

**FORWARD SCOTLAND**

**REPORT AND ACCOUNTS**

**For the year ended 31 March 2006**

**Company Number: 232302**

**Scottish Charity Number: SC033204**

## **FORWARD SCOTLAND**

### **Head Office and Registered Office**

The Lodge  
Earlsgate House  
St Ninians Road  
Stirling  
FK8 2HE

### **Company Secretary**

Frazer Scott

### **Bankers**

Bank of Scotland  
110 Battlefield Road  
Glasgow  
G42 9JT

### **Solicitors**

Burness  
242 West George Street  
Glasgow  
G2 4QY

### **Auditors**

Scott-Moncrieff  
Chartered Accountants  
25 Bothwell Street  
Glasgow  
G2 6NL

**Charity number:** SCO33204

**Company number:** 232302

**Environmental Body number:** 853014

**FORWARD SCOTLAND**

**REPORT AND ACCOUNTS**

**For the Year Ended 31 March 2006**

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## **FORWARD SCOTLAND**

### **REPORT OF THE DIRECTORS**

The directors are pleased to present their report together with the financial statements of the charity for the year ending 31<sup>st</sup> March 2006.

### **Reference and administrative details**

#### Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The directors serving during the year and since the year end were as follows:

D Mitchell, Convener  
K Anderson  
J Beveridge (resigned 31 December 2005)  
S Halliday  
P Hunter-Blair (appointed 1 November 2005)  
B Kelly  
N Kitching (appointed 1 November 2005)  
A Mearns (resigned 27 January 2006)  
G Peart  
A Smith (appointed 1 November 2005)  
J Sturrock (resigned 27 January 2006)  
C Vawdrey (resigned 9 January 2006)  
S Wurthmann (appointed 1 November 2005)

Secretary F Scott

#### Executive Team

Chief Executive T Leijser  
Assistant Chief Executive F Scott  
Grant Scheme Manager I Roxburgh

## **FORWARD SCOTLAND**

### **REPORT OF THE DIRECTORS**

#### **Structure, Governance and Management**

##### Governing Document

Forward Scotland is a company limited by guarantee governed by its Memorandum and Articles of Association dated 31 May 2002 and amended to allow for current governance arrangements on 27 January 2006. It is registered as a charity with the Office of the Scottish Charity Regulator. The company is a membership organisation with each of the Directors being individual members. The total number of members shall not exceed twenty at any one time.

##### Appointment of directors

As set out in the Articles of Association the Convenor shall be appointed by the Board of the Company. The directors shall be appointed by the Board of the Company. Directors shall hold office for three years with the possibility of a further three year term.

The company indicates its intention to appoint new directors by way of public advert and then an open recruitment process. The interview panel is made up of members of the Board.

##### Director induction and training

New directors undergo an orientation session to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the Board sub-groups and decision making process, the business plan and recent financial performance of the charity. During this induction session they meet key employees and other trustees. Directors are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

##### Organisation

The board of directors which can have up to 14 members, administers the charity. The board meets quarterly and there are sub-groups covering Finance and Human Resources. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within a scheme of delegation approved by the trustees, for operational matters including finance, employment and management of the charitable objectives.

##### Related Parties

The Millennium Forest for Scotland Trust (MFST) is a wholly owned subsidiary company of Forward Scotland. The Convenor of MFST is a member of the board of Forward Scotland and the Convenor of Forward Scotland sits on the board of MFST. As the sole member of MFST, Forward Scotland is responsible for the appointment of all trustees.

MFST is a company limited by guarantee and a recognised charity. During the year from 1 April 2005 to 31 March 2006, MFST had a deficit of income over expenditure of £175,134 and had net assets for £394,748 at 31 March 2006. Through a minute of agreement Forward Scotland provides management and administrative support to MFST.

On 12<sup>th</sup> December 2005 Forward Scotland approved the request by the trustees of MFST to progress towards Members Voluntary Liquidation of the company. MFST is expected to cease trading by the end of 2006.



## **FORWARD SCOTLAND**

### **REPORT OF THE DIRECTORS**

#### Risk Management

The trustees have an approved risk management plan, with individual risk management plans prepared for all major projects. The trustees are satisfied that as of 31 March 2006 all relevant risks have been identified and systems have been established to mitigate these risks. Specific risks relevant at 31 March 2006 were identified as:

- Imminent expiry of the existing funding agreement with the Scottish Executive
- Loss of key personnel and knowledge
- Requirement of the charity to relocate its offices in the immediate future (this was successfully achieved in September 2006)

The trustees are satisfied that the company will continue to adopt best practice in risk management, including an annual review by the board of the approved risk management plan.

#### **Objectives and activities**

For the year ended 31 March 2006, the company continued its focus on embedding the principles of sustainable development in the policy and practices of public, private and community based organisations in Scotland in order to improve the quality of life for communities across Scotland.

Specific strategic objectives of the company were to:

- Raise awareness and improve understanding of sustainable communities issues
- Build a commitment to increased sustainability within public, private and third sector organisations through encouraging the replication of successful approaches and the principles of good practice
- Encourage, support and facilitate local communities to undertake practical sustainable development projects

To this end, the company developed and supported innovative projects demonstrating the benefits of sustainable development. It also worked to influence policies and programmes at all levels for the promotion of a more integrated and sustainable approach to development. And it worked to promote awareness, understanding and adoption of best practice in the field of sustainable development.

In pursuit of this the prime role of Forward Scotland has been to act as a catalyst, working with others to identify priority areas for action, explore and facilitate solutions, evaluate and report upon project outcomes, and disseminate knowledge to influence future actions and policy development.

#### Grant Making Policy

The company invites applications to its various grant schemes by advertising in local press, by attending funders fairs and by a monthly newsletter sent out electronically. Completed applications are reviewed and compared against the criteria specific to each fund and then ranked by the grant officer conducting the review as high, medium or low risk. The assessment is then taken to an independent grants panel that make the ultimate decision as to whether or not a project receives funding.

Details of how to apply for funding along with the relevant forms are available on the company's website.

## **FORWARD SCOTLAND**

### **REPORT OF THE DIRECTORS**

#### **Achievements and performance**

Forward Scotland's programme of work in 2005/06 is described in three main areas of activity; Signposting & Support, Demonstration and Grants.

*Signposting and Support* aims to engage with local communities, raise awareness of sustainable development issue, and to help communities who wish to become involved in local sustainable development work.

