

WHERE TREES MEAN LIFE

TREE AID'S ANNUAL REPORT AND ACCOUNTS 2010/11



Our mission: to help villagers living in the drylands of Africa unlock the potential of trees to reduce poverty and protect the environment

Our vision: poverty replaced by thriving, self reliant communities

TREE AID - a company limited by guarantee

Charity No. 1135156

Company No. 03779545

AT TREE AID WE KNOW THAT TACKLING POVERTY AND PROTECTING THE ENVIRONMENT ARE INSEPARABLE.

POOR PEOPLE SUFFER DISPROPORTIONATELY WHEN THEIR IMMEDIATE ENVIRONMENT IS DEGRADED.

THEY ARE OFTEN FORCED TO OVER EXPLOIT THEIR NATURAL RESOURCES SIMPLY TO SURVIVE.

THIS LEADS TO GREATER POVERTY AND INCREASED VULNERABILITY TO THE IMPACT OF CLIMATE CHANGE.

THE VERY EXISTENCE OF POOR RURAL COMMUNITIES IS THEN THREATENED BY EXTREME WEATHER EVENTS.

THIS IS WHY WE UNLOCK THE POTENTIAL OF TREES TO REDUCE POVERTY AND PROTECT THE ENVIRONMENT.

THIS IS WHY WE BELIEVE TREES MEAN LIFE.

OUR VALUES: BELIEVING IN PEOPLE POWER

Our work changes lives. We never, ever compromise on the **quality** of the work that we do or the **honesty** with which we do it. We are **inspired** by the people we support. We strive to inspire others with what we do.

We believe **everyone** has something to add. We want to understand what others think, feel and do. **Actions** count. We want every penny and every moment to make a difference. We don't waste time making excuses or blaming others. We **count on each other** to reflect, act, learn, share and improve.

People trust us to do something wonderful in a complex world. We want to tell them what we achieve in **simple** terms, without hiding behind jargon.

Ultimately, we believe in **people power**. As such, we are **confident** we can inspire action by starting a Tree Revolution.

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PARTING REFLECTIONS FROM TREE AID'S CHAIR

I have had the privilege of being Chair of TREE AID for the last 8 years. As I leave, I look forward to the future with great optimism. We have secured a strong reputation for the quality and professionalism of our work. We are making our actions count where they matter most – improving the lives of African rural smallholders and their families. In 2010/11 alone we have increased voluntary income by 12%, a fantastic result in such difficult economic times.

One of the great pleasures I have had as Chair was to visit our projects across Africa, meeting the partners we work with and the people we are supporting. I am confident that the amazing work I have witnessed first hand will enable us to grow our influence – not just at the village level, but within national governments and international bodies such as the Food and Agricultural Organisation.

TREE AID is built on rock solid foundations. I know that we will continue to expand our support to communities in Africa – and to spread the word that trees *really do mean life*.

Mike Turnbull

INTRODUCING OUR NEW CHAIR

I am delighted to have been chosen as the next Chair of Tree Aid and I hope my experience leading The National Forest in England will prove positive and relevant to the role.

In the past year the team has developed a refreshed and ambitious new strategy which will take us forward for the next three years. We have also started the 'Tree Revolution' campaign to build our network of supporters, by raising awareness of the value of trees and the crucial part they play in people's lives.

These building blocks give us the opportunity to consolidate and to grow. By 2014, we aim to reach 40% more people through our programmes. Given that we cannot work directly in every country that might benefit from Tree Aid, we must, as Mike says above, increase our wider global influence, and will do so by developing the evidence base for our work. This means maintaining our investment in Burkina Faso, and growing it in Ghana, Mali and Ethiopia. We will then also invest in research and strategic partnerships, developing and sharing our approach to tree-based enterprises and forest resource governance.

This is a very exciting time for TREE AID, which is led by an inspiring team, in the UK and in Africa, and I am very glad to be part of it.

Sophie Churchill OBE

A YEAR OF STRENGTHENING AND GROWING

We have achieved a lot since we began our work in 1987. We have developed a sophisticated and holistic model that works in delivering real and sustainable change for poor people and the environment. But we know that the global challenge is enormous.

This year we extended the impact and influence of our work as we entered the third phase of our Community Forestry Livelihoods programme, a 15-year programme that started in 2003 and will run to 2018.

In the future, we want to make an even greater difference. We aim to reach many more people and places across the African drylands by expanding our project work and building on past success. At the same time, we want to inspire others to adopt and support similar approaches elsewhere around the world. This will increase our impact by building upon the practical work that we know makes a real difference to people in poor countries.

This is our dream. During 2010/11 we took further steps to turn this dream into a reality. In particular, we developed a new three year strategy. This strategy focuses on three key areas:

- **Increasing our impact:** tackling poverty and protecting the environment
- **Increasing our influence:** developing international partnerships and building our reputation in the UK
- **Increasing our capacity to deliver:** building our team and boosting fundraising

Our achievements against these core areas of work are reported in the following sections.

INCREASING OUR IMPACT

In the new 2011-2014 strategy we established that we would maintain three existing focus areas of work:

NATURAL RESOURCE MANAGEMENT: building greater understanding of how best to manage natural resources

ACCESS RIGHTS: securing long-term access to natural resources for poor people

ENTERPRISE: creating the means for poor families to invest in their future through village enterprise and trade

Our new strategy also includes a new area of focus.

FOOD AND NUTRITION: helping poor communities become more resilient in the face of drought and famine through better nutrition and food security.

Natural Resource Management

“Forests and trees fix the soil, feed the soil and anchor ecosystem services that crops and livestock rely on. Desertification leaves poor people destitute. We need to rapidly scale up investments in sustainable agriculture, sustainable land management and build resilience of ecosystems,” Jacques Diouf, Director-General, UN Food and Agriculture Organization

325 million people live in the fragile Sahel environment. Rural communities in the region are often forced to over-exploit their environment simply to survive. TREE AID works to reverse this trend by building a greater understanding of how to manage natural resources and by making the financial and environmental benefits clear. We do this by using sustainable practices that are low cost, locally appropriate and that make use of natural processes.

During 2010/ 2011, we increased our emphasis on assisted natural regeneration of local tree species. We delivered new initiatives to encourage farmers to become trainers themselves, spreading the impact of our work. We continued to promote techniques such as grafting and pruning and bush fire management, essential in drought prone areas. And we helped plant even more trees.

2010/11 highlights

- Geographical Survey Mapping by USGS-EROS show substantial re-greening of the Seno Plains in Mali, where TREE AID has been supporting natural resource management since 2005.
- 276,508 trees have been planted during the year and tens of thousands more trees were produced through assisted natural regeneration that villagers are trained in across TREE AID projects
- 6,350 villagers trained to increase local capacity to deliver effective tree management, with a further 276 villagers benefiting from improvements in natural resource management skills

Spotlight country: Ethiopia

Ethiopia has lost 98% of its forested regions in the last 50 years, leading to enormous environmental degradation. Ethiopia also has the second highest population in Africa, creating further pressure upon agricultural land to produce more food. Frequent droughts also contribute to serious food insecurity. As a result of these factors combined, 46% of the population in Ethiopia is undernourished.

