchester Tree-Athlon, Red Rose Forest and Trees for Cities planted over 5,200 new trees across four parks in Manchester. Hundreds of local residents, volunteers, and school children helped to plant the trees at Painswick Park, Sunnyside Park, Brookdale Park and Ladybarn Park, creating three new young woodlands, over 600 metres of new hedgerow and a new community orchard.

Object - Promote the general improvement of agriculture and of industry and commerce, particularly in relation to woodland or forestry products.

Achievement/Performance:

Biomass and Woodland

In 2009-10, the Red Rose Forest team continued to provide a service linking woodfuel consumers and producers, and the Woodfuel Directory was one of the most popular downloads from the Red Rose Forest website. We continued to work with the Forest Partnership to look at how woodfuel use can help improve woodland management and stimulate local economies, including developing new approaches to assessing supply based on the use of Tree Audit data.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010**

(continued)

Tree Audits

Community Forests North West through Red Rose Forest is at the forefront of developing Tree Audits to help local authorities and others understand their tree resources and plan future management and development. In 2009-10 we continued our work on the Manchester Tree Audit, analysing where Manchester's trees are and how they contribute to tackling climate change, and improving the health, and the image of the city.

Object - Promote and provide for the improvement of derelict land or harmful sites.

Achievement/Performance:

Access to Nature

Over the last financial year CFNW has been working on a bid to the Access to Nature funding stream (Big Lottery). We have now submitted a second and final stage application which has been successful. The revenue funding secured will support community engagement work around sites within The Mersey Forest and Red Rose Forest (as part of this bid). The project will take place on four sites within the Mersey Belt - South St Helens Forest Park and Mab Lane in The Mersey Forest; and Nutsford Vale and The Meadows in Red Rose Forest. These sites have been selected as they are all in areas of high deprivation, and are currently benefiting from significant capital investment. Whilst this investment is an extremely important step in the regeneration of these areas, a fundamental requirement (but currently limited element) to maximise the capital improvements is a process of inclusive and exciting community engagement to be run in parallel.

The project seeks to change local peoples' perceptions of the sites by engaging them in a series of events, activities and learning opportunities, designed to inspire them to value nature and develop a sense of ownership for the sites. The project will compliment the changes that the capital investment is bringing and ensure that they are long-lasting and make a real difference to the area and the communities that live there. In addition, the project will fund a modest amount of site based capital works, focusing on gateway features/improvements. Whilst these will improve access to the sites, they will primarily be for the purpose of giving volunteers the opportunity to gain new skills, which will help ensure sustainability of activity beyond the lifetime of the project.

Brickfields

Brickfields is a community woodland in St Helens that is managed by the Forestry Commission. Part of the site is adjacent to the former Ibstock Brickworks where brick production ended in 2008 and hence the name of the woodland. The Mersey Forest's community engagement programme has been funded with a £26,000 grant from the Newlands programme over the past 3 years.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010**

(continued)

During 2010, 11 community engagement events were organised by The Mersey Forest team and 191 people attended these events. These included a photo workshop; seed gathering; community meetings; bulb and tree planting; 2 practical task days with students from Liverpool's St Francis of Assisi Academy and an arts event, making Christmas decorations using materials gathered from the site. One of the students from the Academy said "Today was fun, exciting and i like using the equipment. I feel like I made a difference to the community forest."

Despite the Newlands grant finishing, The Mersey Forest team is continuing to engage the local community by offering free training courses (e.g. Gardening for Wildlife and Pond Exploration) at the local community centre and considering future funding applications and projects to remain involved in this area.

Object - Provide or help to provide for the general public facilities in the interests of social welfare for recreation and leisure time occupation particularly involving the enjoyment of land and woodland as a public amenity (and in furtherance to help to provide safe and convenient routes and modes of transport for the public, for safe cycling, and for the development of facilities including nature trails, reserves and sanctuaries, horse and cycle and footways, parkland and visitor facilities and car parks).

Achievement/Performance:

Underpinning prosperity

Community Forests North West has helped create attractive neighbourhoods where people want to live and work and improve house and land values by removing eyesores and creating new facilities. This provides a resource for future enterprises such as woodfuel and other green technologies.

Newlands

Newlands is reclaiming large areas of brownfield land across England's North West; responding to both local and regional economic and social needs by transforming sites into thriving, durable, community woodlands.

Newlands is a partnership of the Northwest Regional Development Agency and the Forestry Commission, together with CFNW, the Forests, local authorities, Groundwork Trusts, other partners and local communities.

As part of Newlands, CFNW Red Rose Forest and The Mersey Forest continued to deliver the Setting the Scene for Growth grant project. The Mab Lane project in Liverpool was completed, and work began on major works at Salford Crescent and on Matthews Lane Tip in Manchester, improving these areas for people and wildlife.

Setting the Scene for Growth also includes help from the Green Streets project, which supported the planting of over 170 new street trees in 2009-10.

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010

(continued)

Green Streets Greater Manchester

Green Streets is a nationally respected, ground breaking, urban greening initiative, which uses street greening projects to improve the quality of life for urban communities. 2009-10 was another fantastic year for Green Streets who planted over 5,500 urban trees across Red Rose Forest including 319 street trees in Manchester and Salford. Notable successes include 45 new semi-mature trees planted on the Spike Island housing estate in central Salford as part of the Climate Action Lower Kersal and Spike Island project, and another 36 semi-mature trees along the busy Frederick Road in Salford.

In Manchester the Team supported 25 community groups to secure 191 new residential street trees, including 32 in Higher Blackley across four adjacent streets that have been recently regenerated. A further 47 trees were planted in Moston, on St Mary's Road and Nuthurst Road.