In 2005/06, this was achieved through funding for capacity building, provision of information through the websites and enquiries service and direct support via a programme of events and workshops.

Key achievements include:

- The Forward Scotland monthly bulletin covering current issue in sustainable development in Scotland and abroad now circulates to over 2000 individuals
- 36 Small Grants committed to support community groups to develop their ideas and build their skills to deliver local projects were allocated.
- Staff presentations at a number of events and groups as part of ongoing dissemination work including Scottish Renewables Conference, the Forum for Renewable Energy Development in Scotland, EDAS, NHS Property & Environment Forum, REHIS and a Green Jobs Seminar, the Business Council for Sustainable Development Summit in Glasgow and a Communities Scotland seminar. Staff also presented or attended numerous local events throughout Scotland including two sponsored community seminars in Aberdeen and Perth
- Support for a series of sustainable development leadership lectures, organised in partnership with the Sustainable Development Research including the inaugural lecture delivered by Jonathon Porritt, Sustainable Development Commission, at St Andrews University.
- The transformation of a standard report into the refurbishment of a listed building in Glasgow to the highest environmental standards to an interactive web resource.

*Demonstration* aims to achieve a number of outcomes, including work to place Forward Scotland at the heart of the growing debate on 'sustainable communities', to build new initiatives on sustainable development, and to complete and disseminate innovative projects.

## FORWARD SCOTLAND

### REPORT OF THE DIRECTORS

Key achievements include:

- Supporting the development of the Vision in Business and the Environment Awards in Scotland where the Assistant Chief Executive chaired the annual VIBES Awards at the Royal Concert Hall in Glasgow during December where 19 companies were recognised for excellence in environmental management and innovation in product and service. A promotional dvd for VIBES has been produced featuring Forward Scotland branding which is being circulated to business advisors in the main public agencies.
- The provision development support and funding to the 'Future Scotland' project developed in partnership with Scottish Civic Forum where a toolkit has been prepared. The SUS-It-Out toolkit being produced by the partnership has been successful in securing funding from the Scottish Executive to continue its development and has been identified in the Scottish Sustainable Development Strategy
- The dissemination of projects through 'Easy to read' summaries for projects including the Resource Sustainable Communities- Planning & Waste project which the company has commended to the Scottish Executive as part of its review of NPPG (National Planning Policy Guidelines) 10 on Waste Management and a Biodiesel report produced in partnership with Scottish Water and SisTech
- The Environment Jobs Scotland (EJS) project has seen the conclusion of a phase of research producing:
  - Sector Skills Mapping in Renewable Energy
  - Sector Skills Mapping in Waste Management
  - Sector Skills Mapping in Natural Heritage
  - A Review of the SIC and SOC classification approaches
  - An overview of Community Sector skills in the environment sector
  - Easy to read executive summaries for all project reports
  - A conference on jobs in a green economy on Friday 24 February 2005 at the Perth Royal Concert Hall
  - An EJS training package, delivered at two events in Forres and Glasgow where over 75 delegates from HIE, Scottish Enterprise, Careers Scotland and Jobcentre Plus attended

Forward Scotland delivers 5 main *Grant Schemes* offering support for environmental projects that can demonstrate a contribution to sustainable development. Through the various grant programmes over £2 million was committed to new community projects and over £3million was paid to previously committed and current projects in 2005/06.

2005/06 saw the closure to applications of Transforming Waste Scotland and Transforming your Space grants programmes both funded by the Big Lottery Fund.

The company continued to receive applications for its grant programmes including the Community Environmental Renewal Scheme, funded by the Scottish Executive which distributed over £1.3million in 2005/06 and landfill tax funded projects supported by Viridor Waste Management and Patersons Quarries Ltd of over £250,000.

## **FORWARD SCOTLAND**

### **REPORT OF THE DIRECTORS**

#### **Financial Review**

Each year the Board carries out a strategic review of the Company's operations to provide direction for development of the Corporate Plan in the ensuing year. Every 5 years a more fundamental review is conducted, the review was completed during 2005/06 and a new Corporate Strategy and Operating Plan developed for implementation in 2006/07.

The Statement of Financial Activities shows a net resources expended for the period of £1,098,631 giving a balance of funds of £940,114 to be carried forward as at 31<sup>st</sup> March 2006, representing restricted funds of £575,454 and unrestricted funds of £364,660.

At 31<sup>st</sup> March 2006 cash at bank and in hand was £785,182 (£2,013,096 at 31<sup>st</sup> March 2005). This difference was due to restricted funding in advance for grant expenditure for 2004/05 (for the Community Environmental Renewal Scheme and the Transforming Waste Programme) being received in March 2005 while comparable income for the year 2005/06 was received in the next reporting period.

The Notes to the Accounts provide details of grants received (Notes 2-4), grants paid and associated support costs (Note 5), other expenditure (Note 6), and analysis of restricted and unrestricted funds (Note 12). Movement in Fixed Assets are shown at Note 9.

The Statement of Financial Activities shows that the Company is in a position to adopt the identified programme of activities into the next financial year.

The Company is continually seeking new sources of income so that it may realise fully the aspirations set out in the Corporate Strategy.

#### Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

The trustees, having regard to the liquidity requirements of the reserves policy have operated a policy of keeping available funds in an interest bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail prices index.

The invested funds held on deposit achieved an average rate of 3.65% against the retail prices measure of inflation for the year to March 2006 of 2.2%.

#### Reserves policy

At each quarterly Board meeting, as part of the Financial Report, the Directors review the reserves held by the Company, differentiating between restricted and unrestricted funds and between designated and undesignated funds.

In March of each year, through the planning process, the Board confirms the level of unrestricted, undesignated reserves that it considers appropriate for the Company to hold for the next financial year, having regard to operating conditions and the need to manage identified sources at risk. As at 31<sup>st</sup> March 2006 the total unrestricted, undesignated reserves held by the Company were £364,660. This was represented by approximately 6 months' support for activities supported through unrestricted funds.

The Board will continue to keep both the Company's reserves policy and level of reserves under regular review.

## **FORWARD SCOTLAND**

### **REPORT OF THE DIRECTORS**

#### **Plans for future periods**

In response to changes in the external environment, the company has developed a strategic plan for the period 2006-2009. The plan is a crucial blueprint outlining future directions. The strategy builds on the strengths of the company's work in the past, incorporates ideas from the new Scottish Sustainable Development Strategy and charts the way forward to further develop partnerships, as well as finding creative ways to service sustainable development in Scotland. Forward Scotland is continuing to develop partnerships with communities, business and other organisations in local, national and international avenues to enhance the delivery of innovative approaches to sustainable development. The growing number of links with key stakeholders reflects the company's commitment to finding new and exciting delivery options while extending the expertise of staff and partners.