TREE AID is working to deliver real and sustainable change for poor people and the environment in the Ethiopian highlands by restoring tree cover to damaged land.

- Fast growing trees are being planted to provide fuelwood. Slower growing indigenous trees are being planted to restore the environment.
- Community attitudes towards indigenous trees are changing as they begin to realise the environmental benefit of these slower growing species: during 2010/11 there was a marked increase in the planting of indigenous species by local people.
- During 2010/11 we investigated opportunities to build on this work in the Ethiopian highlands and increase activities in East Africa as part of a wider expansion plan to increase the numbers of people we can help.

Access Rights

“It is local forest people that are best placed to reduce deforestation all over the world —provided they are given the right incentives. That means clear commercial rights to the forest and support to develop profitable and sustainable forest businesses.” Duncan Macqueen, International Institute for Environment and Development (IIED)

Investing in the long term benefits of trees in the Sahel is complicated by the fact that rural communities are often uncertain of their access rights to trees and forests. We work to secure long-term access to natural resources for poor communities. This means making rules and regulations clear and enforceable, ensuring that villagers have confidence that they can benefit from protecting and enhancing local resources as a secure long term investment.

During 2010/11 we focused on developing stronger links between our practical action on the ground and national and international policy. Our aim is to ensure that lessons learned from the successful work in our pilot projects are widely shared in order to expand their impact.

Highlights

- With TREE AID's support, the Burkina Faso Ministry for Environment and Sustainable Development formed a new working group on Decentralisation of the Forest Sector. This new organisation is committed to ensuring pro-poor benefits from community management of trees.
- All 12 communities participating in our Bankass Trees for Change project in Mali created and adopted community conventions on tree management. This provides a road map for long-term stable access to tree resources.
- In total in 2010/11, 174,400 people benefitted from our initiatives relating to access, governance and rights in 218 villages across Burkina Faso and Mali.

Spotlight Country: Mali

More than 77% of Mali's rural people live below the poverty line, and dryland subsistence farmers are the poorest. Recent government decentralisation policies have made access and rights to land and trees difficult to enforce, further damaging the livelihoods of this most vulnerable group.

TREE AID is working in Mali to ensure that the groups who most depend upon their trees for food and income can feel secure about their futures.

- This year we worked with communities in Bankass in the Mopti region of Mali to secure access to their trees by adopting community conventions on tree management. This lays out a plan for land use in and around the community.
- The plans apply to agricultural land as well as land used for village tree plantations, creating the incentive for villagers to plant and protect trees that they know will be theirs in the long-term.
- During 2010/11 the communities bordering the extensive Samori forest also agreed to establish an inter-communal association, which is now assuming responsibility for collective management of this common forest resource.

Enterprise

"Forest services and benefits are multifaceted and wide-ranging, from the environmental contributions to the social and economic. Cross-sectoral and cross-institutional cooperation and a people-relevant approach is vital not only to management of forests but for advancing sustainable development around the world." Jan McAlpine, Director of the United Nations Forum on Forests Secretariat

For poor rural families in Africa's drylands trees mean food, shelter and a future for their environment. But they need a cash income to meet basic needs too. Money is essential in accessing healthcare and education and provides a financial buffer for hard times. TREE AID supports communities by helping them to earn income from trees and tree products. We provide training in business skills and market understanding to make sure that villagers know what's best to sell, and how to sell it and when.

During 2010/11, we have been working with producer groups in Burkina Faso, Mali and Ghana as part of our plans to expand our Village Tree Enterprise (page 29) programme. This work has helped communities gain access to markets outside their immediate village area. We have also linked those communities to micro finance institutions, helping them to start businesses, invest in stock and improve processing equipment.

Highlights

- TREE AID's Village Tree Enterprise programme is now running in Burkina Faso, Ghana and Mali with 628 enterprise groups established.
- Nearly 8,000 entrepreneurs are benefitting from Village Tree Enterprises – more than double our original target of 3,500. Importantly, 65% of these entrepreneurs are women.
- The tree products that TREE AID Village Tree Enterprise groups brought to a fair to celebrate Mali's 50th Anniversary sold out. Buyers were able to enjoy balanites soap, shea butter, dried baobab leaves and tamarind. Among the visitors to the groups' stalls was the President of Mali.

Spotlight country: Northern Ghana

Ghana has enjoyed economic growth in the last decade that has nearly halved national poverty rates, but the northern region of the country has lagged far behind. Communities in the north depend largely upon subsistence agriculture and are more vulnerable to the uncertainties of drought and flooding. Many of these rural smallholder farmers are women, and they fall into the poorest 20% of the population.

TREE AID is working with groups in the north to develop higher value and resilient income-generating tree businesses. Some enterprise success stories from northern Ghana include:

- 38 of 45 enterprises are now receiving credit to market shea nuts, shea butter, local crafts, mango and honey and are successfully paying back their loans.
- 1,500 grafted mango seedlings have been planted in 15 acres of orchard – ensuring a sustainable supply of mangos for the farmers setting up mango businesses
- Honey enterprises in Siisi community, who have been trained in high quality honey production, are selling their honey at GhC 30 – 35 (£12-14) a gallon compared to the GhC 20 (£8) price that honey of a lesser quality sells for.

Food and Nutrition

“Higher food prices have exacerbated the pain of hunger in hundreds of millions of households in Africa. With shrinking forests, there is a rising demand for tree products which will have to be met from farm-grown sources.” Dennis Garrity, Director-General, World Agroforestry Centre

Food, or lack of it, is one of the biggest problems facing rural communities in Africa's drylands. In these regions we work with subsistence farmers who are reliant on increasingly degraded and infertile land to grow food for themselves and their families. In this fragile environment, where rainfall patterns are becoming more erratic, traditional crops are vulnerable in a way that trees are not. TREE AID helps communities protect and increase crop yields whilst establishing a year round source of food through the addition of dried and fresh tree fruits.

The importance of tree foods is often underestimated. We believe that tree foods are undervalued as a viable and sustainable source of food and nutrition for poor people all around the world. We also believe tree foods play a fundamental role in providing families with a year-round food source when crop harvests are over, or have failed as a result of extended periods of drought. During 2010/11 we continued to develop the training we offer in soil and water conservation, helping to boost crop yields and therefore access to food, whilst introducing additional training in the preservation, storage and marketing of tree foods.