In the first year of Setting the Scene for Growth, the Team planted 128 semi-mature urban street trees in Salford and Manchester and worked closely with partners to ensure the smooth delivery of the first year of improvements on Matthews Lane Tip/Nutsford Vale in South Manchester. The new and refurbished entrance points and boundary fencing have been well received by the local community.

In 2009-10 the Team continued its exceptional work with schools, working with six primaries across Manchester and Salford. Activities included planting a small orchard at Medlock Primary School in Manchester; tree planting with children in Wythenshawe; classroom sessions linking school grounds mapping with adaptation for climate change in Lower Kersal and Spike Island (Salford), and environmental education games in Ladybarn Park, Withington.

Throughout the year, the Team contributed to the development of Green Fix: Valuing Manchester's Nature, a booklet and DVD exploring what people think about nature in Manchester. The Team also worked to secure funding for Little Green Roofs, a new and exciting project, starting in 2010, that will work with local communities to create green roofs on small, uninhabited, communal buildings and structures. Finally, the Team also completed some small scale but important access improvements at Moston Brook in Oldham and Manchester and produced a site evaluation toolkit for use with local communities.

Green Streets Merseyside

Green Streets Merseyside has been funded by Setting the Scene for Growth and local authority allocations; Sefton Council's Section '106 Monies' and St Helens Council's Environmental Improvements Programme.

The Merseyside Green Streets project has successfully delivered street greening projects in Seaforth, Sefton through working with Sefton Council and local community groups to delivery 30 street trees to both residential and business locations. The other site was at Haydock, St. Helens by working in partnership with St.Helens Council and local communities and businesses to deliver 55 street trees. This also included enhancing two business development sites and two key gateway locations, whilst securing field boundaries and highway verges with hedgerow trees and hedge laying as part of local green infrastructure.

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010

(continued)

Mab Lane

Mab Lane Community Woodland is a new 23 ha woodland being created in the West Derby area of Liverpool, within The Mersey Forest area. It is spread across two nearby sites, known as the Mabby (Mab Lane playing fields) and the backfield (or "the backy"). These two sites are connected by Cantril Park (also known as "the swings").

The aim was to create the most colourful woodland in the world as a proud legacy of Liverpool's Capital of Culture year, a showpiece for the City's Year of Environment 09, and a long lasting community asset for all to enjoy. Over the past few months the site has been busy with creation of the main route ways, seating, fencing, wildflower meadow areas and structural tree planting including a community orchard.

In January 2010 Mab Lane, St Alberts and St Brigids Schools were involved in designing three wood sculptures to be located on each of the three areas of Mab Lane, these sculptures have now been carved and are located on site. Other environment and wildlife events have been run with the classes at the school with the support of Riverside Housing, Liverpool City Council Ranger Service and the Neighbourhood Wardens. A school planting day was organised on 18 March and was well received by children at Mab Lane Primary on the site adjacent to the school, the 117 school children planted over 400 trees. The community day on 9 April had around 120 people attending and involved in tree planting and orchard planting on site, a litter clean up, Easter egg hunt, dance and sports activities.

An official launch of the site is to be held in June 2010. Updates and pictures are available on: <http://www.mablane.com/>

Improving health

The greener environment we create is increasingly recognised as having significant benefits for physical and mental health. Trees can trap pollution and provide shade from UV radiation. Green spaces and networks are places for people of all ages to be more active. Just being able to see green is known to reduce stress and improve recovery from illness.

Developing community cohesion and engagement

Improving the local environment is something everyone can get involved in, and Community Forests North West brings people of different ages and backgrounds together. It gives a sense of pride in people's local area, developing skills and confidence in the community.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010**

(continued)

Objective - Educate the public in environmental matters, in ecology and provide better appreciation of the environment and ways of better serving, protecting and improving the same and education and training in all matters relating to the environment and its interaction with the social and economic wellbeing of the community.

Achievement/Performance:

Greater Manchester Forest Network

The Network continues to be a support group for environmental, health and education professionals, working with communities within Red Rose Forest and now Pennine Edge Forest. With 250 members signed up directly to the Forest Network and an estimated reach of 500 professionals working across Greater Manchester and beyond, members share information, skills, best practice, ideas and inspiration to create, deliver and engage communities in green infrastructure across the region.

Lightshaw Meadows

In partnership with the Lancashire Wildlife Trust and Red Rose Forest, CFNW successfully secured over £600,000 to purchase and improve Lightshaw Meadows, an exciting new wet grassland project in Wigan. Shaped by Wigan's long industrial landscape, Lightshaw Meadows is a fantastically unique area for nature. Covering an area of 18 hectares, it has 13 hectares of land designated as a Site of Special Scientific Interest (SSSI) and forms part of Abram Flashes and Wigan Greenheart Regional Park. Over the next three years, Lancashire Wildlife Trust, CFNW and Red Rose Forest will work to restore the area for the benefit of key habitats and species listed on the UK Biodiversity Action Plan Priority List.

The development of the site also offers a great opportunity for the local community to get involved and learn about the natural and industrial heritage of the area. As part of the project Red Rose Forest and the Lancashire Wildlife Trust will restore the wet grassland SSSI and transform it from 'unfavourable' to 'favourable' condition, plant a number of demonstration woodlands outside the SSSI, and introduce public access and interpretation. This will improve the area for a number of bird species including the yellow wagtail, lapwing, skylark, willow tit, snipe and redshank, as well as other creatures such as bats, water voles and invertebrates. A key theme for the project is the industrial heritage of the area and how this has resulted in the natural heritage that is now so important. Through signage and information points, the site will enable people to learn about the local heritage of Lightshaw Meadows. There will also be many opportunities for schools and other groups to get involved and learn about their local environment.