The realisation of the strategic plan 2006-2009 is supported by an annual operating plan, setting clear activities and targets.

Plans for future periods include but are not limited to:

- Development of new partnership projects
- Secure new sources of finance and diversify the company's income streams
- Review grant in aid funding arrangements
- Support the closure of Millennium Forest for Scotland Trust
- Relocate head office to the Stirling area
- Work towards achievement of quality standards, including reaccreditation of IIP
- Manage, support and make payments to successful applicants of the Transforming Waste Scotland and CERS grant schemes.

#### **Statement of Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the excess or deficit of income over expenditure for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

**FORWARD SCOTLAND**

**REPORT OF THE DIRECTORS**

**Disclosure of information to auditors**

As far as each of the members of the Committee of Management at the time the report is approved are aware:

- a) there is no relevant information of which the association's auditors are unaware and
- b) the members of the Committee of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

**Auditors**

Scott-Moncrieff, Chartered Accountants were re-appointed auditors of the company at the Annual General Meeting on 27<sup>th</sup> January 2006, in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**On Behalf of the Board:**

.....  
DIRECTOR

.....  
DATE

## **FORWARD SCOTLAND**

### **Independent Auditors' Report to the Members of Forward Scotland**

We have audited the financial statements on pages 11 to 32, which have been prepared under the accounting policies set out on pages 13 to 14.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described on page 7 the company's Board of Directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 and are properly prepared in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charities Accounts (Scotland) Regulations 1992. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

### **Basis of 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 Board of Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

## **FORWARD SCOTLAND**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its results for the year then ended; and
- the financial statements have been properly prepared in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charities Accounts (Scotland) Regulations 1992.
- the information given in the Directors' Report is consistent with the financial statements.

Scott-Moncrieff  
Chartered Accountants  
Registered Auditor  
25 Bothwell Street  
Glasgow G2 6NL

Dated:

## FORWARD SCOTLAND

### STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2006

	Note	Year Ended 31 March 2006			Total 2005
		Restricted Funds	Unrestricted Funds	Total 2006	
		£	£	£	
<b>INCOMING RESOURCES</b>					
<b>Income from Charitable Activities</b>					
Scottish Executive Funding	2	1,783,693	381,389	2,165,082	2,001,000
Donations from Landfill Operators and other Environmental Bodies	3	252,259	-	252,259	283,718
SNH	4	118,041	-	118,041	134,443
North Lanarkshire Forward		-	9,200	9,200	-
Big Lottery Fund – Transforming Waste Scotland		1,408,459	-	1,408,459	2,268,914
Millennium Forest for Scotland Trust		19,222	-	19,222	17,555
Job Centre Plus – Environment Jobs Scotland		-	-	-	20,000
		<u>3,581,674</u>	<u>390,589</u>	<u>3,972,263</u>	<u>4,725,630</u>
<b>Other Income</b>		-	9,157	9,157	5,349
<b>Investment Income</b>		41,163	15,679	56,842	39,425
<b>Total Incoming Resources</b>		<u>3,622,837</u>	<u>415,425</u>	<u>4,038,262</u>	<u>4,770,404</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable Activities</b>					
Grants: Funds Distributed	5a	4,250,672	-	4,250,672	2,666,300
Support Costs	5b	263,896	38,734	302,630	337,545
Fresh Futures Grant Management	5c	111,661	-	111,661	128,078
Project Costs	5d	104,247	25,692	129,939	170,940
		<u>4,730,476</u>	<u>64,426</u>	<u>4,794,902</u>	<u>3,302,863</u>
<b>Costs of fundraising and publicity</b>		-	88,069	88,069	67,513
<b>Other costs of generating funds</b>	6a	8,005	229,399	237,404	189,777
<b>Governance</b>	6b	-	16,518	16,518	20,200
<b>Total Resources Expended</b>		<u>4,738,481</u>	<u>398,412</u>	<u>5,136,893</u>	<u>3,580,353</u>
<b>Net (resources expended)/incoming resources</b>	12	(1,115,644)	17,013	(1,098,631)	1,190,051
<b>Transfer between funds</b>	8	34,290	(34,290)	-	-
<b>Net movement in funds</b>		(1,081,354)	(17,277)	(1,098,631)	1,190,051
<b>Total Funds Brought Forward</b>	15	1,656,808	381,937	2,038,745	848,694
<b>TOTAL FUNDS CARRIED FORWARD</b>	12	<u>575,454</u>	<u>364,660</u>	<u>940,114</u>	<u>2,038,745</u>

There are no recognised gains or losses other than those shown above.  
The Notes on pages 13 to 32 form part of these accounts



The notes on pages 13 to 32 form part of these accounts.

## **FORWARD SCOTLAND**

### **NOTES TO THE ACCOUNTS**

**For the Year Ended 31 March 2006**

#### **1. Accounting Policies**

##### **Basis of preparation**

The financial statements have been prepared under the historic cost convention.

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and applicable UK Accounting Standards and The Charities Accounts (Scotland) Regulations 1992.

##### **Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

##### **Consolidation**

The company forms part of a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

##### **Funds**

Funds are classified as either restricted funds, unrestricted funds or designated funds defined as follows:

**Restricted funds** are funds that must be used for specific activities that have been declared by the donor.

**Unrestricted funds** are expendable at the discretion of the Directors in the furtherance of the objects of the Company.

**Designated funds** are allocated to Programmes by the Directors and are unrestricted.

##### **Operating Leases**

Costs under operating leases are charged to the Income and Expenditure Account in the period to which they relate.

##### **Other costs of generating funds and Support Costs**

The Company's operating costs include both management costs and support costs. In Statement of Financial Activities (including the Income and Expenditure Account) these have been apportioned over the various activities to reflect the value each activity derives from the expenditure, according to a consistent formula.

## **FORWARD SCOTLAND**

### **NOTES TO THE ACCOUNTS**

#### **For the Year Ended 31 March 2006**

Support costs are those incurred wholly or mainly in support of the implementation of the various initiatives being delivered by the Company.

