DUMFRIES & GALLOWAY WOODLANDS (SCIO)

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2026

Dumfries & Galloway Woodlands (SCIO)

Scottish Charity Number SC052525

Trustees' Annual Report for the year ended 31st March 2026

The trustees have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 March 2026. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued in October 2019.

Objectives and Activities

Charitable purposes

The charity has been formed with the following purposes:

- to support the creation of ecologically and economically sustainable woodlands across the Dumfries & Galloway Region;
- conserve and enhance the biodiversity and natural systems in woodlands and their related habitats;
- to enthuse, celebrate and harness interest in native woodland; and connect people who are actively restoring natural woodland habitats in Dumfries and Galloway; and
- to work with agencies, statutory bodies, communities and other partners to better understand, manage or acquire areas of existing or potential native woodlands.

Activities

Dumfries & Galloway Woodlands was established in May 2023. This 2025/26 Annual Report therefore covers what can be considered the third year of activity.

The organisation works across a number of projects, all contributing to the support of native woodlands in the region, and the people that live here. The work of the organisation is primarily undertaken by a 2.4FTE staff team. (Note: During the period of these accounts, the DGW Staff team are Borders Forest Trust (SC024358) employees. For info, this changes on 1st April 2026, with the three members of staff (McNabb Laurie, Phil Dowling and Sam Lomax) transferring over to become employees of Dumfries & Galloway Woodlands).

Work undertaken during the year included:

- supporting landowners across the region with their native woodland creation ambitions;
- adding local community, economic and ecological value to woodland creation schemes across the region; and
- leading and supporting engagement opportunities and events, allowing people to connect with the amazing woodland heritage in the region.

DRAFT

Achievements and Performance

During the year, the staff team stayed at 2.4FTE. During the 25/26 period, the work of the core team was supplemented by that of contractors on identified projects, and support from volunteers and partners.

The main achievements of the year included:

- Delivery of the 2025/26 Dumfries & Galloway Tree Planting Grant Scheme – with 76 awards made.
- Ongoing establishment of Bennel Wood (near Dalbeattie) as a 'Woodland Laboratory', with use by local groups and national research institutions.
- Delivery of a programme of summer events under the 'Coastal Woodland adventures' headings. 230 attendees at 20 events.
- Support to landowners across the region on MoreWOODS and wider native planting projects.
- Ongoing work under the 'Woodlands Plus' project to add local value to commercial sites in the region, with the signing of two region-wide added value agreements – the first of their kind.
- A varied selection of public engagement events through the year.
- School and community group visits have continued, with attendance also at shows and partner events.
- Dumfries & Galloway Woodlands has a membership of more than 300 people. It is free to become a member, with members receiving monthly bulletins on activity and advance notice of public events.

The Trustees are grateful to all partners, including:

- Dumfries & Galloway Woodlands Staff Team & Contractors
- Dumfries & Galloway Woodlands Members
- Borders Forest Trust, Staff & trustees
- Woodland Trust Scotland
- The National Lottery Heritage Fund
- Scottish Forestry
- Dumfries & Galloway Council
- All partners, funders and stakeholders across the region.

Financial review

Our main source of income this year has been grants from various sources. Of particular note is the ongoing support of The National Lottery Heritage Fund, which funds the Woodland Action Officer and the Administrator, until October 2026.

The Dumfries & Galloway Tree Planting Grant Scheme receives support from Dumfries & Galloway Council Nature Restoration Fund and Woodland Trust Scotland.

The results for the year shows a net income of £43,955 (2025 - £306,789). At the end of the year the charity held funds totalling £384,465, consisting of £245,269 of unrestricted funds and £139,196 of restricted funds.

DRAFT

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirms that the necessary steps have been taken to mitigate these.

Reserves policy

The trustees have agreed to implement a reserves policy in line with recommended good practice with the ambition to retain 12 months' worth of normal running costs in order to meet commitments and to cover any unexpected expenditure. Running costs of the organisation i.e. monthly payroll + liabilities from Bennel Wood = approx. £10,000 PCM. As a relatively new organisation, we continue to build towards this 12-month running costs ambition, ringfencing funds accordingly.

Plans for future period

The trustees intend to continue with the implementation of our established plans, which will remain our focus over the next year.