This project is funded by Heritage Lottery Fund and the Environment Agency.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010**

(continued)

Object - Promote the arts within the woodland and natural environments.

Achievement/Performance:

Griffin Wood

Griffin Wood is a 12-hectare community woodland and is being developed by The Mersey Forest on behalf of the Trust. Working closely with TMF team, the Friends of Griffin Wood have been extremely productive this year. They have gained 7 new members and run 13 task days, undertaking woodland management tasks such as Himalayan Balsam clearance, tree nursery management and tree and bulb planting events to enhance the existing woodland, making the woodland very much part of the local community. Group members have participated in 2 training courses, which helped one volunteer gain a job with Groundwork.

Two community events were organised by TMF team and the group – 110 trees were planted on site by the group in an hour in December as part of the nationwide “Tree o Clock” world record attempt. In March, the Wood Work chainsaw carving event at the local community centre had 50 community attendees participating in an arts workshop creating designs that the carvers used to create 6 large sculptures and a sign for the new entrance gate – these have since been installed around Griffin Wood as a new sculpture trail feature. Steven Wainwright, editor of local website www.suttonbeauty.org.uk said “The sculptures look really great. There were a few people walking or cycling through Griffin Wood & one person stopped to tell us how good they were” Another visitor said “These are amazing, such great designs, a great idea”.

The site has its own website (www.merseyforest.org.uk/griffinwood) and the group also puts paper items in the notice board on site and three articles have featured in the local paper.

Object - Promote for the benefit of the public the ecology and use of the natural environment and all species living in it.

Achievement/Performance:

Foundation – A Climate Fund for the Northwest

Foundation was launched in April 2009 and is a new and innovative climate fund for the Northwest. Foundation gathers up donations from individuals, organizations and businesses and uses them to support community based carbon reduction projects across the region. Projects include domestic energy efficiency improvements such as wall insulation, renewable energy such as solar panels and carbon capture projects such as our tree planting project in The Mersey Forest.

Over the 2009-10 planting season many communities, forest partners and schools approached us to help them plant trees on their sites. The target planting area for this planting season and financial year was 2ha, this was over achieved with just under 6ha across 32 community and school sites.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010**

(continued)

The trees planted included new woodland planting, woodland structure planting, orchard planting and some larger structural trees which will not only lock up carbon but also provide shade. Species have included a wide range of mixed broadleaved trees, black pine and larch as well as hedgerow varieties including hawthorn, blackthorn and other shrub species such as dogwoods and willow for coppicing. Tree sizes have varied with the larger planting schemes being 40-60cm whips, larger standards where fruit trees (2-3m) have been planted and some larger trees (3-4m) to create instant impact, shade and structure to planting schemes.

The project continues over the next 12 months.

City Cooling

City Cooling is a concept explained in the report 'City Cooling Demonstration Project – linking moderating urban temperature extremes to surface water management', by Dr Susannah Gill from The Mersey Forest. In essence, this states that green infrastructure development underpinned by sustainable urban drainage systems has a major role to play in keeping our cities at a comfortable temperature in light of climate change induced temperature rises. CFNW is coordinating the development of bids to seek funding for projects that will establish an evidence base and implement physical demonstrations of the cooling effect of green infrastructure on urban temperatures and the role these areas can also play in managing surface water runoff and using water sustainably.

Funding has so far been secured for: a Green Streets project in Knowsley involving residential water butt installations to aid young tree growth and provide a sustainable water source to maintain evaporative cooling (Knowsley Housing Trust); expansion of the Green Streets programme across The Mersey Forest and Red Rose Forest (Setting the Scene for Growth); and delivery of I-trees phase 1, which seeks to quantify the capability of green infrastructure to help us to adapt to climate change (Interreg). In addition, a bid has been submitted to fund a quantitative study of green roofs (Peter de Haan Trust) and bids are currently being developed to fund green roofs, wetland creation, etc in schools and community buildings (Esmee Fairbairn Trust); and green and blue infrastructure solutions to climate change in a public open space (WREN).

In addition, CFNW is working in partnership with Liverpool City Council to develop and deliver community focused climate change adaptation training across the Mersey Belt.

Object - promote for the benefit of the public the conservation, enhancement and improvement of the environment and to educate the public in the importance of sustainable development in relation to all the activities of the Charity.

Achievement/Performance:

Adapting to climate change

Community Forests North West already plays an important part in mitigating climate change, including storing carbon in an increased number of trees. However it's bigger effect will be by adapting to climate change and creating landscapes that help cool built-up areas, absorb and retain rain that could otherwise cause flooding, and reduce the effects of high wind speeds

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010

(continued)

GRaBS

CFNW were contracted by NWDA to work on the EU Interreg IVC funded 'Green and Blue Space Adaptation for Urban Areas and Eco-towns (GRaBS)' project (<http://www.grabs-eu.org/>) through the NW Climate Change Action Plan. The GRaBS project is a network of leading pan-European organisations involved in integrating climate change adaptation into regional planning and development. Regional spatial planning and urban design can provide solutions that make our communities less vulnerable to the risks of climate change. Green infrastructure including gardens, parks, productive landscapes, green corridors, green roofs and walls and blue infrastructure such as water bodies, rivers, streams, floodplains and sustainable drainage systems, play a vital role in creating climate resilient development – a role, which is currently not sufficiently recognised and utilised and lacks integration in mainstream planning. By advancing the knowledge and expertise of partner staff through the GRaBS project, decisions makers, politicians and communities, and regional and local municipalities across Europe will be able to make a more informed and strategic response to climate change adaptation. In the long term communities will reduce their vulnerability to the environmental, social and economic damage related to climate change impacts including extreme temperature increases and flooding incidents.

i-trees

i-trees is a groundbreaking and unique project that aims to demonstrate the importance of trees in the fight against climate change in our cities. i-trees is a CFNW project in conjunction with Red Rose Forest and is the first in a series of demonstration projects that will help transform the Oxford Road Corridor in Manchester City centre into a Green Laboratory.