Highlights

- Nearly all trees planted in TREE AID projects this year provide tree foods such as fruit, leaves, seeds, nuts and forest honey.
- We provided training in improved soil and water conservation techniques as part of a 'Land and Livelihoods' project in Burkina Faso. Those that took part doubled crop yields over previous years.
- TREE AID supported a School of Oriental and African Studies (University of London) PhD research project on the contribution of tree foods to household food security in Burkina Faso the results of which will inform our future programming in this area.

Spotlight country: Burkina Faso

Food insecurity affects 50% of households in Burkina Faso and the nutritional status of children under five is a real concern. Child mortality rates are among the highest in the world. Hazards such as frequent floods and droughts compromise food security and livelihoods for rural communities. Desertification is rapidly spreading, and climate change is influencing the availability of water and pasture, further exacerbating the vulnerability of farmers. TREE AID is working here in Burkina Faso to ensure people have a year round, diverse source of food.

INCREASING OUR INFLUENCE

As outlined in the previous section, our work is having an increasing impact in the drylands of Africa, helping more and more people to tackle poverty and protect their environment. As part of our 2011-2014 strategy we have set ourselves the task of inspiring others to adopt and support a similar approach elsewhere around the world. Part of this involves building an international network of partnerships, and part of it involves developing our influence and voice at home in the UK.

Growing our influence internationally

The new 2011-2014 strategy outlines how we plan to build our influence by enhancing our international partnerships to ensure that lessons learned from our work are shared across the African drylands and beyond. This means creating an environment where we actively share insights from our work, invest in research where necessary and ensure that impact and lessons learned are available to policy makers and influencers. This work commenced during 2010/11, with a partnership with the University of Bristol's Centre for Market and Public Organisation to develop new strategies for programme evaluation and the sponsorship of PhD research into food security in Burkina Faso.

Growing our influence in the UK

The 2011-2014 strategy also defines an approach for building our reputation through UK fundraising and communication campaigns – in particular leveraging the 2011 UN Year of the Forest and our 25th anniversary in 2012. In response, we developed our online fundraising capacities and raised £47,000 through two online Big Give appeals and associated match funding. We also started a Tree Revolution, a campaign set to run throughout the period of the new strategy and add cohesion to all our marketing efforts. Our goal for the Tree Revolution is to see 1 million trees planted and protected in 2011, and a further 4.8 million by 2014.

“Starting a TREE Revolution”

In 2010/11 we tested and developed a number of fundraising initiatives as part of the Tree Revolution campaign. The Tree Revolution also provided the content needed to help us better engage with other key stakeholders – including corporate supporters, major donors and potential future partners.

People power

We re-launched our speaker's network to begin promoting TREE AID and the Tree Revolution to a national audience. Already, we have signed up 66 speakers from across our UK supporter community.

Inspiring giving

We recruited a telephone fundraising agency to use the Tree Revolution to increase the value of gifts from our committed givers which will result in an extra £29,000 of unrestricted income over the next three years. We also initiated a Tree Revolution appeal to existing supporters, the collateral for which was developed in the first part of 2011. Although the results fall outside the 2010/11 reporting period, we are pleased to say that it has already brought in excess of £20,000, and as such is well on the road to becoming one of our most successful appeals to date.

Business investment

The objective of the Tree Revolution helped us secure corporate partnerships with Blackmoor Nurseries and Shambala Festival, both of which have wide networks and are promoting TREE AID to tens of thousands of new people, as well as generating significant donations. Corporate fundraising rose overall by 10% to a total of £84,902.

Embracing social media

The Tree Revolution has also given us an opportunity to engage with supporters through regular e-bulletins and provide related content to use on Facebook and Twitter as well as increasing traffic to our enhanced website. As a result we have been able to communicate with hundreds of 'paper-free' supporters on a daily basis– and have an audience primed to 'take action' in our name as the Tree Revolution develops.

Visual inspiration

During the year, we made a film to illustrate the impact of TREE AID's programme work for families in Africa's drylands. The film will be used by our speaker network to encourage local communities to support the Tree Revolution.

INCREASING OUR CAPACITY TO DELIVER

As a key part of new 2011-2014 strategy, we aim to secure resources we need to facilitate our programme expansion while maintaining core activities. In 2010/11 we put the foundations in place for this drive by enhancing our leadership team, strengthening our team and developing our fundraising strategy.

New leadership

Dr Philip Goodwin joined TREE AID as Chief Executive in June 2010 and has been instrumental in developing our new 3 year strategy. Philip joined us from the British Council where he was part of their senior leadership team. He has extensive experience of Africa and development having led British Council operations in sub Saharan Africa, and having worked on poverty issues at the Overseas Development Institute. He has been an advisor to governments in the UK and overseas notably having been Vice Chair of the UK Prime Minister's Initiative on International Education and a member of the Secretary of State's Education Technology Task Force. He is a writer, speaker & commentator on leadership and organisational change.

Key appointment in Fundraising

Last year we created a new role, Director of Fundraising and Communications, and were delighted to secure the high-profile appointment of Marian Rose. Marian started in July 2011 and joins us from Save the Children, where she has been driving fundraising growth and organisational development in Brazil, India and Canada. Before that she was Donor Development Director at Save the Children UK where she led the mass fundraising team. She was also Head of Direct Donor Marketing for the UK's National Society for the Prevention of Cruelty to Children for 6 years, where she was involved in developing the FULL STOP campaign.

A strengthened team

We are also building the strength of the TREE AID team by investing in additional programme team support in the UK and in our African operations. We want to increase our ability to develop projects, build stronger links to UK and international policy development programmes, and also improve our capacity to learn and share insights and expertise. In addition to the two senior appointments, during 2010/11 the following roles were developed:

- a full time Community Fundraising Assistant post was appointed
- the Programme officer role was increased to a full time post
- a part time Communications post was created
- the Finance Assistant was given additional hours

Increasing grant applications

We aim to increase the number of proposals submitted to institutional and trust funders. We also want to ensure that proposals are of a manageable size and deliver a portfolio of activity that is funded by a diverse number of sources. We are building new relationships with institutional and trust donors. Of particular note during 2010/11 were the Swedish International Development Agency, Comic Relief, Jersey Overseas Aid Commission and American Forests.

