



Falkirk Environment Trust

Annual Report

April 2003 to March 2004



Scottish Charitable Number SC 28253

Entrust Enrolment Number 472053

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About the Trust

The Falkirk Environment Trust was established on the 6th of August 1998 and is a non-profit distributing independent trust.

Its registered office is c/o Falkirk Council Development Services, Abbotsford House, David's Loan, Falkirk, FK2 7YZ. It is a private company limited by guarantee and its company number is 188303.

The Trust is enrolled as an Environmental Body by the Landfill Tax regulator (enrollment number 472053), and it is recognised as a charity by the Inland Revenue (charity number SC 28253).

The Trust exists to improve the environment of the Falkirk area, enhancing the quality of life for residents and visitors, based on the values and principles of sustainable development.

The Trust is a partnership of local and national agencies that pools its resources and expertise. It is governed by a board of 12 Directors, all representative of partner organisations and the Falkirk community

Board Details

	Date Appointed	Date Left
Falkirk Council (2)		
• Councillor John Connolly (Chair)		24/06/03
• Sheila Terry		
Environmental organisations (3)		
• Dave Gorman, Scottish Environmental Protection Agency, (co-opted)		
• David Jamieson, British Trust for Conservation Volunteers Scotland		
• Angus Smith, Scottish Wildlife Trust		
• Angus Duncan, Central Scotland Forest Trust	11/03/04	
• Katrina Marshall, Scottish Natural Heritage		
Other (3)		
• Adrian Kitchen, Falkirk College of Further & Higher Education	07/03/03	
• Maria Montinaro, Shieldhill Community Council	11/03/04	
• Stuart Harrower, BP Grangemouth		
• Ed Marnie, Scottish Enterprise Forth Valley		
Officers:		
• Chair:	Councillor John Connolly	24/06/03
• Vice Chair:	David Jamieson	
• Secretary	Harry Forster	11/03/04
• Treasurer	to be appointed	

Advisors to Board:

- Robert Ritchie, Central Action
- Gordon Laird, Falkirk Council

Auditors: WDM Associates

Development Manager: Arthur Berg

1. Directors Report 2003/2004

- 1.1 This is the 6th Annual Report of the Falkirk Environment Trust, and covers the period of 1st April 2003 to 31st March 2004.
- 1.2 In this report and some of the reports which preceded it, the theme of change is appropriate. There were changes in the board as some directors resigned and new people were appointed. Brenda Roddy, the original Development Manager resigned in June to take up a new post. The post was vacant for part of the year until Arthur Berg was appointed in September 2003.

Such changes, particularly in the case of the Development Manager post, inevitably affect progress and financial turnover. Personnel changes do however, bring fresh ideas and new skills, strengthening the partnership arrangements which are the foundation of FET.

The last report also noted the changes to the landfill tax credit scheme, which has been fundamental to the activities of the Trust. These changes which reduced the proportion of landfill tax available for projects, caused several trusts in Scotland to wind up their activities. In the face of such change, FET decided to seek funds from a wider range of sources and over the past 18 months, has achieved significant success in this area.

Diversification of the funding base partnership has been achieved through maintaining existing funding arrangements and securing new, non-landfill tax funds from the Council, Scottish Natural Heritage, BP and the lottery (Fresh Futures) to support local projects. The continuing partnership arrangement with two major landfill operators, (GR Service Company and Shanks Avondale) and E B Scotland Limited has stabilised the landfill tax situation and provided opportunities to increase the amounts available to allocate to projects to compensate for the reductions announced in 2002/03.

Directors wish to express their thanks for the ongoing funding support from all agencies and partners.

While the financial turnover is relatively low this year, reflecting the changes noted above, FET continues to have success in dealing with a changing environment for its operations. Taking a longer term overview, the fact that FET is now approaching a figure of £1 million allocated to local projects since establishment in 1998/99 is extremely positive. This has helped to promote a wide range of projects with a total value in excess of £5 million. This range of activity supports the delivery of the FET vision as described below.

VISION

“The Trust aims to become recognised as one of Scotland’s leading local authority area based environmental trusts, supporting a wide range of environmental and sustainable development projects. It will work closely with partners and local communities to facilitate projects and build consensus through the design and delivery of projects. The Trust will work to secure its long-term viability, acting as a source of match funding and using its resources to make a significant contribution to local environmental priorities.”

2 Examples of projects funded

The following sections of the report give examples of the range of projects funded and key factors in the development of FET over the year.

2.1 Main Grants Scheme

Canal Hedgerow Project – Waterways Trust - £ 7050

The Waterways Trust successfully planted a new hedgerow composed of 3250 trees along 650 metres of the new canal spur leading to the sea lock. The total value of the project was £15,000, and utilised the support of local people, young offenders, youth groups and local councillors.