The Corridor will host a number of discrete experimental projects that will monitor the impact of a range of natural and artificial components on climatic conditions such as temperature, flash flooding, air quality and the associated economic impacts. i-trees will therefore provide a valuable insight into how we can make our cities less vulnerable to climate change now and in the future.

i-trees builds on the internationally respected work by the University of Manchester into the role of street trees and green spaces in adapting urban areas to climate change and the nationally respected work of the Forest's in greening urban areas through the Green Streets project. It will enable Manchester to remain at the forefront of climate change adaptation research and will be another world first for the city.

i-trees has been funded by the University of Manchester, Manchester City Council, the Manchester Metropolitan University and the European INTERREG IVB programme. i-trees has also been supported by Manchester Science Park, Manchester Leisure and the Manchester Academy.

In 2009-10, nine experimental monitoring plots were constructed across five locations: Manchester Academy, Whitworth Park, Dilworth Street, Grosvenor Square and Manchester Science Park. An official launch was held at the Manchester Academy School, where pupils will be actively involved in collecting and interpreting data. The plots will be monitored initially for two years. However, it is hoped that this monitoring can be extended so that more crucial data can be collected and evaluated.

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010

(continued)

A second phase of i-trees aims to investigate the impact of different tree pit specifications on the health and growth rates of trees and their ability to provide evaporative cooling and shade in towns and cities. Working together on Dilworth Street in the heart of the University Campus next to Oxford Road, the University of Manchester and Red Rose Forest will monitor and measure the impact of three different but commonly used tree pit types on the health and growth of trees.

The research will help identify which of the three different tree pits is best able to encourage healthy tree growth, which will have a direct impact on their ability to cool the air around them through the release of water vapour or evapo-transpiration. Encouraging healthy tree growth will also help to save money in the long term by avoiding the need to replace dead or dying trees, whilst making our streets cooler places to be during hot summer days.

The trees were planted in the spring of 2010 and will be monitored over a three year period. Funding for the project has been provided by the North West Regional Development Agency via the Forestry Commission and the European INTERREG IVB programme. The trees were donated by Barcham's Nursery.

ForeStClim

ForeStClim is a transnational project that looks at developing risk based models for future management of trees and woodland. Our work to date has been to look at the current state of silviculture, the projected impacts, and the need to adapt our silviculture to ensure that our trees and woodlands are resilient and can continue to deliver the wide range of benefits that are key to our communities and economy. In particular we are looking at climate twins as a way of looking at potential future management techniques. To do this we work with other mainland Europe ForeStClim partners

Working with Universities: National Indicator 188

In 2009 we worked together with University of Manchester to produce a report for Manchester City Council to help the Council achieve level 1 of National Indicator 188 (NI 188). NI 188 is a measure of how well local authorities are assessing and addressing the risks and opportunities presented by a changing climate. Using the University's expertise in Climate Change science, and CFNW's understanding of local authorities and green infrastructure, we worked together to assess the vulnerability of six of Manchester City Council's services to likely climate change scenarios.

FUTURE DEVELOPMENTS

The Trust intends to continue to develop the range and scale of the innovative projects it is developing to improve the image and environment of the area for public benefit. This will include the ongoing development of the Green Streets project into other areas, the delivery of Setting the Scene for Growth, as well as taking appropriate opportunities to secure additional areas of land to create more areas of green space and community woodland. In particular the Trust is expected to play an increasing role in working with partners and communities to help the area adapt to and mitigate climate change through the provision of high quality green infrastructure. The work of the trust will support the development and delivery of the proposed National Tree Planting Campaign

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010

(continued)

FINANCIAL REVIEW

The Statement of Financial Activities (SoFA) and the Balance Sheet have been prepared in accordance with the Statement of Recommended Practice (SORP) 2005.

The charity's income continued to grow, increasing by around £0.6m from £1.3m in 2008-09 to £1.9m in 2009-10. Charitable income contributed to most of this increase with a majority of the income through the Setting the Scene for Growth projects of which restricted funds have been held for future project expenditure.

The charity's total expenditure has remained the same as the previous financial year at £1.4m. A net surplus of £526,316 was produced during the year with £534,260 being restricted funds. The total funds being carried forward to the next financial year are £1.3m

During the year, the total incoming resources were £1.9m

The total resources expended in the year were £1.4m

The reserves as at the 31st March 2010 were:

Restricted £961,926

Unrestricted £309,654

Total £1,271,580

RESERVE POLICY

Reserves are considered to be that part of the Trust's funds which are freely available for its general purposes after it has met its commitments and covered its other planned expenditure. These unrestricted funds are needed to cover administrative, fundraising and support costs without which the Trust could not function.

The Trustees consider it prudent that unrestricted reserves should be sufficient to cover at least one year's administrative, fundraising and support costs. This is currently estimated to be approximately £120,000. The level of unrestricted reserves is monitored and reviewed by the Trustees during the year. In the year ended 31st March 2010 the Trust continued to address the need to develop reserves and its limited available funds were retained in its current account.