FINANCIAL REVIEW

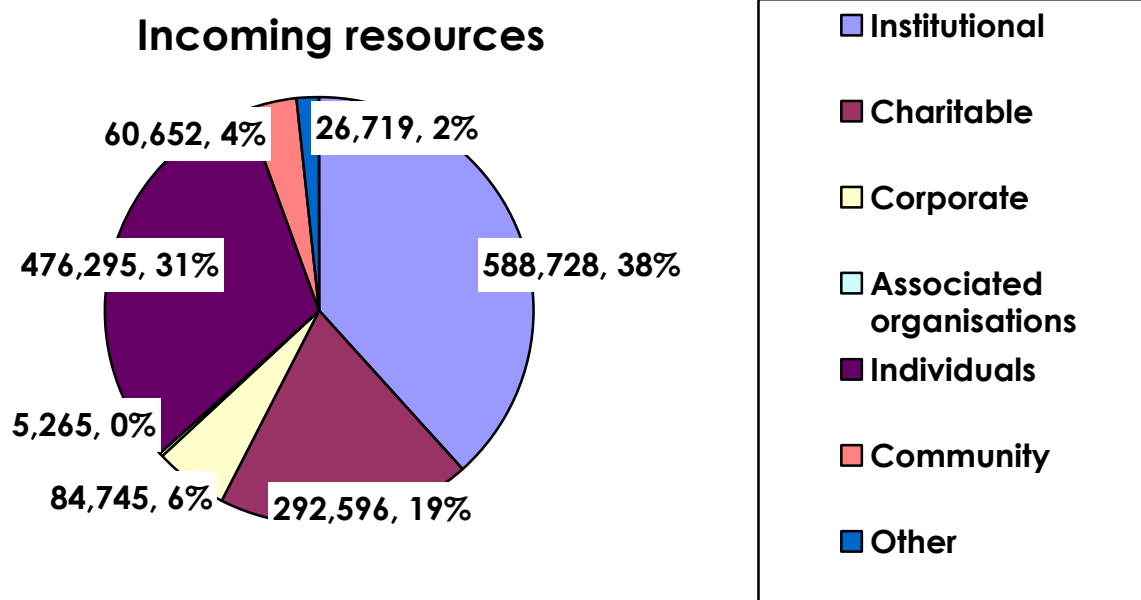
The Trustees present their report and the audited financial statements for the year ended 31 March 2011.

Legal and administrative information set out on pages 33 and 34 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005).

IN SUMMARY

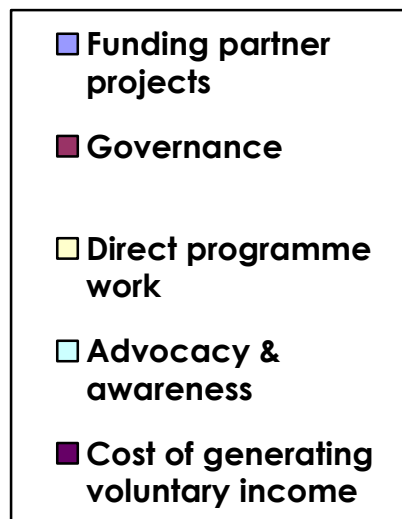
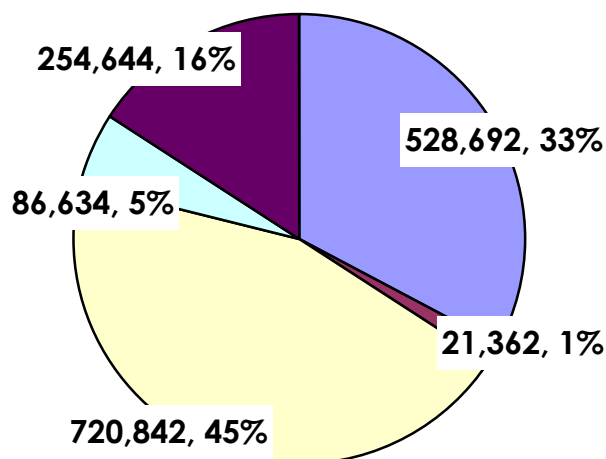
On 1 April 2010 the whole of the assets and undertaking were transferred from the predecessor charity (registered charity no: 296708), an unincorporated trust into a company limited by guarantee also named TREE AID, by a deed of transfer. TREE AID continues the work of the predecessor charity, and has grown during 2010/11.

Both income and expenditure have increased. Expenditure increased by £137,000, an increase of 9.3% up on the previous year, reflecting continued growth in activity we have delivered in Africa. Income increased by £173,000, 12.8% up on the previous year.



	2010/11	2009/10
Incoming resources	£	£
Institutional	588,728	461,394
Charitable Trusts	292,596	343,604
Corporate	84,745	77,453
Associated Organisations	5,265	5,368
Individuals	476,295	415,575
Community	60,652	56,881
Other	26,719	1,011
	1,535,000	1,361,286

Resources expended



	2010/11	2009/10
Resources Expended	£	£
Cost of generating voluntary income	254,644	212,453
Funding partner projects	528,692	477,676
Direct programme work	720,842	596,659
Advocacy & awareness	86,634	175,953
Governance	21,362	12,645
	1,612,174	1,475,386

Comparative figures are taken from the accounts of the predecessor charity. Analysis of resources expended differs between the two entities.

INCOME

Supporter fundraising

Despite continued global economic difficulties, this was a good year for supporter fundraising which saw the team raising an increased 12% of voluntary income. Total supporter fundraising income of £626,957 was raised against expenditure of £205,689 which means for every £1 we spend, we raise £3.05. Key to this growth has been an ongoing audit of all fundraising activities which led to a more targeted approach to generating income. Of particular note was £47,000 raised as we developed our online fundraising capacities through two online Big Give appeals and associated match funding – and the securing of two new corporate partnerships that contributed to a rise of 10% in corporate fundraising to a total of £84,745.

Trust Fundraising

This has proved increasingly difficult in the current climate, with the second half of the year being a particularly challenge to attract the same level of funding from trusts as in recent years. Income was down 15% on last year and 2011/12 is expected to show little growth in this sector, however we will be taking a new approach to Trusts to try to reverse this trend.

Institutional Funding

The Burkina and Mali Village Tree Enterprise projects have been funded by the Big Lottery Fund and the EC. We are currently in the fifth year of the EC contract (due to complete in December 2011) with funding on track; whilst the Big Lottery Fund grant ended after 5½ years in September 2010.

DfID fund our Burkina Trees for Change programme with 3½ of the 5 year programme now completed. This funding will end in March 2012. For 2011/12 and beyond we are currently in negotiation with a number of other institutional funders as we look to increase the proportion of funds from institutional sources.

EXPENDITURE**Costs of generating voluntary income**

Expenditure was increased over the prior year. This meant we spent 17p for every pound of voluntary income¹ raised.

Charitable expenditure

Charitable expenditure increased by £86,000 over the prior year, with grants to project partners increasing from £437,000 to £452,000, up by 3.4%. This represents increased activity on the projects operating in 2009/10. New programmes will commence in 2011/12, including a £1,200,000 programme in Burkina Faso over 3 years funded by the Swedish International Development Agency.

MOVEMENT IN FUNDS**Net movement in funds**

Restricted funds reduced by £65,000 reflecting the increase in charitable activity. Unrestricted funds showed a small deficit of £12,000. Overall the net decrease in funds was £77,000.