#### **1. Accounting Policies (cont'd)**

##### **Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life or, if held under a finance lease, over the lease term, whichever is the shorter. The rates used are as follows:

Office Equipment – 20% & 33.3% on cost  
Computer Equipment – 33.3% on cost

##### **Grants receivable**

Grants receivable are only recognised when the conditions for receipt have been met in full and when there is reasonable assurance of receipt.

##### **Grants payable**

Grants payable are only recognised when the conditions for payment have been met in full by the recipient.

##### **Resources Expended**

Resources expended are included in the Statement of Financial Activities (including the Income and Expenditure Account) on an accruals basis. The company operates programme based budgeting which enables detailed cost allocations to be identified providing the basis for allocation between Support Costs and Management and Administration.

##### **Pensions**

The company operates a defined contribution pension scheme. Contributions are charged as they become payable in accordance with the rules of the scheme.

##### **Deferred Income**

Income is deferred when timing pre-conditions for its use have been stipulated by the donor.

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

For the Year Ended 31 March 2006

#### 2. Scottish Executive Funding

	Year Ended 31.03.06 £	Year Ended 31.03.05 £
Funding was received from the Scottish Executive for the following:		
Unrestricted Funding	381,389	485,000
Community Environmental Renewal Scheme	1,783,693	1,400,000
Environment Jobs Scotland	-	116,000
	<u>2,165,082</u>	<u>2,001,000</u>

#### 3. Donations from Landfill Operators and Other Environmental Bodies

Viridor Credits	159,445	112,056
Patersons Quarries Ltd	76,000	110,000
RSNC – Biffaward	16,814	55,186
Fife Environment Trust	-	6,476
	<u>252,259</u>	<u>283,718</u>

#### 4. SNH Funding

Funding was received from Scottish Natural Heritage for the following:

Fresh Futures: TYS	89,467	109,280
Fresh Futures: GSSC	18,074	18,871
Sustainable Communities in the Natural Environment	500	6,292
Environment Jobs Scotland	10,000	-
	<u>118,041</u>	<u>134,443</u>

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

For the Year Ended 31 March 2006

#### 5. Charitable Activities

##### 5a). Grants to Projects/Recipients

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
<b>Landfill Projects – Paterson’s (distributing to South Lanarkshire, Stirling, Dumfries &amp; Galloway)</b>		
Trent Place – South Lanarkshire	31,556	-
Tileworks Sports Ground, Stonehouse – South Lanarkshire	31,389	-
Stonelaw Road Park Upgrade – South Lanarkshire	30,000	-
Lammerwood Park – South Lanarkshire	29,000	-
Blackwood Park Footpaths – South Lanarkshire	28,000	-
Headhouse Greenway Footpath & Play Area	26,284	-
Environmental Software for Landfill – Scotland	10,000	7,000
Composting Project – Scotland	2,500	5,000
Bothwell Nature Trail – Brighter Bothwell Campaign	-	5,000
South Lanarkshire Enviro Challenge – South Lanarkshire	-	3,955
Powburn Toll Project – Uddingston	-	3,399
Latex Waste Minimisation – Scotland	-	1,548
Provost’s Environmental Awards – South Lanarkshire	-	901
NHS Waste Minimisation – Scotland	-	694
	188,729	27,497
<b>Partnership Projects</b>		
Resource Sustainable Communities – Scotland	16,814	55,186
Future Scotland – Scotland	13,883	-
VIBES 2005 – Scotland	6,000	-
VIBES 2006 – Scotland	6,000	-
Biodiesel – Scotland	2,975	925
Sustainable Learning – Fife	394	-
NHS Waste Minimisation – Scotland	-	8,225
Waste Minimisation Project – Scotland	-	7,000
Fife Sustainable Education Resource – Fife	-	6,476
VIBES 2004 – Scotland	-	5,000
Biomass – Scotland	-	2,500
Small Grant (45 payments of range £250-£1,000) – Scotland	38,827	27,162
	84,893	112,474

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

For the Year Ended 31 March 2006

#### 5. Charitable Activities (cont'd)

##### 5a). Grants to Projects/Recipients (cont'd)

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
<b>Transforming Waste Scotland</b>		
Inverness New Start – Inverness	162,444	-
ILM Highland	130,883	46,145
Lomond Training & Environmental Services Ltd	117,029	-
The Coach House Trust	110,877	70,004
The Ruchill Furniture Project – Glasgow	99,628	83,894
Aberdeen Forward – Aberdeen, Aberdeenshire, Moray	93,733	133,451
Ross-shire Waste Action Network	91,200	-
Mattress Recycling Project	86,565	-
Lothian & Edinburgh Environmental Partnership	85,855	17,220
RECAP – North Lanarkshire	71,132	50,599
Second Opportunites	69,232	54,259
Lochaber Environmental Group	59,942	113,927
Ayrshire Household Recycling	58,091	30,572
The Furniture Project – Stranraer	57,268	37,597
Midlothian Advice & Resource Centre	56,323	29,107
Four Square Scotland	54,362	-
ELVON Recycling Project	46,506	11,090
Fyne Homes Limited	44,234	6,047
The Furniture Project – Tayside	41,108	-
The Mull & Iona Community Trust	40,295	7,090
Furniture Plus Limited	39,778	73,917
Perthshire Housing Association	35,698	-
U-Can-2	34,203	-
Moray Waste Busters	33,882	13,196
Falkirk ICT Recycling and Training Project – Falkirk	27,600	35,100
ReBOOT	26,761	-
Home Basics (Tweeddale) – Scottish Borders	25,446	32,000
Community Can Cycle	25,221	45,237
Expansion of HomeAid Furniture Recycling Reuse Centre – West Lothian	23,708	24,971
BTCV Scotland	22,815	-
Tiphereth Ltd	22,587	-
Spruce Carpet	21,486	16,209
Westray Development Trust	21,375	-
Gateway Enterprises	20,443	14,364
Voluntary Action Lewis	16,000	-
Shetland Amenity Trust	15,447	27,257

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Arran Recycling Community Organisation	13,044	26,250
Recycle-to-Cycle Limited	5,501	14,027

#### 5. Charitable Activities (cont'd)

##### 5a). Grants to Projects/Recipients (cont'd)

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
<b>Transforming Waste Scotland (cont)</b>		
HomeAid Caithness	2,893	108,913
West Dunbartonshire White Goods Reuse, Refurbish, Recycle Project Phase 2 – West Dunbartonshire	-	56,078
St Patrick's Furniture Project	-	30,260
Dellburn Development Project – North Lanarkshire	-	29,232
North Lanarkshire Forward	-	23,716
The Tayside Partnership for Creating Value from Waste	-	21,507
Lothian & Edinburgh Environmental Partnership	-	8,908
	2,010,595	1,292,234