INVESTMENT POLICIES

The charity has a policy of keeping any surplus funds in short term deposits, which can be accessed readily. There is a treasury sweep function in place for the main current account and all funds are invested in the bank. Where the Trust is holding restricted reserves (e.g. endowments) an appropriate proportion of the funds available may be invested in longer term investment products of reputable UK financial institutions to obtain more favourable long term returns from secure investments.

STATEMENT OF PUBLIC BENEFIT

In meeting these objects the charity's public benefit aim to maintain, complete and apply for funding that supports projects as detailed above. The charity has met its objectives by sticking to the guidelines of the grants applied for.

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010

(continued)

In setting out policy and planning these activities the trustees have given consideration to the Charity Commission's general guidance on public benefit.

The Charities Act identifies thirteen charitable purposes as being for the public benefit. Community Forests North West meet the public benefit principles by focusing on three of those charitable purposes:

- a) the advancement of education.
- b) the advancement of health or the saving of lives.
- c) the advancement of environmental protection or improvement.

STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

The trustees are responsible for their annual report, and the preparation of the financial statements for each financial year which give a true and fair view of the incoming resources and application of those resources to the charity and group during the year, and of the state of affairs at the end of the financial year. In preparing these financial statements the trustees are required to:

- ensure that suitable accounting policies are established and applied consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether the applicable accounting standards and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees have overall responsibility for ensuring that the charity has appropriate systems and controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statement comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for their proper application as required by charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- all assets are safeguarded against unauthorised use or disposition and are properly applied;
- proper records are maintained and financial information used within the charity, or for publication, is reliable;
- the charity complies with relevant laws and regulations.

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Trustees.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31st March 2010**

(continued)

STATEMENT OF DISCLOSURE TO AUDITOR

- (a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Booth Ainsworth LLP have agreed to offer themselves for reappointment as auditors of the charity.

Approved on behalf of the trustees

.....
Chairman Date.....

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY FORESTS NORTHWEST LIMITED
FOR THE YEAR ENDED 31st MARCH 2010**

We have audited the financial statements of Community Forests Northwest Limited for the year ended 31st March 2010 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

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

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

Basis of audit opinion

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNITY FORESTS NORTHWEST LIMITED
FOR THE YEAR ENDED 31st MARCH 2010**

Opinion

In our opinion

- . the financial statements give a true and fair view of the state of the charity's affairs as at 31st March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- . the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- . the financial statements have been prepared in accordance with the Companies Act 2006; and
- . the information given in the Trustees' Annual Report is consistent with the financial statements.

Amir Malik (Senior Statutory Auditor)

For and on behalf of Booth Ainsworth LLP

Chartered Accountants

Statutory Auditors

Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Statement of Financial Activities (Incorporating the Income and Expenditure Account)
For the year ended 31 March 2010

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	17,582	-	17,582	17,569
Activities for generating funds	3	10,418	-	10,418	9,717
Investment income	4	307	-	307	23,749
Incoming resources from charitable activities	5	-	1,874,085	1,874,085	1,249,771
Total incoming resources		<u>28,308</u>	<u>1,874,085</u>	<u>1,902,393</u>	<u>1,300,806</u>
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	6	(31,351)	-	(31,351)	(40,957)
Charitable activities	7/8/9	-	(1,339,725)	(1,339,725)	(1,361,183)
Governance costs	10	(5,000)	-	(5,000)	(5,994)
Total resources expended		<u>(36,351)</u>	<u>(1,339,725)</u>	<u>(1,376,077)</u>	<u>(1,408,134)</u>
Net (outgoing)/incoming resources before transfers	11	(8,044)	534,360	526,316	(107,328)
Transfers between funds	12	21,398	(21,398)	-	-
Net (expenditure)/income for the year		13,354	512,962	526,316	(107,328)
Reconciliation of funds					
Total funds brought forward		296,300	448,964	745,264	852,592
Total funds carried forward		<u>309,654</u>	<u>961,926</u>	<u>1,271,580</u>	<u>745,264</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Balance Sheet
For the year ended 31 March 2010

		2010		2009	
		£	£	£	£
Fixed assets					
Tangible assets	14		194,777		98,180
Current assets					
Debtors	15	498,198		423,244	
Cash at bank		<u>835,581</u>		<u>580,028</u>	
		1,333,778		1,003,272	
Creditors: amounts falling due within one year	16		(178,896)		(278,109)
Net current assets			<u>1,154,882</u>		<u>725,163</u>
Total assets less current liabilities			1,349,659		823,343
Government grants	18		(78,079)		(78,079)
Net assets			<u><u>1,271,580</u></u>		<u><u>745,264</u></u>
Funds					
Restricted income funds	19		961,926		448,964
Unrestricted income funds	20		309,654		296,300
Total funds			<u><u>1,271,580</u></u>		<u><u>745,264</u></u>

The accounts have been prepared in accordance with provisions applicable to the company subject to the small companies regime with part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective from April 2008).

These financial statements were approved by the members of the committee on the
and are signed on their behalf by:

.....