Cashflow

During the year, we were very grateful to be able to raise loans of £108,000 from TREE AID supporters - interest free – to bridge the funding gap caused by delays in receipt of institutional grants. These loans have now been repaid. Since the year end, the charity has also arranged a £40,000 overdraft facility with its bankers, HSBC, (until September 2011), and a £200,000 unsecured, standby loan with CAF Venturesome, the subsidiary of the Charities Aid Foundation, available to January 2013.

¹ See Note 2 on page 25.

RESERVES

TREE AID has identified the following primary reasons for holding reserves:

- ensuring the continuity of TREE AID's activities in the event of any unexpected setback;
- allowing TREE AID to take advantage of any project or fundraising opportunities that arise; and
- providing funds to ensure that there are sufficient resources available to fulfil legal obligations in the (unlikely) event that TREE AID ceases to operate.

The Trustees consider that it is appropriate to maintain free reserves (those unrestricted funds which are not invested in fixed assets, designated for a specific purpose or otherwise committed) within the range:

- two to three months of unrestricted budgeted expenditure; or
- the amount required to close down the charity if higher.

Trustees decide on a case by case basis whether reserves should be drawn on to take advantage of opportunities that arise. Reserves are monitored on a monthly basis and reported to Trustees quarterly, with the target level of reserves reviewed annually as part of the cyclical budgeting process. The current target level of reserves, based on the above formula, is £114,000 to £171,000, and at 31 March 2011 TREE AID's free reserves stood at £170,000, which means we were within our target range.

STRUCTURE, GOVERNANCE AND MANAGEMENT

ORGANISATIONAL STRUCTURE

The organisation is a charitable company limited by guarantee, incorporated on 28 May 1999 and registered as a charity on 24 March 2010. On 1 April 2010 the whole of the assets and undertaking were transferred from the predecessor charity, an unincorporated trust and registered charity (registered charity no: 296708) established by a Trust Deed and also named TREE AID, into a company limited by guarantee, by a deed of transfer. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The Board of Trustees meets quarterly for strategic oversight. All new Trustees go through a recruitment and induction process and are selected with a view to ensuring that the Board has an appropriate balance of experience relevant to TREE AID's strategic and operational requirements. A list of current Trustees is given on page 33.

The Finance and General Purposes Committee operates under the delegated authority of the Trustees, and deals with financial and administrative matters.

In addition, the Programme Policy Group, whose members donate their time and forestry and development expertise, makes recommendations to the Trustees and Senior Management Team on programme progress, funding policy and strategy. The members of the Programme Policy Group are listed on page 34.

The Trustees are supported by the Senior Management Team, who report to the Trustees on a regular basis. The members of the Senior Management Team are listed on page 33. We are most grateful to Mike Turnbull, who is retiring both as Chair and from the Board, for his long service to the Charity, and to Joe Morland who is standing down as a Trustee due to ill health.

Where TREE AID works and the people who benefit

TREE AID works in Africa's rural drylands, in some of the poorest regions of Burkina Faso, Ethiopia, Ghana and Mali, where forestry centred development interventions can alleviate poverty sustainably. The beneficiaries of TREE AID's work are poor families, and especially women, who live in the villages in these rural drylands in Africa.

Objectives and activities

The charity's objects are:

1. Acting as successor charity to that established by a Trust Deed made on 9 April 1987, subsequently registered with the Charity Commission for England and Wales on 28 April 1987 under Number 296708 and known as TREE AID.
2. Relieving the poverty of and promoting the welfare of poor persons overseas by promoting for the benefit of such persons the preservation and improvement of their agricultural environment especially through silviculture and income generation projects.
3. Promoting for the public benefit research into methods of reclaiming or preventing degradation of current agricultural land into desert land for its continued use for agricultural, industrial or commercial purposes and publishing the results of such research.

Equality & Diversity Policy

TREE AID believes that capitalising on what is unique about individuals and drawing on their different perspectives and experiences adds value to the way we work.

By accessing, recruiting and developing talented staff from the widest possible pool TREE AID can gain an insight into new approaches and techniques and generate greater creativity in working towards our objectives. We therefore constantly strive to create a productive environment, representative of, and responsive to, different cultures and groups, where everyone has an equal chance to succeed.

Risk Management

The Trustees have a duty to identify and review the strategic, business and operational risks that the charity is exposed to, and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. In order to achieve this, Trustees and the Senior Management Team undertake an annual assessment of the risks that the organisation is exposed to. This risk assessment process produces a Risk Register, which assigns management of these risks to specific individuals and recommends actions to be taken, where necessary, in order to manage the likelihood or impact of these risks.

Grants policy

A significant part of TREE AID's work in Africa is carried out by local partners financed through project grants. Funding proposals from local partners are subject to a formal three-stage process of screening and assessment, supported by in-country advisers, overseen by our Programme Policy Group. Final approval of new projects rests with the Senior Management Team and the Trustees, as set out in TREE AID's financial regulations. All projects are subject to a monitoring process during their life cycle, and the payment of grants is subject to satisfactory monitoring reports being received.

President, Patrons & Programme Policy Group

We would like to express our thanks to our President, our Patrons and the Programme Policy Group for the time and support that they have given throughout the year. We were delighted to welcome Dr Kate Schreckenber and Dr David Brown as new members of the Programme Policy Group.

It is with great sadness that we learnt of the death of John Fletcher, TREE AID's past president, during the year. John had remained a committed supporter to TREE AID until his passing.

Staff and Volunteers

The Trustees recognise the huge and ongoing contribution made by staff in our offices in Bristol, Ouagadougou and Segou, and in the field, and extend our gratitude to these staff. Their energy and commitment, combined with a strong team ethos, means that significant progress continues to be made in all areas of TREE AID's work.

The Trustees are extremely grateful for time donated by volunteers and interns to TREE AID, which amounted to over 4,500 hours during the year. It would not have been possible to achieve as much as we do without their help and support.

We have been fortunate in obtaining support by way of interns from The Golden Jubilee Trust (a charity of the John Lewis Partnership) and the Leonardo da Vinci program during this period.

Public benefit focus on ensuring that our activities achieve our charitable aims

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income or expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Approved by the Trustees on 25 July 2011 and signed on their behalf by

Mike Turnbull
Chair

INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of TREE AID for the year ended 31 March 2011, which comprise primary financial statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out in the report of the Trustees, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report

Catherine L Sayer (senior statutory auditor)

27 September 2011

for and on behalf of Sayer Vincent, Statutory Auditor

Sayer Vincent
8 Angel Gate
City Road
LONDON
EC1V 2SJ

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Restricted Funds £	Unrestricted Funds £	2011 Total Funds £
Incoming resources				
Incoming resources from generated funds				
- Voluntary income	2	958,931	549,350	1,508,281
- Investment income		-	1,645	1,645
Other incoming resources		-	25,074	25,074
Total incoming resources		958,931	576,069	1,535,000
Resources expended				
Cost of generating voluntary income		-	254,644	254,644
Net resources available after costs of generating funds		958,931	321,425	1,280,356
Charitable activities				
- Funding partner projects		452,663	76,029	528,692
- Direct programme work		571,600	149,242	720,842
- Advocacy & Awareness		-	86,634	86,634
Total Charitable activities		1,024,263	311,905	1,336,168
Governance costs		-	21,362	21,362
Total resources expended	3	1,024,263	587,911	1,612,174
Net outgoing resources before transfers				
	5	(65,332)	(11,842)	(77,174)
Transfers	15	-	-	-
Net outgoing resources after transfers		(65,332)	(11,842)	(77,174)
Reconciliation of funds				
Total funds brought forward		-	-	-
Transfer of assets and liabilities from predecessor charity		336,841	198,795	535,636
Total funds carried forward	15	271,509	186,953	458,462

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the accounts.