##### **Landfill Projects – Viridor (distributing to East Lothian)**

New Winton Village Hall – New Winton	25,000	-
Scottish Seabird Centre	20,000	-
Belhaven Parish Church – Belhaven	20,000	-
St Mary's Church – Haddington	17,500	-
Aberlady Community Hall – Aberlady	15,000	-
Ormiston Skate Park	14,925	-
North Berwick Tennis Club – North Berwick	13,200	-
Dunbar Community Film Club – Dunbar	12,494	-
East Linton Community Paths	9,044	-
West Links	5,000	-
St Anne's Church – Dunbar	4,000	-
Belhaven Parish Church – Belhaven	4,000	-
Garvald Village Hall – Garvald	4,000	-
Stenton Village Hall – Stenton	2,422	5,078
North Berwick East Beach Picnic Area – North Berwick	2,346	-
Innerwick Parish Welfare Association – Innerwick	2,344	-
Oldhamstocks Community Association – Oldhamstock	1,087	-
Scottish Flag Trust	295	-
Carlton Cricket Club	-	20,000
West Barns Hall	-	6,151

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Colinton Community Triangle Project – Colinton	-	5,000
Window Boxes & Planters – Dunbar	-	5,000
Reston Church Toilet – Reston	-	4,000

#### 5. Charitable Activities (cont'd)

##### 5a). Grants to Projects/Recipients (cont'd)

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
<b>Landfill Projects – Viridor (distributing to East Lothian) (cont)</b>		
Pencaitland Community Chute – Pencaitland	-	3,096
Innerwick Parish Welfare Association – Innerwick	-	1,502
Birsley Brae Community Woodland – Tranent	-	1,472
Saltoun Church Lightning Conductor – Saltoun	-	1,000
Graveyard Survey – Dunbar	-	755
	172,657	53,054

#### **Community Environmental Renewal Scheme**

Scottish Wildlife Trust	71,106	-
Comann Eachdraidh Liosmor	59,771	2,325
South End (South Uist) Development Group	50,538	-
Royal Burgh of Wick Community Council	50,000	50,000
Bridgend/Kinnoull Community Council	50,000	-
Coldingham Public Hall	50,000	-
Aberdeenshire Council	48,496	18,798
Newmarket Gateway Trust	42,685	-
Kyle of Sutherland Initiative	41,800	-
Stornoway Angling Association	40,000	-
Fisherrow Community Centre	38,000	50,000
The Wasp Trust	36,431	-
The Cliffton Association of Residents	36,192	-
Howwood Wildlife & Woodlands	36,169	-
West Lothian Council	34,675	-
Uig Development Trust	33,581	-
Appin Community Trust	32,789	-
Space Againne	32,771	1,004
Plockton & District Community Council	32,015	-
BTCV Scotland	31,872	-
Dornock Focus Group	30,000	-
Hutton Village Hall Committee	29,666	-
Walker Home Residents Association	28,405	-
Renfrewshire Environmental Trust	26,711	-

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Loch Shiels Jetty Trust	25,460	-
Harmeny Education Trust Ltd	25,046	19,954
Lochwinnoch Millennium Events Group	25,000	-
Build Our Playground	25,000	-

#### 5. Charitable Activities (cont'd)

##### 5a). Grants to Projects/Recipients (cont'd)

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
<b>Community Environmental Renewal Scheme (cont)</b>		
Lennox Park Playground Project	25,000	-
Kibble Education & Care Centre	25,000	-
The Waterways Trust	24,893	-
Mortlach Area Leisure	24,000	-
Benmore & Kilmun Community Development Trust	23,750	-
Barra & Vatersay Residents Association	23,750	-
Carron Valley Development Trust	23,100	-
The Highland Council	22,500	668
Banknock Youth Initiative	20,730	-
Morvern Community Development Company	20,467	11,010
Longhope Community Play Area Action Group	20,400	-
South Alloa Community Association	20,000	-
Caol Regeneration Group	20,000	-
Craignure Recreational Activity Facility	19,968	-
The Cassley Drive Play Park Group	18,050	-
Law View Registered Tenants Association	18,050	-
Strichen Community Park Company	17,698	-
Kelty Heritage Trails	16,950	10,350
Burntisland 2020 Development Trust	16,900	-
Guildtown Community Association	16,645	-
The Outward Bound Trust	15,501	44,499
Royal Society for the Protection of Birds	15,501	11,510
Muirkirk Enterprise Group	15,500	-
East Ayrshire Woodlands	14,782	28,390
The National Trust for Scotland	14,500	-
The Scottish Tree Trust	13,964	-
Boat of Garten Community Company	13,300	-
Murton Wildlife Trust	12,358	23,012
Gargunnoch Gala	11,100	-
Urras Dualchas Ratharsaidh	11,048	50,000
Helmsdale Heritage Society	10,812	-
Scottish Native Woods	10,768	125,208
Cree Valley Community Woodland Trust	10,728	17,098

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Kilbarchan Improvement Projects	10,564	-
Perth & Kinross Quality of Life Trust	10,500	9,500
The Woodland Trust	10,078	-
Dumfries & Galloway Arts Association	10,000	40,000
South Lanarkshire Greenspace	10,000	10,000
Renfrewshire Council	10,000	-

#### 5. Charitable Activities (cont'd)

##### 5a). Grants to Projects/Recipients (cont'd)

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
<b>Community Environmental Renewal Scheme (cont)</b>		
Answer Project Ltd	10,000	-
Callander 2000 & Beyond Community Development Trust	10,000	-
Jedforest Instrumental Band	9,000	-
Chapelgreen Primary School	8,427	-
The Nairn Fund	7,607	7,000
Invergordon Off The Wall	7,500	300
Westford Action Group	4,047	36,330
Clydesdale Community Initiatives	3,614	-
Jedburgh Community & Arts Centre	3,495	14,038
South Dennistoun Neighbourhood Centre	2,500	47,500
Golspie Community Council	2,500	47,500
The Beattock Initiative	2,500	47,500
Torry Community Council	1,724	32,735
Dunpender Community Council	1,705	32,391
East Dunbartonshire Council	1,700	6,381
Dulnain Bridge Community Company	1,500	28,500
Farr Baby & Toddlers Group	1,209	22,979
Edinburgh Green Belt Trust	1,046	19,873
Fife Council	390	7,419
Longhaven Village Hall Association	300	2,700
Newburgh Regeneration Group	-	50,000
Foster Yeoman Ltd	-	50,000
Haddington & District Amenity Society	-	38,128
Cube Housing Association	-	31,196
Scottish Seabird Centre	-	20,000
Lanark Town Group	-	18,002
St Gerard's Primary School Board	-	17,487
Auchtertool Community Council	-	10,000
Stornoway Improvement Plan (Stornoway Amenity Trust)	-	9,864