TRUSTEE

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

2. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Donations	180	-	180	180
Donated services	17,402	-	17,402	17,389
	<u>17,582</u>	<u>-</u>	<u>17,582</u>	<u>17,569</u>

3. Incoming resources from activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Dedicate a tree project	9,820	-	9,820	7,806
Charities Tax Reclaim	599	-	599	902
Green corporate days	-	-	-	1,000
Payroll Giving (GAYE)	-	-	-	9
	<u>10,418</u>	<u>-</u>	<u>10,418</u>	<u>9,717</u>

4. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	£
Bank interest received	257	-	257	23,699
Rental income - Forestry Commission	50	-	50	50
	<u>307</u>	<u>-</u>	<u>307</u>	<u>23,749</u>

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

5. Incoming resources from charitable activities

	Red Rose Forest Staff	GRABS (CCAP)	Tree Audit	National Working Agreement	Salford Climate Change Plan	Visualise 2D	Foundation Carbon Innovation	National Indicator 188	Brickfields	i-trees	City Cooling	Lightshaw Meadows	Marketing & Fundraising	Access to Nature	Newlands Staff	Mersey Forest Staff	Community Network	Griffin Wood	ForeSt Clim	SSFG	Green Streets	Total 2010	Total 2009
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Forestry commission	-	-	-	-	-	-	-	-	39,696	-	-	-	-	4,553	93,417	-	-	3,018	-	901,654	12,409	1,054,748	360,732
Groundwork UK	-	-	-	-	10,460	-	10,400	-	-	-	-	-	-	-	-	-	-	-	-	-	23,298	44,158	45,375
Various Residents Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61,021	61,021	47,124
Salford CC	50,466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,478	-	-	-	21,071	73,015	172,855
Cheshire CC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	154,947	-	-	-	-	-	154,947	162,746
Manchester CC	-	-	-	-	-	-	-	-	-	34,869	-	-	-	-	-	-	-	-	-	5,300	10,975	51,144	100,618
Wigan MBC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	709	709	9,747
Bolton MBC	-	-	6,404	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,404	30
ERDF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,300	2,300	130,226
Charities Tax Reclaim	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Untaxed Bank Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dedicate a Tree	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
North West Development Agency	-	70,230	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,230	59,744
Community Forests Network	-	-	-	7,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,000	13,801
The Environment Agency	-	-	-	-	-	-	-	-	-	-	10,000	45,000	-	-	-	-	-	-	-	-	-	55,000	-
Heritage Lottery Fund	-	-	-	-	-	-	-	-	-	-	-	40,681	-	-	-	-	-	-	-	-	-	40,681	12,491
Interreg (EU)	-	-	-	-	-	-	-	-	-	12,713	-	-	-	-	-	-	-	-	34,069	-	-	46,783	10,667
Manchester University	911	-	-	-	-	-	-	9,000	-	44,513	-	-	-	-	-	-	-	-	-	-	13,075	67,499	-
Manchester Metropolitan University	-	-	-	-	-	-	-	-	-	4,453	-	-	-	-	-	-	-	-	-	-	-	4,453	4,484
GG Manchester (Landfill Biffa)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	94,767	94,767	38,097
Trees for Cities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,055	11,055	17,615
NHS Salford	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,150	1,150	-
New Deal for the Communities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	-	25,000	-
Other incoming resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,360	-	-	-	662	2,022	63,409
Total Incoming Resources	£51,377	£70,230	£6,404	£7,000	£10,460	£0	£10,400	£9,000	£39,696	£96,549	£10,000	£85,681	£0	£4,553	£93,417	£154,947	£2,838	£3,018	£34,069	£931,954	£252,491	£1,874,085	£1,249,771

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

6. Costs of generating voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Dedicate a Tree	13,949	-	13,949	40,957
Donated Time	17,402	-	17,402	-
	<u>31,351</u>	<u>-</u>	<u>31,351</u>	<u>40,957</u>

8. Analysis of Grants Given

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
SSFG Mab Lane Grants Payable	-	166,190	166,190	45,000
	<u>-</u>	<u>166,190</u>	<u>166,190</u>	<u>45,000</u>

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

8. Resources expended for charitable activities

	Red Rose Forest Staff	GRABS (CCAP)	Tree Audit	National Working Agreement	Salford Climate Change Plan	Visualise 2D	Foundation Carbon Innovation	National Indicator 188	Brickfields	I-trees	City Cooling	Lightshaw Meadows	Marketing & Fundraising	Access to Nature	Newlands Staff	Mersey Forest Staff	Community Network	Griffin Wood	ForeSt Clim	SSFG	Green Streets	Total 2010	Total 2009
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Salary costs	48,334	41,911	3,638	-	-	318	-	-	-	-	-	7,899	12,922	3,761	73,035	123,906	-	-	-	-	132,942	448,664	370,632
Advertising/publicity	-	670	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	670	805
Audit & accountancy	-	-	-	-	-	-	-	-	-	3,354	-	-	-	-	-	-	-	-	2,850	-	2,300	8,504	2,750
Bank charges	2	24	-	-	-	-	-	-	-	-	-	-	-	-	48	-	-	-	-	75	24	173	184
Computer costs	-	-	-	-	-	-	-	-	-	22	74	-	-	-	-	-	-	-	-	-	-	96	8,309
Fees and consultancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,366
Grants made	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Materials	-	-	-	-	-	-	-	-	-	9,089	-	-	-	-	-	-	-	-	-	-	-	-	-
Office & insurance costs	606	607	-	-	-	75	-	-	-	-	-	1,863	3,049	887	17,205	2,086	-	-	-	116,071	113,575	239,459	425,758
Professional & legal fees	-	-	-	-	-	650	-	-	-	-	-	489	-	-	-	49	-	-	-	7,344	-	8,532	8,691
Recruitment	69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69	108
Sub-contractors	310	19,679	-	6,500	60	-	10,400	-	24,945	65,671	10,000	27,919	-	-	-	32,526	1,000	-	33,726	66,331	46,988	346,055	303,305
Sundries	1,099	269	-	-	221	-	-	-	93	195	-	-	-	-	426	-	556	-	-	783	320	3,962	2,085
Support costs	-	-	-	282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	282	10,244
Telephone/ Mobile	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	614	657
Training	-	470	-	-	-	-	-	-	-	-	-	-	50	-	-	-	-	-	-	-	-	315	835
Travel and subsistence	2,080	1,248	-	-	-	-	-	-	2,130	302	36	382	-	-	537	2,768	-	-	-	132	2,409	12,024	9,324
Bad Debt Write Off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Irrecoverable VAT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,939
Support costs allocation	5,249	3,691	135	593	694	51	34	51	1,321	2,574	288	2,269	4,673	68	8,839	9,397	1,507	68	508	8,161	12,936	63,107	91,910
Total Resources Expended	57,749	68,570	3,773	7,375	975	1,094	10,434	51	26,359	83,034	10,664	40,476	21,076	4,716	100,813	170,732	3,063	68	37,084	198,898	331,534	1,178,536	1,321,183