BALANCE SHEET

	Notes	2011 £
Fixed assets		
Tangible fixed assets	11	18,445
Programme related investments	12	41,161
		59,606
Current assets		
Debtors	13	152,842
Cash at bank and in hand		427,408
		580,250
Current liabilities		
Creditors: amounts due within one year	14	(181,394)
		398,856
Net current assets		398,856
		458,462
Funds		
Restricted funds	15	271,509
Unrestricted funds		
- Designated – fixed assets	15	17,079
- General reserves	15	169,874
Total Unrestricted funds		186,953
Total funds	15	458,462

Approved by the Trustees on 25 July 2011 and signed on their behalf

Hugh Arthur
Treasurer

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Charities Act 1993. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

b. Fund accounting

The charity maintains three main types of fund as follows:

- i Restricted funds, which are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- ii Unrestricted funds, representing income that is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.
- iii Designated funds, which are where the Trustees have set aside unrestricted funds for a specific purpose.

c. Income Recognition

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. The value of time kindly contributed by volunteers is not included in the financial statements.

Legacy income is recognised in the accounts when it is received, unless there is sufficient evidence in advance to allow TREE AID to be sufficiently certain that the income will be received, and to be able to estimate the value of the legacy with reasonable certainty.

Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier, unless they relate to a specific future period, in which case they are deferred. Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation of fixed assets purchased with such grants is charged against the restricted fund.

Income from 'Gift Aid' tax reclaims is recognised for all donations made prior to the year-end, where a valid Gift Aid declaration is held.

d. Resources expended and basis of allocation of costs

Resources expended are recognised in the period in which they are incurred, and include attributable VAT which cannot be recovered.

Expenditure is analysed into the following activities:

- i **Cost of generating voluntary income** - This includes the salaries, direct expenditure and overhead costs of staff engaged in fundraising activities. The cost of fundraising initiatives is recognised in the year in which it is incurred although income derived from the initiatives may arise in future years.

- ii **Funding partner projects** – This represent the value of grants that have been made to project partners. Costs of grant making are included in the statement of financial activities in the year they are payable.
- iii **Direct programme work** - This includes the costs of TREE AID's own staff involved in the delivery of the programme, particularly those staff based in TREE AID's West Africa office in Burkina Faso. These staff provide specialist support, training and networking for partner organisations, as well as undertaking the research required to develop our programme.
- iv **Advocacy and awareness** – This represents the costs incurred in raising awareness of institutions and members of the public on the issues being addressed by the charity
- v **Governance costs** - These are the costs associated with the governance arrangements of the charity. These costs are associated with the constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

In addition to costs incurred directly in the course of the activities above, support costs are incurred which are necessary to facilitate the above activities and are classified as follows:

- i Project support includes the costs of staff both in the UK and in West Africa who work in support of partners and operational activities.
- ii General support includes the costs of functions such as budgeting and accounting, information technology, human resources and payroll administration.

Resources expended are allocated to a particular activity where the cost relates directly to that activity. Shared costs, including central office costs, are apportioned to activities based on the proportion of staff time spent on each activity as shown in the table below. The table also shows the basis on which support costs are allocated to activities.

Activity	Allocation of support costs	Allocation of shared costs
Cost of Generating Voluntary Income	8%	24%
Project Grants	39%	1%
Direct Programme Work	50%	46%
Advocacy and Awareness	3%	8%
Development	-	7%
Programme Support	-	13%
Governance	-	1%

e. Gifts in Kind

The value of donated goods and services recognised in the financial statements is the price the charity estimates it would pay in the open market for a service or facility of equivalent value to the charity.

f. Friends Groups

Friends Groups are not regarded as separate legal entities but as part of the administrative machinery of the main charity.

g. Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets by equal annual instalments over their estimated useful lives at the following rates:

UK Office Furniture & Equipment:	25%
West Africa Office Furniture & Equipment:	25%
West Africa Motor Vehicles:	25%

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on a basis which is an estimate, based on staff time, of the amount attributable to each activity. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

h. Programme Related Investments

The asset is valued at the amount invested into the fund, less any amounts written-off due to non-repayment of loans by entrepreneur groups.

i. Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange for the year. Exchange differences are taken into account in arriving at the net movements in funds for the year.

j. Pensions

The charity offers a defined contribution pension scheme to employees, to which it contributes 3% of salary if employees contribute 4%. The assets of the scheme are held in an independently administered fund. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity during the year.

k. Leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

2. Voluntary income

	Restricted £	Unrestricted £	Total £
Institutional funds	588,728	-	588,728
Charitable trusts	260,854	31,742	292,596
Corporate giving	48,923	35,822	84,745
Associated organisations	3,680	1,585	5,265
Individuals	50,539	425,756	476,295
Community support	6,207	54,445	60,652
Total	958,931	549,350	1,508,281

During the year a member of Waitrose staff was seconded to the charity for a period of six months, the cost being borne by the Golden Jubilee Trust, a charity of the John Lewis Partnership. The value of these services is estimated at £12,226. This is in addition to recognised voluntary income.

3. Analysis of activities and support costs

	Grants	Activities undertaken directly	Programme Support & Development	General Support Costs	Total
	£	£	£	£	£
Cost of generating voluntary income	-	238,624	-	16,020	254,644
Charitable activities:					
- Funding partner projects	452,432	-	43,000	33,260	528,692
- Direct programme work	-	565,717	109,777	45,348	720,842
- Advocacy & awareness	-	81,184	-	5,450	86,634
Total charitable activities	452,432	646,901	152,777	84,058	1,336,168
Governance	-	20,019	-	1,343	21,362
Total	452,432	905,544	152,777	101,421	1,612,174

4. Grants analysed by country and project

	£
Burkina Faso:	
Village Tree Enterprise	174,329
Trees for Change	28,723
Trees for Trade – Fada	12,903
Trees for Trade – Barsalogho	9,695
Land and Livelihoods	7,395
	233,045
Ethiopia:	
Forests for Food	14,588
	14,588
Ghana:	
Village Tree Enterprise	33,492
Kandema Rural Regeneration	3,157
Community self-reliance project	19,178
	55,827
Mali:	
Village Tree Enterprise	106,763
Trees for Change	20,256
Trees for Trade – Tominion	21,953
	148,972
Total	452,432

5. Net incoming resources

This is stated after charging:

	£
Audit fees	
- Statutory audit	8,100
- Overseas audit	8,300
Depreciation	17,633
Operating lease rentals:	
- Property	26,583

6. Employee and staff costs

The average number of employees during the year, calculated on a full time equivalent basis, was:

	No.
UK contracted employees:	13
Staff based overseas on local contracts:	24
Total	37

The cost of employing these staff was:

	£
Salaries and wages	594,081
Social Security Costs (National Insurance)	31,991
Pension costs	5,449
Total	631,521

No employees were paid more than £60,000.