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Kilbarchan Company Trust	-	9,263
Lanton Community Council	-	5,606
Arran Recycling Company	-	5,000
Dunion Quarry Link (Jedforest Pathways)	-	2,630
Morar & Mallaig Games Field Association	-	2,500
Dumbreck Marsh (North Lanarkshire Council)	-	2,500
Torrin Community Assoc.	-	2,500
Dumfries and Galloway Arts Association	-	2,500

#### 5. Charitable Activities (cont'd)

##### 5a). Grants to Projects/Recipients (cont'd)

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
<b>Community Environmental Renewal Scheme (cont)</b>		
Balloch Wood Community Project	-	1,876
The Penfield Project	-	1,800
Ballygrant Hall Association	-	1,516
Scottish Sculpture Workshop Ltd	-	1,250
Comharradh - Criche ( The Marybank Trust)	-	1,250
Isle of Skye Golf Club	-	1,102
Firth Community Council	-	1,075
Alness Environmental Group	-	1,021
Longside Community Park Project	-	1,000
Leading Edge	-	1,000
Tweed Forum	-	950
Drummuir 21	-	949
Cambusbarron Community Council	-	845
Croy Miners' Welfare Charitable Society	-	750
Forestry Commission Scotland	-	686
Central Scotland Forest Trust	-	580
Seil Island Community Hall Charity	-	500
Dalbeattie Community Initiative	-	468
Jedburgh Golf Club	-	300
The Life Science Trust	-	300
Isle of Seil Golf Club	-	300
Ormlie Community Association Ltd	-	300
Renfrewshire Council	-	300
Orkney Heritage, Orkney Islands Council	-	300
Helmsdale Heritage Society	-	(2,615)
	<hr/> 1,793,798	<hr/> 1,171,541

#### **Profiling Sustainable Communities**

Sustainable Northern Ireland	-	<hr/> 5,000
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## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

##### Sustainable Communities in the Natural Environment

Longniddry Biodiversity Group	-	1,500
Friends of Dalbeath Marsh	-	1,500
Birse Community Trust	-	1,500
		<hr/>
		4,500

**Total Grants to Projects** 4,250,672    2,666,300

#### 5b). Support Costs

	Restricted	Unrestricted	Year Ended 31.3.06	Year Ended 31.03.05
	£	£	£	£
Landfill Tax Projects	15,092		15,092	36,620
Partnership Fund Projects	-	30,234	30,234	55,247
Small Projects Grant Scheme	-	8,500	8,500	4,913
Transforming Waste Scotland Community Environmental Renewal Scheme	110,169	-	110,169	117,291
	138,635	-	138,635	123,474
	<hr/>		<hr/>	<hr/>
	263,896	38,734	302,630	337,545

#### 5c). Fresh Futures Grant Management

	Restricted	Unrestricted	Year Ended 31.3.06	Year Ended 31.03.05
	£	£	£	£
Fresh Futures : Greenspace and Sustainable Communities	20,644	-	20,644	21,473
Fresh Futures : Transforming your Space	91,017	-	91,017	106,605
	<hr/>		<hr/>	<hr/>
	111,661	-	111,661	128,078

Included in the above are the management, administration and development costs of the Fresh Futures schemes for which grants of £1,925,628 are paid out by a third party, Scottish Natural Heritage.

#### 5d). Project Costs

	Restricted	Unrestricted	Year Ended 31.3.06	Year Ended 31.03.05
	£	£	£	£

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Profiling Sustainable Comms	-	137	137	27,193
Environment Jobs Scotland	78,237	-	78,237	68,133
Research & Policy	-	25,555	25,555	26,912
MFST	19,221	-	19,221	17,555
SCINE	-	-	-	9,801
Community WebNet	6,789	-	6,789	16,739
Education Co-ordinator	-	-	-	4,607
	<u>104,247</u>	<u>25,692</u>	<u>129,939</u>	<u>170,940</u>

#### 6a. Other costs of generating funds

	Restricted	Unrestricted	Year Ended 31.3.06	Year Ended 31.03.05
	£	£	£	£
Staff Costs	-	142,554	142,554	90,006
Travel & Subsistence	-	3,592	3,592	939
Staff Training	-	7,197	7,197	4,708
Recruitment	-	6,806	6,806	12,889
Subscriptions & Publications	-	820	820	679
Rent	-	24,682	24,682	27,201
Consultancy	-	9,221	9,221	6,109
Other Costs	-	20,521	20,521	27,391
Depreciation	8,005	14,006	22,011	19,855
	<u>8,005</u>	<u>229,399</u>	<u>229,399</u>	<u>189,777</u>

#### 6b. Governance

	Restricted	Unrestricted	Year Ended 31.3.06	Year Ended 31.03.05
	£	£	£	£
Audit	-	8,879	8,879	9,188
Legal Fees	-	1,372	1,372	2,350
Board Costs	-	1,267	1,267	3,662
Staff Costs	-	5,000	5,000	5,000
Audit	-	16,518	16,518	20,200

#### 7. Staff Costs

	Year Ended 31.3.06	Year Ended 31.03.05
	£	£
Contracts of employment are as follows:		
Salaries	465,173	476,255

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Social Security Costs	47,516	48,321
Pension Contributions	46,517	47,356
	<hr/>	<hr/>
	559,206	571,932
	<hr/>	<hr/>
	<b>Number</b>	<b>Number</b>
Project Support	15	16
Communications & Administration	5	6
	<hr/>	<hr/>
	20	22
	<hr/>	<hr/>

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

For the Year Ended 31 March 2006

#### 7. Staff Costs (cont)

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
Directors remuneration for additional services during the year (in accordance with Articles of Association 47(d) & 51)	-	11,212
NI Contributions on Directors remuneration	-	828
Value of Company Pension Contributions	-	1,121
	-	<u>13,161</u>
	<b>Number</b>	<b>Number</b>

The number of directors who are accruing benefits under money purchase schemes were as follows: - 1

There were no employees with earnings greater than £60,000.