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

9. Analysis of support costs

	Total 2010	Total 2009
	£	£
Salary costs	24,042	36,567
Audit & accountancy	11,203	4,899
Bank charges	89	129
Computer costs	1,015	1,134
Office & insurance costs	6,395	27,631
Professional & legal fees	-	1,074
Recruitment	-	3,000
Sub-contractors	19,730	-
Sundries	-	922
Support costs	15	-
Travel and subsistence	617	827
Irrecoverable VAT	-	10,727
Total Resources Expended	<u>63,107</u>	<u>86,910</u>

10. Governance costs

	Total 2010	Total 2009
	£	£
Audit and Accountancy	5,000	5,994
	<u>5,000</u>	<u>5,994</u>

11. Net (outgoing) / incoming resources for the year

This is stated after charging:

	Total 2010	Total 2009
	£	£
Staff pension contribution	12,373	9,987
Audit and Accountancy fees	5,000	5,994
	<u>31,461</u>	<u>15,981</u>

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

12. Funds Transfer

Transfers of £21,398 from restricted funds to unrestricted funds relate to the total of the support costs which have not been allocated against the restricted funds offset against the unrestricted funds used in the purchase of land. (see note 21)

13. Staff costs and emoluments

Total staff costs were as follows:

	2010 £	2009 £
Wages and salaries	387,369	346,941
Social security costs	35,449	24,452
Other pension costs	12,373	9,987
Seconded Staff	37,516	37,085
	<u>472,707</u>	<u>418,465</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

	2010	2009
Number of administrative staff	19	18

No employee received emoluments of more than £60,00 during the year (2009 - Nil)

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

14. Tangible fixed assets

	Land and buildings	Other plant & machinery	Total
	£	£	£
Cost or valuation			
At 1st April 2009	94,850	7,243	102,093
Additions	99,927	-	99,927
At 31st March 2010	<u>194,777</u>	<u>7,243</u>	<u>202,020</u>
Depreciation			
At 1st April 2009	-	3,913	3,913
Charge	-	3,330	3,330
At 31st March 2010	<u>-</u>	<u>7,243</u>	<u>7,243</u>
Net book value			
At 31st March 2010	<u>194,777</u>	<u>-</u>	<u>194,777</u>
<i>At 31st March 2009</i>	<u>94,850</u>	<u>3,330</u>	<u>98,180</u>

Middlefield Farm was acquired in 2006 for £78,079 and was revalued by P Wilson & Co Chartered Surveyors on 31 March 2007 at £91,750.

The remaining freehold land is disclosed at its revalued amount.

The land at Viridor Wood was acquired in 2000 and revalued by P w smith BSc FRICS FAAV on 31 March 2000 at £1,250. This land should have been subject to a formal external valuation during 2005, in accordance with FRS 15 "Tangible Fixed Assets". This was not commissioned by the trustees on the grounds that the cost of such an exercise would be disproportionate to the benefits. The land at Horrocks Hill and Hurst Farm was acquired during 2002 and was revalued by P Wilson & Company on 31 March 2002 at £750 and £1,100 respectively.

999 year leases were granted to the Minister of Agriculture Fisheries and Food (acting on behalf of Forest Enterprise) over each piece of land. The leases place onerous obligations on use, consistent with the aims and objectives of the Trust.

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

15. Debtors

	2010	2009
	£	£
Trade debtors	469,424	212,571
Prepayments	27,933	210,673
Other debtors	841	-
	<u>498,198</u>	<u>423,244</u>

16. Creditors: Amounts due within one year

	2010	2009
	£	£
Trade creditors	120,715	112,182
PAYE & social security	23,051	9,722
Other creditors	35,130	156,205
	<u>178,896</u>	<u>278,109</u>

18. Government grants

	2010	2009
	£	£
Received and receivable:		
At 1st April 2009	78,079	78,079
At 31st March 2010	<u>78,079</u>	<u>78,079</u>
Amortisation:		
At 31st March 2010	-	-
Net balance at 31st March 2010	<u>78,079</u>	<u>78,079</u>