On 1st April 2026 the staff team move, through the TUPE process, from being Border Forest Trust employees, to become employees of Dumfries & Galloway Woodlands. This marks the culmination of a lot of work behind the scenes to establish processes and protocols.

Activity over the next year will embed progress made in the 25/26 year, continuing to raise the profile of the organisation, and supporting landowners with their native woodland creation ambitions across the region.

On an activity level, the ambition is to move from operating 'reactively', working with people who approach us, to operating more 'proactively', working to support native woodlands where maximum ecological benefit can be delivered.

Structure, Governance and Management

Constitution

Dumfries & Galloway Woodlands (SCIO) is a Scottish Charitable Incorporated Organisation (SCIO). It was registered as a SCIO on 3rd May 2023. It has a double tier structure of members and trustees.

Appointment and training of trustees

Three individuals signed the SCIO application and became the initial trustees. Trustees are elected at the AGM – but can also be appointed between AGMs. There must be a minimum of 3 and a maximum of 12 trustees (10 member trustees and 2 co-opted trustees).

Where new trustees are appointed, they are given a formal induction to the work of the charity and provided with the information they need to fulfil their roles, which includes information about the role of the trustees and charity law.

DRAFT

Dumfries & Galloway Woodlands (SCIO)

Scottish Charity Number SC052525

Trustees' Annual Report for the year ended 31st March 2026 (cont'd)

Reference and Administrative Information

Charity name

Dumfries & Galloway Woodlands (SCIO)

Charity number

SC052525

Address

D & G Woodlands Office, The Smiddy, Balmaclellan, Castle Douglas, DG7 3QE

Trustees who served during the year

Karen Morley – Chair	
Keith Muir	(Resigned 9th October 2025)
Graeme Dalby	
Nicholas Major	
Adam Gillingham	
Julia Cox	
Ian Murgatroyd	
Gareth Clingan	(Resigned 10th November 2025)
Nick Dowdell	(Appointed 9th October 2025)
Clair McFarlan	(Appointed 9th October 2025)
Morag Paterson	(Appointed 9th October 2025)

Independent Examiner

Stephen Harman, BA, CA
Carson & Trotter, Chartered Accountants, 123 Irish Street, Dumfries, DG1 2PE

DRAFT

Responsibilities of the trustees

The trustees are responsible 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).

Law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Independent Examiner

A resolution to re-appoint Carson & Trotter as independent examiner for the ensuing year will be proposed at the Annual General Meeting.

This report was approved by the trustees on 24th September 2026 and signed on their behalf by:

Karen Morley
Chair

DRAFT

Dumfries & Galloway Woodlands (SCIO)

Scottish Charity Number SC052525

Independent Examiner's Report to the Trustees

I report on the accounts of the charity for the year ended 31st March 2026 set out on pages 7 to 15.

Respective Responsibilities of the Trustees and the Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of The Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

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

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention:

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

(a) to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and

(b) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;

have not been met; or

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

Stephen Harman BA CA
Carson & Trotter
Chartered Accountants
123 Irish Street
Dumfries
DG1 2PE

Date: ……

DRAFT

Dumfries & Galloway Woodlands (SCIO)

Scottish Charity Number SC052525

Statement of Financial Activities for the year ended 31st March 2026

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2026 £	Total Funds 2025 £
Income and endowments from:					
Donations and legacies	**2**	31,496	26,223	57,719	237,329
Charitable activities	**3**	48,889	221,207	270,096	234,817
Investments	**4**	1,227	-	1,227	655
Total income and endowments		81,612	247,430	329,042	472,801
Expenditure on:					
Charitable activities	**5**	18,019	267,068	285,087	166,012
Total expenditure		18,019	267,068	285,087	166,012
Net income/(expenditure)		63,593	(19,638)	43,955	306,789
Transfers					
Gross transfers between funds		(24,404)	24,404	-	-
Net movement in funds		39,189	4,766	43,955	306,789
Reconciliation of funds:					
Total funds brought forward		206,080	134,430	340,510	33,721
Total funds carried forward		245,269	139,196	384,465	340,510

DRAFT

Dumfries & Galloway Woodlands (SCIO)

Scottish Charity Number SC052525

Balance Sheet as at 31st March 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed Assets					
Tangible assets	**7**		164,055		142,680
Current Assets					
Debtors	**8**	78,175		11,367	
Bank and cash in hand		177,413		187,423	
		255,588		198,790	
Creditors: less than one year					
Creditors	**9**	(35,178)		(960)	
Net current assets			220,410		197,830
Total Net assets			384,465		340,510
The funds of the charity:					
General unrestricted funds			245,269		206,080
Restricted funds			139,196		134,430
Total charity funds	**10**		384,465		340,510

The financial statements are prepared in accordance with the Financial Reporting Standard (FRS 102).