Pension costs charged in the Statement of Financial Activities represent the contributions payable by TREE AID in the year.

7. Trustee remuneration and expenses

Trustees are not remunerated, but are reimbursed for their incidental expenses in carrying out their duties as Trustees.

Directly incurred Trustee expenses borne by the charity in the year totalled £1,124, paid to 4 Trustees.

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Transfer from predecessor charity

On 1 April 2010 the accumulated funds of £535,636 of the predecessor charity (Charity no. 296708) were transferred as per the terms of the transfer deed and the governing documents of TREE AID. The net assets transferred were as follows:

	Transferred in	Fair value adjustment	Recognised
	£	£	£
Tangible fixed assets	31,881		31,881
Debtors	273,866	-	273,866
Cash at bank and in hand	455,348	-	455,348
Creditors	(225,459)	-	(225,459)
	535,636	-	535,636

10. Tangible Fixed Assets

	UK	West Africa	West Africa	Total
	Fixtures And Fittings	Motor Vehicles	Fixtures And Fittings	
	£	£	£	£
Cost				
At 1 April 2010	-	-	-	-
Transferred from predecessor charity	21,092	39,019	43,352	103,463
Additions	4,197	-	-	4,197
Disposals	-	-	-	-
At 31 March 2011	25,289	39,019	43,352	107,660
Depreciation				
At 1 April 2010	-	-	-	-
Transferred from predecessor charity	16,979	31,911	22,692	71,582
Charge for the year	2,955	5,743	8,935	17,633
Disposals	-	-	-	-
At 31 March 2011	19,934	37,654	31,627	89,215
Net Book Value				
At 31 March 2011	5,355	1,365	11,725	18,445
At 31 March 2010	-	-	-	-

11. Programme related investments

	£
Cost	
At 1 April 2010	-
Transferred from predecessor charity	-
Additions	41,161
Revaluations	-
Disposals	-
At 31 March 2011	41,161

The programme related investments are to provide micro finance to the beneficiary groups under the Ghana Village Tree Enterprise programme by way of repayable loans. The fund is managed independently by one of TREE AID project partners.

TREE AID reinvests the loans repaid into further loans, either to new village entrepreneur groups or as further loans to existing groups.

12. Debtors

	£
Tax recoverable (Gift Aid)	10,869
Income debtors	11,976
Prepayments & accrued income	129,997
Total	152,842

13. Creditors: amounts due within one year

	£
Supporter loans	108,000
Project creditors	23,965
Trade creditors	18,781
Accruals & deferred income	22,447
Tax and social security	8,201
Total	181,394

Supporter loans were interest free, short term unsecured loans from supporters (including two Trustees) to support the charity's cashflow to bridge delays in receipt of institutional grants. These were repaid in July 2011.

14. Movements in funds

	Opening balance	Transferred from predecessor charity	Incoming resources	Outgoing resources	Transfers	Closing balance
	£		£	£	£	£
Restricted funds						
Village Tree Enterprise - EC	-	(80,556)	469,452	(505,426)	50,000	(66,530)
Village Tree Enterprise - Big Lottery Fund	-	29,513	99,564	(129,077)	-	-
Village Tree Enterprise - Ghana	-	118,156	89,921	(68,460)	(41,161)	98,456
Revolving Credit Fund - Ghana	-	-	-	-	41,161	41,161
Trees for Change – DfID	-	-	62,944	(75,196)	12,252	-
Single Partner Projects	-	174,736	212,864	(246,104)	(10,164)	131,332
Projects Fund	-	94,992	24,186	-	(52,088)	67,090
Total restricted funds	-	336,841	958,931	(1,024,263)	-	271,509
Unrestricted funds						
Tangible Fixed Assets Designated Fund	-	24,773	-	(11,890)	4,196	17,079
General Reserves	-	174,022	576,069	(576,021)	(4,196)	169,874
Total unrestricted funds	-	198,795	576,069	(587,911)	-	186,953
Total funds	-	535,636	1,535,000	(1,612,174)	-	458,462

Purpose of restricted funds

Restricted funds are generated when the donor stipulates how the income may be expended. In most cases there will be a timing difference between when the income is received and when it is spent, resulting in balances being held on these funds at year-end. The purpose of the various restricted funds is outlined below.

Village Tree Enterprise

The Village Tree Enterprise programme is a key part of our strategy to enable villagers in Africa to earn a sustainable income from trees. We are now operating this in Burkina Faso, Mali and northern Ghana, supporting village groups to set up businesses and maintain forests to make a living from them, operating through multiple local partner NGO's on each programme.

European Commission

TREE AID started a five-year grant contract with the European Commission in January 2007, with funding to deliver the Village Tree Enterprise programme in Mali and Burkina Faso. There was a deficit in this fund at the year end due to the timing of payments from the EC. These funds were received in June 2011.

Big Lottery Fund

A five-year funding agreement with the Big Lottery Fund, for TREE AID's Village Tree Enterprise programme in Burkina Faso and Mali. This programme was completed during the year.

Ghana

The Village Tree Enterprise project in Ghana is funded from a variety of sources, mainly trusts, but has also included the Ghanaian government.

Revolving Credit Fund – Ghana

A fund set up to provide micro finance to the beneficiaries of the Ghana Village Tree Enterprise programme by way of repayable loans; managed independently of TREE AID by a project partner.

Trees for Change – DfID

The Trees for Change projects focus on rights to the access and control of natural resources. The project in Burkina Faso is fully funded by the Department for International Development (DfID).

Single Partner Project Funds

Nine smaller projects each with expenditure of less than £50,000 pa carried out in Burkina Faso, Mali, Ghana and Ethiopia with one local NGO partner per project.

Project Fund

This represents donations that are restricted to unspecified projects on the ground in Africa.

Purpose of unrestricted funds

Unrestricted funds are generated when there is no stipulation from the donor as to how the income may be spent, and includes designated funds where the Trustees have set aside monies for a specific purpose.