During the period 6 Directors claimed and received expense payments for a total amount of £400

#### 8. Transfer Between Funds

The Directors approved the designation of £34,290 of unrestricted funds as restricted to fund the Community WebNet project (£6,788) and the Small Grants Scheme (£27,502).

#### 9. Fixed Assets

	Office Equipment £	Computer Equipment £	Total £
<b>Cost :</b>			
At 1 April 2005	36,504	80,121	116,625
Additions	1,872	11,669	13,541
Disposals	(3,638)	(22,012)	(25,650)
At 31 March 2006	<u>34,738</u>	<u>69,778</u>	<u>104,516</u>
<b>Depreciation :</b>			
At 1 April 2005	21,412	67,038	88,450
Charge for the period	7,668	14,343	22,011
Eliminated on disposal	(3,638)	(22,012)	(25,650)
At 31 March 2006	<u>25,442</u>	<u>59,369</u>	<u>84,811</u>
<b>Net book value:</b>			
At 31 March 2006	<u>9,296</u>	<u>10,409</u>	<u>19,705</u>
At 31 March 2005	<u>15,092</u>	<u>13,083</u>	<u>28,175</u>

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

For the Year Ended 31 March 2006

#### 10. Debtors

	Year Ended 31.3.06 £	Year Ended 31.03.05 £
Grants Due	155,599	34,785
Prepayments	6,568	18,620
	162,167	53,405

#### 11. Creditors: Amounts falling due within one year

	£	£
Trade Creditors	5,689	17,354
Accrued Expenses	21,251	38,577
	26,940	55,931

#### 12. Funds

##### 12a). Analysis of Funds

	At 31.03.05 £	Incoming (incl. Interest rec'd) £	Outgoing £	Transfers £	At 31.03.06 £
<b>Restricted Funds</b>					
Scot. Exec. – Rent	25,563	-	-	-	25,563
Scot. Exec. – CERS	236,926	1,797,879	(1,934,149)	-	100,656
Scot Exec. – Com.					
Webnet	5,769	-	(9,839)	6,788	2,717
Landfill Tax – Patersons	243,119	78,324	(191,736)	-	129,707
Landfill Tax – Viridor	66,692	161,801	(182,241)	-	46,252
SNH – GSSC	2,569	18,074	(20,643)	-	-
SNH – TyS	4,450	89,467	(92,299)	-	1,618
SNH – SCINE	645	500	-	-	1,145
Environment Jobs					
Scotland	89,292	11,693	(78,658)	-	22,327
Partnership Projects	95,789	16,823	(48,566)	-	64,046
Small Project Grant					
Scheme	13,935	-	(38,828)	27,502	2,610
BLF – TWS	872,059	1,429,054	(2,122,300)	-	178,813
MFST	-	19,222	(19,222)	-	-
	1,656,808	3,622,837	(4,738,481)	34,290	575,454
<b>Unrestricted Funds</b>	381,937	415,425	(398,412)	(34,290)	364,660

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

Total Funds	2,038,745	4,038,262	(5,136,893)	-	940,114
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#### 12b). Restricted Funds

The restricted funds (as referred to in Note 15) held mainly represent funds drawn down to deliver specific programmes as follows:

##### **Scottish Executive**

*Community Environmental Renewal Scheme (CERS)* - Provides funding to communities in areas affected by past or present quarrying to address the environmental effects.

*Community WebNet* - An interactive information resource offering opportunities to exchange and share good practice on ways to improve quality of life in local communities.

*Partnership Fund* - Funds to meet committed Partnership Fund expenditure. This fund allows Forward Scotland to form partnerships with other groups in the pursuit of Sustainable Development.

*Small Grant Scheme* - Funds to meet committed Small Grants. The aim of this is to provide funding to constituted groups that wish to pursue an environmental project.

##### **Landfill Tax**

Forward Scotland administers the applications, assessments and distribution of grants on behalf of 2 landfill operators, Patersons Quarries and Viridor Waste Management. The grants offer funding to community projects in vicinity of landfill sites.

##### **Scottish Natural Heritage**

*Fresh Futures: Greenspaces and Sustainable Communities (GSSC); and Transforming your Space* - Forward Scotland is a partner with Scottish Natural Heritage. Both of these schemes aim to help communities improve their local environment.

*Sustainable Communities in the Natural Environment (SCINE)* - Aims to work with communities and key stakeholders to encourage increased awareness and understanding of the natural heritage.

##### **New Opportunities Fund**

Funds Transforming Waste Scotland, a grant scheme which aims to expand community sector waste re-use, recycling or composting in support of national and local area waste plans.

**FORWARD SCOTLAND**

**NOTES TO THE ACCOUNTS**

**For the Year Ended 31 March 2006**

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

For the Year Ended 31 March 2006

#### 12b). Restricted Funds (cont.)

##### Millennium Forest for Scotland

Funded by the Millennium Commission this project was designed to celebrate the turn of the millennium by helping to restore Scotland's depleted native woodland. MFST will cease operations on or around 30<sup>th</sup> September 2006..

##### Environment Jobs Scotland

Funding is provided for Environment Jobs Scotland an initiative to promote employment in the environmental sector.

12c). Unrestricted Funds - see financial reserves policy (see page 6).

12d). Designated Funds – see financial reserves policy (page 6).

	Year Ended 31.3.06	Year Ended 31.3.05
	£	£
Project Costs	-	43,059
Consultancy	-	23,036
Recruitment	-	15,000
Subscriptions & Publications	-	403
	-	81,498

#### 13. Charitable Commitments

Included in restricted reserves are:

	At 31.3.05	Net movement in the period	At 31.3.06
	£	£	£
Landfill Tax – Patersons	232,193	(186,446)	45,747
Landfill Tax – Viridor	66,692	(20,440)	46,252
Small Grants Scheme	13,936	(11,326)	2,610
Partnership Projects	84,020	(17,483)	66,537
Community Environmental Renewal Scheme	234,993	(134,337)	100,656
Transforming Waste Scotland	870,391	(692,437)	177,954
	1,502,225	(1,062,469)	439,756

#### 14. Taxation Status

The Trust is recognised by the Inland Revenue as a charity for the purposes of Section 505, Income & Corporation Taxes Act 1988 and is entitled under Section

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

1(7) of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 to describe itself as a Scottish charity.