The financial statements were approved and authorised for issue on 24th September 2026 by the trustees and signed on their behalf by:

……
Karen Morley
Chair

DRAFT

Dumfries & Galloway Woodlands (SCIO)

Scottish Charity Number SC052525

Notes to the accounts for the year ended 31st March 2026

1. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.1. General information and basis of preparation

Dumfries & Galloway Woodlands (SCIO) is a charity, registered in Scotland. The address of the registered office along with the nature of the charity's operations and principal activities are given in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK Generally Accepted Accounting Practice.

As the charity's gross income for the reporting period does not exceed £500,000, it is not classified as a larger charity under the Charities SORP (FRS 102) and is therefore not required to prepare a statement of cash flows.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

1.2. Fund accounting

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. The trustees maintain a single unrestricted fund for the day-to-day running of the charity.

Restricted funds may only be used for specific purposes. Restrictions arise when specified by the donor or when funds are raised for specific purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3. Income recognition

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Investment income, in the form of interest, is accounted for in the period in which the charity is entitled to receipt.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

DRAFT

1.4. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. Charitable expenditure comprises those costs incurred by the charity in undertaking activities that further its charitable aims, including those costs of an indirect nature necessary to support them.

Support costs have been differentiated between governance costs and other support costs. The charity feels that there is only one activity, being the maintenance and conservation of woodlands, and as such support costs have been treated as being wholly for the fulfilment of the primary activity.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the preparation and examination of the statutory accounts, the cost of trustees' meetings and the cost of any legal advice to trustees on governance or constitutional matters. As with support costs, the governance costs are treated as being wholly for the primary activity.

1.5. Fixed Assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is calculated to write off the cost of an asset less its estimated residual value, over its expected useful life, as follows:

Woodlands	- No depreciation
Equipment	- 20% straight line
Computer equipment	- 33.33% straight line

Woodlands are not depreciated as the trustees are of the opinion that the assets will have a very long useful life and a high residual value, thus rendering any depreciation negligible in value.

1.6. Taxation

The SCIO is recognised as a charity for tax purposes. It is therefore exempt from corporation tax on income and gains to the extent that they are applied to its charitable purposes, in accordance with Part 11 of the Corporation Tax Act 2010 and Section 256 of the Taxation of Chargeable Gains Act 1992.

1.7. Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising

these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

Notes to the accounts for the year ended 31st March 2026 (cont'd)

2. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
Donations	31,496	26,223	57,719	237,329

Of the income from donations and legacies received in the previous year £206,337 was attributable to restricted funds and £30,992 was unrestricted funds.

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
Grants received				
Tweed Forum	-	-	-	54,972
The National Lottery	-	66,069	66,069	79,967
Foundation Scotland	500	-	500	24,519
South of Scotland Enterprise	3,219	-	3,219	75,359
Dumfries & Galloway Council	6,169	100,693	106,862	-
Solway Firth Partnership	-	12,253	12,253	-
Scottish Forestry	30,984	-	30,984	-
Nature Scotland	8,017	-	8,017	-
Foresight Group	-	42,192	42,192	-
	48,889	221,207	270,096	234,817

Of the income from charitable activities received in the previous year £233,986 was attributable to restricted funds and £831 was unrestricted funds.

4. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2026 £	Total 2025 £
Interest received	1,227	-	1,227	655

All the income from investments received in the previous year was attributable to unrestricted funds.