Tangible Fixed Assets Designated Fund

The designated fund for fixed assets represents resources invested in the charity's tangible fixed assets that are not restricted fund assets. The fund is therefore not readily available for other purposes.

15. Analysis of net assets between funds

	Restricted	Unrestricted Designated	Unrestricted General	Total
	£	£	£	£
Fixed assets	42,527	17,079	-	59,606
Cash at bank and in hand	142,949	-	284,459	427,408
Other current assets	124,026	-	28,816	152,842
Current liabilities	(37,993)	-	(143,401)	(181,394)
Total net assets	271,509	17,079	169,874	458,462

16. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows:

Expiring within:	Land & buildings £
1 – 2 years	25,503

LEGAL AND ADMINISTRATIVE DETAILS

LEGAL STATUS

An incorporated company limited by guarantee, no. 03779545, and a registered charity, no. 1131516.

PRESIDENT

Sir Crispin Tickell GCMG KCVO

TRUSTEES

Sophie Churchill ¹	Chair from 25 July 2011	(Appointed 31 January 2011)
Mike Turnbull ¹	Chair until 25 July 2011	(Resigned 25 July 2011)
John Wenger ¹	Vice-Chair	
Hugh Arthur ¹	Treasurer from 25 July 2011	(Appointed 31 January 2011)
Joe Morland ¹	Treasurer until 25 July 2011	(Resigned 25 July 2011)
Paul Anticoni ²		
Paulette Cohen		
Sheila Large		(Resigned 19 July 2010)
Mariska Van Der Linden		(Appointed 31 January 2011)
Richard Puddephatt		
John Rhodes		
Simon Toomer		(Appointed 31 January 2011)

1. Member of the Finance and General Purposes Committee

2. Member of Programme Policy Group

SENIOR MANAGEMENT TEAM

Dr Philip Goodwin	Chief Executive	(Appointed 17 June 2010)
Geoff Nicks FCA	Director of Finance & Resources	
Tony Hill	Director of Programmes	
Marian Rose	Director of Fundraising & Communications	(Appointed 4 July 2011)
Yacouba Ouedraogo	West Africa Programme Coordinator	(On Sabbatical until September 2011)
Sylvestre Ouedraogo	Interim West Africa Programme Coordinator	(Appointed 1 October 2010)

REGISTERED OFFICE AND OPERATIONAL ADDRESS

Brunswick Court, Brunswick Square, Bristol BS2 8PE

ADVISORS

Programme Policy Group

Paul Anticoni	TREE AID Trustee and Chief Executive at World Jewish Relief
Mike Arnold	Research Associate, the Overseas Development Institute and the Centre for International Forestry Research
Dr David Brown	Senior Research Associate, Overseas Development Institute
David Cutler	Former Deputy Keeper, Jodrell Laboratory, Kew Royal Botanical Gardens
Katherine Homewood	Professor of Anthropology, University College London
Duncan MacQueen	Senior Researcher in Forestry, International Institute for Environment & Development
Dr Kate Schreckenber	New Frontiers Research Fellow & Coordinator, University of Southampton
Dr Zewge Teklehaimanot	Lecturer in Agro-forestry, University of Wales, Bangor
Peter Wood	Former Chair of the Commonwealth Forestry Association

Bankers

HSBC plc, 24 College Green, Bristol BS1 5TD

Auditors

UK - Sayer Vincent, 8 Angel Gate, City Road, London EC1V 2SJ

West Africa - CAFEC-KA, 10 BP 13675, Ouagadougou 10, Burkina Faso

Solicitors

Stone King LLP, 13 Queen Square, Bath BA1 2HJ

FUNDRAISING STANDARDS BOARD

TREE AID is a member of the Fundraising Standards Board, the self-regulatory body for fundraising in the UK, members of which agree to adhere to the highest standard of good practice with their fundraising and to establish a Fundraising Promise incorporating a clear complaints procedure.



ACKNOWLEDGEMENTS

TREE AID extends thanks to all of our donors for their generous support, which enables us to work towards our vision of seeing thriving, self-reliant communities in Africa's drylands. In particular, the support of the following donors, who are some of those that have generously contributed more than £1,000 during 2010/11, is acknowledged:

Individuals

Gifts in memory of John Fletcher, past president of TREE AID from family, friends and former colleagues at the Forestry Commission
 Rob Button
 Anthony Cross
 Mr P Entwistle
 Vic And Jill Froome
 Mr S Gershon
 Alan Gilchrist
 Dr and Mrs C J Gill and family
 Benjamin Harrop
 Jim and Edie Hawkins
 Adrian and Erika Jeakings
 Mr R Kelsey
 Guy Massey, family, friends and colleagues
 Vanessa Nias
 Allan Siddick
 Mr C J W Ward
 Graham Williams
 Drs Trevor and Elizabeth Thompson, and sponsors

Companies

Blackmoor Nurseries
 Brightsource
 Eamonn Wall & Co
 Ecofurn
 Joseph Rochford Gardens
 Kambe Events Ltd
 Mangajo Drinks Company
 RPS Group Plc
 Severnprint
 Soho Pizzeria
 Spiral Product Design Ltd
 The Christmas Forest
 The Parish of Mortlake with East Sheen
 Unicorn Grocery Limited
 National Forest Wood Fair, a partnership between the National Forest Company and Leicestershire County Council

Trusts and Foundations

Charities Aid Foundation - Environment Fund
 Christadelphian Meal-a-Day Fund
 Educational and General Charitable Trust
 Edith M Ellis 1985 Charitable Trust
 Langdale Trust
 Loke Wan Tho Memorial Foundation
 Meetings Industry Meeting Needs
 Mitchell Trust
 Oak Philanthropy UK
 Open Gate
 The Bernard Sunley Charitable Foundation
 The Bryan Guinness Charitable Trust
 The Eleanor Rathbone Charitable Trust
 The Ericson Trust
 The Frays Charitable Trust
 The Gibbs Charitable Trust
 The Golden Jubilee Trust, a charity of the John Lewis Partnership
 The H B Allen Charitable Foundation
 The Harold Hyam Wingate Foundation
 The Henry C. Hoare Charitable Trust
 The JJ Charitable Trust
 The Kirby Laing Foundation
 The Late Frances Crabtree Charitable Trust
 The Leonard Laity Stoate Charitable Trust
 The Mackintosh Foundation
 The Morel Charitable Trust
 The Mosse Charitable Settlement
 The Paget Trust
 The Reed Foundation
 The Family Rich Charities Trust
 The Rowan Charitable Trust
 The Spear Charitable Trust
 The Susanna Peake Charitable Trust
 The Tanner Trust
 The Whitaker Charitable Trust
 Vitof Charitable Foundation
 W F Southall Trust

TREE AID also acknowledges with thanks the ongoing support from:



The European Commission



LOTTERY FUNDED