#### 15. Net Assets Split by Funds

	<b>Tangible Fixed Assets £</b>	<b>Net Current Assets £</b>	<b>Year Ended 31.3.06 £</b>	<b>Year Ended 31.3.05 £</b>
<b>Restricted</b>				
Landfill Tax	-	175,959	175,959	309,811
SNH	1,618	1,145	2,763	7,664
Environment Jobs Scotland	288	22,039	22,327	89,292
BLF	860	177,953	178,813	872,059
Scottish Executive	944	194,648	195,592	377,982
	<u>3,710</u>	<u>571,744</u>	<u>575,454</u>	<u>1,656,808</u>
<b>Unrestricted Funds</b>	15,995	348,665	364,660	381,937
	<u>19,705</u>	<u>920,409</u>	<u>940,114</u>	<u>2,038,745</u>

#### 16. Related Parties

There were salaries recharged to MFST amounting to £18,539. Forward Scotland is due £6,315 from MFST at 31 March 2006 (2005: £1,092). MFST is a related party as Forward Scotland is the sole member of the Trust.

Due to the nature of the company's operations and the composition of its Board of Directors it is inevitable that transactions will take place with companies or other organisations in which a Director may have an interest. All transactions involving companies or organisations in which a Director may have an interest are conducted at arms length and in accordance with normal project and programme rules. Directors are not permitted to participate in discussions or decisions on transactions involving their related businesses.

The following persons held official positions with such bodies:

<b>Board Member</b>	<b>Interest</b>
D Mitchell	Trustee of The Millennium Forest for Scotland Trust Director of Scottish Enterprise Forth Valley
A Mearns	Director of The Scottish Parliament and Business Exchange Trustee of The Clark Maxwell Cancer Research Trust
J Beveridge	Partner of I.C.Christie & Co
N Kitching	Employee of Scottish Enterprise Forth Valley
S Halliday	Principal of GAIA Research Director of Children's Parliament
J Sturrock	Elected Member of Dundee City Council Board Member of Scottish Environmental Protection Agency East Member of Sustain Dundee

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

	Member of Woodland Trust
G Peart	Associate of Yellow Book Consultants
<b>16. Related Parties (cont)</b>	
<b>Board Member</b>	<b>Interest</b>
S Wurthmann	Board Member of Scottish Environmental Protection Agency South West Member of Heritage Lottery Fund Scottish Regional Committee
A Smith	Director of Allpark Consultants Ltd
K Anderson	Executive Committee Member of Barony Housing Association Director of Craigmillar Joint Venture Company
C Vawdrey	Director of Highland Small Communities Holding Trust Secretary of Black Isle Forum Secretary of Resolis Community Council
B Kelly	Partner of K.A.Kelly Farms Convenor of The Millennium Forest for Scotland Trust Trustee of the Robertson Trust Convenor of the Crichton Foundation President of the Southern Uplands Partnership Trustee of Royal Botanic Garden Edinburgh

The company itself is a member of several sustainability trusts:

Aberdeen Forward  
Sustain Dundee  
North Lanarkshire Forward.

Staff who have similar interests:

<b>Staff Member</b>	<b>Interest</b>
F Scott	Director of Aberdeen Forward Director of Sustain Dundee Director of Fife Environment Trust Trustee of Perth & Kinross Quality of Life Trust Trustee of Stirling Landfill Tax Trust Director of North Lanarkshire Forward Chairman of Renfrewshire Environment Trust Director of West Dunbartonshire Environment Trust Trustee of South Ayrshire Waste & Environmental Trust
L Wallace	Member of Monklands Association for Voluntary Services
I Roxburgh	Treasurer of Greenloaning Community Gardens Group
M Cunningham	Director of BANCEP Ltd Member of Scottish Community Foundation Grants Committee
R Noble	Member of Halfway Local Housing Organisation

During the period there were transactions with related companies amounting to net income of £9,200. These companies were related by common directorship.

<b>Organisation</b>	<b>Director</b>	<b>Amount</b>
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## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

North Lanarkshire Forward	Forward Scotland	£ 9,200
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#### 16. Related Parties (cont.)

During the period there were transactions with related companies amounting to net expenditure of £166,667. These companies were related by common directorship.

Organisation	Director	Amount £
Aberdeen Forward	Forward Scotland	93,733
Renfrewshire Environmental Trust	Forward Scotland	26,711
Perth & Kinross Quality of Life Trust	Frazer Scott	10,500

During the period the following individuals sat on Grants Panels for Grant Schemes managed by Forward Scotland and had responsibility for the allocation of grant funding to individual projects:

Grant Panel	Panel Member	Interests
Viridor	S Bunyan	Chair of Dunbar Community Council
Viridor	P Zochowski	Employee of East Lothian Council
Viridor	P Capper	Employee of Viridor Credits
Viridor	D Dyce	Employee of Torness Power Station
Viridor	N Hampshire	Member of East Lothian Council Chair of Dunbar Comm. Development Co. Chair of John Muir Birthplace Trust
Viridor	P Swain	Member of the public
Viridor	C Barber	Employee of Viridor Waste Management
Community Environmental Renewal Scheme (CERS)	D Murray	Secretary of Association of Scottish Community Councils Member of Inveresk Community Council Member of Brechin Community Council Trustee of Brechin & District Charitable Trust Treasurer of City of Brechin Partnership
CERS	G Wonnacott	Employee of Scottish Executive
CERS	S Cameron	Employee of Scottish Executive
CERS	J Milne	Employee of SEPA
CERS	A Park	Councillor of Highland Council Director of Highland Prospect Director of Highland Opportunities Director of Nairn Community Development Company
CERS	P Thacker	Employee of Geddes Group Director of British Aggregates Association
CERS	C Mitchell	Employee of SNH
CERS	M Thorne	Member of Scottish Environment LINK
CERS	C MacDonald	Employee of SEPA

## FORWARD SCOTLAND

### NOTES TO THE ACCOUNTS

#### For the Year Ended 31 March 2006

CERS	J Sheridan	Secretary of Quarry Products Association
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#### 16. Related Parties (cont.)

In addition the following Forward Scotland Board members sat on the Grants Panels for Grant Schemes managed by Forward Scotland:

Board Member	Grants Panel
B Kelly	Community Environmental Renewal Scheme (CERS)

#### 17. Operating Lease Commitments

	Land & Buildings	Other	Year Ended 31.3.06	Year Ended 31.03.05
	£	£	£	£
Within one year	69,038	-	69,038	50,580