Banknock Youth Initiative - £5000

This project centres around the concept of providing young people with activities based equipment. The shelter in the background is specifically there for teenagers. Later phases of the project will provide a new toddlers play area. FET’s contribution will go toward the landscaping of the site once all construction is completed.



Local Biodiversity Action Plan - £6950

LBAP is FET's longest running project, and was instrumental in the development of the Falkirk Biodiversity Action Plan. This Plan is further serviced by the LBAP officer and by the development of many sub strategies dealing with the priorities that the plan has generated. The latest extension to the project will allow the LBAP Officers to enact several of these plans in the coming months. LBAP is also sponsored by Falkirk Council, BP and by SNH.



Going Forth, Central Action £ 6950

Going Forth, a long running local environmental magazine addressing a variety of sustainability issues, has moved into its final funded phase. Another 4 editions have been funded, with a drive towards increased readership, financial sustainability and a better web based presence

Update - Bells Meadow Skateboarding and BMX Park, The 3Bs Group - £25,000

This project has suffered from a slow start. However in this financial period all other funding was located by the 3B's and Falkirk Council agreed to underwrite a £30,000 amount. The park is now under construction and progressing well



Falkirk Gateway

This strategically important project has been helped by FET in 2 ways – An application was made for £15,000 Landfill tax which matched the amount held in trust by FET. Our funding went specifically to the planting of trees and creation of access ways across this large site. The project has made a major environmental improvement to the eastern approach or “Gateway” to Falkirk Town. It is a key component to the “my futures in Falkirk initiative, and is the first phase of the “Eco-park”

Torwood Land acquisition - £5000

This Grant was originally awarded to assist the Torwood Community Woodland group to purchase an area of Forest from a private landowner. Unfortunately there is now some doubt over the future given difficulties with land acquisition. FET will continue to monitor the situation appropriately

2.2 Small Grants Scheme

The Outdoor Classroom – Langlees Primary £2000

This Project is a direct result of the School's environmental education programme. An area allowing the Children access to education outside has been designed and commencement of construction is now awaited.

Kinneil Pond Survey

This application, Made by the Bo'ness Community Council, centres around the enhancement of habitat for the pond and it's shore. A survey is necessary to discover what is there and what improvements could be made without upsetting the existing eco-system. The survey has been completed and FET awaits the full report with recommendations.



Community Wildlife Garden CTDU

Utilising clients and volunteers, this local group with strong ties to the Dawson area and Airth has created a small Wildlife and sensory Garden at their headquarters. The project has also helped the community through training provision and social inclusion. The Garden has good public access and looks forward the the next phase of development

Kinneil Bird Hide Leaflets – £619.22

The Bird Hide opened by SWT in conjunction with BP in the Late winter /early Spring of 2004 was the inspiration for this application. The idea is to encourage use of the facility and to increase awareness of the adjacent site of Special Scientific Interest by releasing an informational leaflet to schools, waiting rooms and other public buildings. The leaflet is being compiled from a variety of source materials at this time.

Community Gardens - The Denny Community Flat - £1000

The Community Garden project suffered a major setback when it's local champion became seriously ill. Other members of the community group have now stepped up to the challenge of organising this public access garden, which is currently underway.



Polmont Community Clean Up, Polmont Community Council, £400

Once again, Polmont Community Council ran a highly organised and extremely well attended community clean up event. Funds were sought from FET as well as from local businesses to cover the costs of equipment and refreshments.

Limerigg Wildlife Gardens, Limerigg Community Association - £1680

The People of Limerigg have taken regeneration to their hearts and made application to develop a small wildlife focussed area in the heart of the town. It is hoped that further applications will be forthcoming from this local association which will drive forward other environmental actions.

Lowland Litter Challenge - Waterways Trust - £2000

This project was partnered by West Lothian and North Lanarkshire councils. The idea was to challenge local communities to a series of litter round ups along the canal and it's environs. This was successfully achieved over a 3 month period



Over the last 12 months, Falkirk Environment Trust agreed to allocate £79,720 to 7 projects, helping to secure an additional £1,493,591 for the Falkirk area.

	Name	Award	Total value
Main Grants			
1	Torwood Land Purchase	£5,000	£250,350
2	Banknock Youth Initiative	£5,000	£155,000
3	Standrigg Community Woodland	£12,000	£70,430
4	LBAP Extension	£6,950	£29,748
5	Waterways Trust Canal Hedgerow	£7,050	£14,344
6	Going Forth Magazine	£13,622	£31,719
7	Falkirk Gateway Project	£30,000	£942,000
Total		£79,720	£1,493,591

	Small Grants	Award	Total value
1	Langlees Primary Outdoor Class room	£2000	£6000
2	Denny Community Flat	£1000	£1000
3	Carronvale House Env. Education Project	£660	£660
4	Kinneil Pond Survey	£1742	£1742
5	CTDU Community Garden Project	£1573	£4220
6	Waterways Trust/ Lowland Litter Challenge	£2000	£6000
7	Polmont Community Litter Pick	£400	£400
8	Kinneil Bird Hide Leaflet	£619.22	£1030.47
9	Limerigg Wildlife Grdn	£1680	£1930
Total		£11,647	£22582.47

Grand Totals for Year	£91,367	£1,516,173.4
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3 FET Development – Some Key Issues

3.1 General

Section 1 of this report referred to the changing environment for the trust's activities, changes to the funding base and successes achieved in developing new approaches to projects. The following paragraphs give further information on some of the key issues.