DRAFT

5. Analysis of expenditure on charitable activities

	Activities Undertaken Directly £	Support & Governance Costs £	Total 2026 £	Total 2025 £
Charitable activities:				
Tree planting	88,155	-	88,155	58,089
Wages	102,100	-	102,100	50,476
Event costs	15,285	-	15,285	20,243
Office rent	7,218	-	7,218	6,600
Venue hire	-	-	-	202
Photos	2,900	-	2,900	1,650
Printing, stationery and advertising	2,536	-	2,536	1,992
Computer costs	951	-	951	1,153
Service charge	-	-	-	3,106
Professional fees	30,444	599	31,043	2,359
Insurance	2,436	-	2,436	1,284
Signage	4,038	-	4,038	521
Repairs	1,947	-	1,947	2,041
Maintenance	8,908	-	8,908	5,253
Telephone	-	-	-	351
Mileage expenses	2,331	-	2,331	1,891
Travel and subsistence	1,174	-	1,174	-
Training	300	-	300	395
Subscriptions	462	-	462	1,512
Sundry expenses	564	-	564	174
Donations	1,500	-	1,500	-
Independent examiner's fee	-	984	984	960
Depreciation	-	10,255	10,255	5,760
	273,249	11,838	285,087	166,012

Of the above costs £267,068 (2025 - £157,453) was attributable to restricted funds and £18,019 (2025 - £8,559) was unrestricted funds.

6. Related party transactions

Dumfries & Galloway Woodlands (SCIO) has no employees. These roles are performed by employees of Border Forest Trust, and the costs are recharged to the SCIO via Border Forest Trust.

None of the current trustees received remuneration for their services in the year. None of the trustees received reimbursement for mileage expenses in the year (2025: £75).

DRAFT

Dumfries & Galloway Woodlands (SCIO)

Scottish Charity Number SC052525

Notes to the accounts for the year ended 31st March 2026 (cont'd)

7. Tangible fixed assets

	Woodlands	Equipment	Computer Equipment	Total
	£	£	£	£
Cost				
At 1st April 2025	120,800	25,898	1,742	148,440
Additions	-	31,630	-	31,630
At 31st March 2026	120,800	57,528	1,742	180,070
Depreciation				
At 1st April 2025	-	5,180	580	5,760
Charge for year	-	9,674	581	10,255
At 31st March 2026	-	14,854	1,161	16,015
Net book values				
At 31st March 2026	120,800	42,674	581	164,055
At 31st March 2025	120,800	20,718	1,162	142,680

A valuation of the land was carried out prior to the land being put up for sale and a market value of £145,000 was imposed.

8. Debtors

	2026	2025
	£	£
Debtors	78,175	11,367

9. Creditors: less than one year

	2026	2025
	£	£
Creditors	34,194	-
Accruals	984	960
	35,178	960

DRAFT

10. Funds

	Balance at 2025	Income	Expenditure	Transfers	Balance at 2026
		£	£	£	£
Unrestricted Funds					
General funds	206,080	81,612	(18,019)	(24,404)	245,269
Restricted Funds					
No Time To Spare	1,122	69,069	(110,064)	51,441	11,568
Wood of Keyr	560	7,200	-	-	7,760
Woodland Plus	11,896	44,515	(8,283)	(5,684)	42,444
D&G Tree Planting	30,903	68,750	(85,703)	-	13,950
Bennel Wood	89,949	13,153	(38,100)	(21,353)	43,649
SCAMP	-	44,743	(24,918)	-	19,825
Total Restricted Funds	134,430	247,430	(267,068)	24,404	139,196
Total Funds	340,510	329,042	(285,087)	-	384,465

A sum of £31,630 has been transferred from restricted funds to unrestricted funds relating to the purchase of fixed assets. £56,034 of unrestricted funds has been transferred to restricted funds to cover a shortfall in funding. This has resulted in a net transfer between restricted and unrestricted funds of £24,404.

The unrestricted general funds represent the free funds of the charity which are not designated for particular purposes.

Restricted funds are as follows:-
No Time To Spare – National Lottery Heritage funded project to support organisational sustainability.
Wood of Keyr Restoration Project – Restoration of the historic Wood of Keyr.
Woodland Plus – Inspirational Woodlands Project at Muirdrochwood, Upper Barr and Waterside Hill.
D&G Tree Planting Grant Scheme – Tree planting across the region.
Bennel Wood – Purchase & development of Bennel Wood.
SCAMP – 2 year development phase working with SCAMP on 4 key projects: - composition & science, coastal woodland creation, artisans & skills, and coastal woodland adventures.

DRAFT

11. Analysis of net assets between funds

	Tangible Fixed Assets £	Net Current Assets £	Total £
Unrestricted general funds	164,055	81,214	245,269
Restricted funds	-	139,196	139,196
Total funds	164,055	220,410	384,465

DRAFT