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

19. Restricted income funds

	Balance at 1 Apr 2009 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Mar 2010 £
Access to Nature	-	4,553	(4,716)	162	-
Brickfields	25,030	39,696	(26,359)	-	38,368
City Cooling	-	10,000	(10,664)	664	-
Community Networks	549	2,838	(3,063)	-	324
ForeSt Clim	4,244	34,069	(37,084)	-	1,230
Foundation Carbon Innovation	-	10,400	(10,434)	34	-
GRABS (CCAP)	5,201	70,230	(68,570)	(6,861)	-
i-trees	26,610	96,549	(83,034)	-	40,125
Lightshaw Meadows	-	85,681	(40,476)	(45,205)	-
National Indicator 188	-	9,000	(51)	-	8,949
National Working Agreement	7,002	7,000	(7,375)	-	6,627
Newlands Staff	21,235	93,417	(100,813)	-	13,839
Salford Climate Change Plan	-	10,460	(975)	-	9,485
Tree Audit	-	6,404	(3,773)	-	2,631
Visualise 2D	-	-	(1,094)	1,094	-
Red Rose Forest Staff	-	51,377	(57,749)	-	(6,372)
Griffin Wood	23,876	3,018	(68)	-	26,826
Mersey Forest	280,233	154,947	(170,732)	7,638	272,086
Setting the Scene for Growth	26,206	931,954	(365,087)	(120,978)	472,095
Green Streets Projects	28,778	252,491	(331,534)	120,978	70,713
Marketing and Fundraising	-	-	(21,076)	21,076	-
Total	448,964	1,874,084	(1,344,727)	(21,398)	956,926

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

19. Restricted income funds (continued)

Tree Audits

Community Forests North West through Red Rose Forest is at the forefront of developing Tree Audits to help local authorities and others understand their tree resources and plan future management and development.

Access to Nature

CFNW has been working on a bid to the Access to Nature funding stream (Big Lottery). The revenue funding will support community engagement work around sites within The Mersey Forest and Red Rose Forest.

Brickfields

Brickfields is a community woodland in St Helens and managed by the Forestry Commission. The Mersey Forest's community engagement programme has been funded by the Newlands programme over the past 3 years.

Newlands

Newlands is reclaiming large areas of brownfield land across England's North West; responding to both local and regional economic and social needs by transforming sites into thriving, durable, community woodlands.

The Mersey Forest and Red Rose Forest Staff

CFNW employ staff who assist The Mersey Forest and Red Rose Forest deliver a number of its projects to involve communities and improve the environment of The Mersey Forest and Red Rose Forest areas

Mab Lane

Mab Lane Community Woodland is a new 23 ha woodland being created in the West Derby area of Liverpool, within The Mersey Forest area and funded through the Setting the Scene for Growth programme.

Green Streets Greater Manchester and Green Streets Merseyside

Green Streets is a nationally respected, ground breaking, urban greening initiative, which uses street greening projects to improve the quality of life for urban communities. Green Streets has been funded by Setting the Scene for Growth and local authority allocations.

Greater Manchester Forest Network

The Network continues to be a support group for environmental, health and education professionals, with communities within Red Rose Forest and now Pennine Edge Forest

National Working Agreement Project

The project aims to provide a range of services to enhance and support the work of the Community Forest Partnership at a national level.

Lightshaw Meadows

In partnership with the Lancashire Wildlife Trust and Red Rose Forest, CFNW successfully secured over £600,000 to purchase and improve Lightshaw Meadows, a wet grassland project in Wigan. This project is funded by the Heritage Lottery Fund and the Environment Agency.

ForeStClim

This is an EU-funded environmental project for work on the development of transitional co-ordinated forestry management and forest protection and adaption strategies.

GRaBS

CFNW were contracted by NWDA to work on the EU Interreg IVC funded 'Green and Blue Space Adaptation for Urban Areas and Eco-towns (GRaBS)' project through the NW Climate Change Action Plan.

Griffin Wood

Griffin Wood is a 12-hectare community woodland and is being developed by The Mersey Forest on behalf of the Trust.

COMMUNITY FORESTS NORTH WEST LIMITED
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2010
(continued)

19. Restricted income funds (continued)

Setting the Scene for Growth (SSFG)

CFNW is co-ordinating the delivery of the SSFG elements of the Newlands 2 project funded by the North West Development Agency through the Forestry Commission.

i-trees

i-trees is a groundbreaking and unique project that aims to demonstrate the importance of trees in the fight against climate change in our cities. i-trees has been funded by the University of Manchester, Manchester City Council, the Manchester Metropolitan University and the European INTERREG IVB programme. i-trees has also been supported by Manchester Science Park, Manchester Leisure and the Manchester Academy.

Foundation – A Climate Fund for the Northwest

Foundation gathers up donations from individuals, organizations and businesses and uses them to support community based carbon reduction projects across the North West.

City Cooling

CFNW is coordinating the development of bids to seek funding for projects that will establish an evidence base and implement physical demonstrations of the cooling effect of green infrastructure on urban temperatures.

National Indicator 188

CFNW worked together with the University of Manchester to produce a report for Manchester City Council to help the Council achieve level 1 of National Indicator 188.

20. Unrestricted income funds

	Balance at 1 Apr 2009	Incoming resources	Outgoing resources	Transfers	Balance at 31 Mar 2010
	£	£	£	£	£
General funds	296,300	28,308	(36,351)	21,398	

21. Analysis of net assets between funds

	Tangible fixed assets	Net current Assets	Other net liabilities	Total
	£	£	£	£
Restricted Income Funds	194,777	1,154,882	(78,079)	1,271,580
Unrestricted Income Funds	-	-	-	-
Total Funds	<u>194,777</u>	<u>1,154,882</u>	<u>(78,079)</u>	<u>1,271,580</u>

22. Related party transactions

Some of the trustees have been nominated by the organisations who created and/or fund the charity. A significant number of transactions, particularly relating to funding, are therefore related party transactions. It is not practical to list all of these in the notes to the financial statements.

No trustees received any personal benefit from any of these transactions

24 Company limited by guarantee

The liability of the members is limited.