3.2 New Funds

Following the directive of the Board from the previous year, a variety of funding developments have been undertaken in the period of this report.

- a) Community Waste fund – Some £30,000 has been secured from Falkirk Council to support community focussed waste/recycling projects. The aim is to add value by matching grants awarded from residual Landfill Tax Monies, to support innovative community efforts to reduce waste.
- b) Green Travel Funds – Money has been secured from the Fresh Futures Lottery Fund, and Falkirk Council, to facilitate a 3 year programme aiming to promote more sustainable travel habits in the area.
- c) SNH Grants – There is continuing grant support from SNH for the Local Biodiversity Action Plan and the Development Managers post, as well as the

Schools and Community grants schemes. The latter of these has enjoyed a slight increase in funds.

- d) Landfill Tax – The amount of landfill tax available from FET’s agreement with Shanks Avondale has fallen as a result of changes to the scheme. Discussions with Shanks Avondale and EB Scotland have now indicated that an additional proportion of tax arisings is likely to be made available to FET. This is conditional on FET finding a “Third Party Contributor” to pay the 12% proportion required, triggering the release of these funds. Negotiations are underway to identify a company or agency to provide such a third party contribution.
- e) Independent Landfill Tax – GR Service Company has again allowed access to their Landfill Tax credits in the reported financial year.

3.3 Type of Projects funded

The landfill tax credit scheme underwent a radical change in the year 2002 / 2003, and this led to uncertainty as to the value of funds available in 2003/04. Ultimately, the changes affected the category relating to waste management and recycling and no new funds will now be allocated to these types of projects. Fortunately, a significant amount of “old” landfill tax credits is still held under the agreements with the local landfill operators, which can be allocated to this category of project. This resource is supplemented by funds sourced from Falkirk Council’s Waste Strategy Unit, which allows the trust to continue making contributions to appropriate community/voluntary sector projects of this type. In the past, some of the larger scale projects funded by FET have been in this category and in future it will be necessary to place emphasis on other action areas for higher value projects.

During the reported period, FET continued to develop the vital relationships with the local landfill operators Shanks Avondale Ltd and GR Services Ltd In the former case an agreement has been reached which gives access to all Falkirk generated Landfill Tax Credits

The net effect of the changes described above will be that Falkirk Environment Trust will have more money for the remaining project categories, such as public amenity, biodiversity and built heritage. This implies a shift in the way that FET approaches its grant giving and levels of pro-activity in finding new clients.

Operating within the Business Plan remit to diversify the funding base, the past year has seen FET play a new role in facilitating two major partnership projects, using ringfenced funds not subject to the usual grant application processes. The Green Travel and Falkirk Gateway projects have involved FET in successful funding bids, managing claims and payments and ensuring that funders are provided with monitoring material as required. This new facilitation role fits well with the aims and objectives of the organisation, and the board may consider further opportunities of this type in future.

3.4 Community Involvement and publicity

Analysis of the geographical distribution of FET grants to date, and involvement in community consultation has suggested the need for a change in emphasis. Overall, the demand for grants has fallen slightly over the period, especially in the “Community Small Grants” category. The analysis suggested a need to increase publicity and focus the Development Manager’s efforts on areas where the applications for grants have been low or non-existent. There was also evidence that some communities required additional advice and support to develop ideas into fully-fledged project applications, inclusive of specifications and

costings. These findings will help guide FET activities over the coming year and inform plans for additional publicity.

3.5 New procedures and systems

The success in securing a wider range of funding has resulted in the need to review internal systems. These have included development of improved project monitoring forms, new reporting and fund management systems. The wide range of project management and development, fund management and administrative systems work undertaken by the Development Manager, has led to further investigations into improving support systems for FET activities.

4. FET Accounts

4.1 Comments on FET Accounts

This is the sixth financial year for FET. WDM have audited the accounts and extracts are included below.

As in previous years, the audit is performed on an “accrual accounting” basis. A considerable proportion of the funds held in the accounts are committed to projects and will be paid out in response to claims after the end of the accounting period.

As noted last year the accounts do not reflect the full range of FET activities. Under a standing agreement with the local landfill operator and EB Scotland, FET has a role in developing, assessing and monitoring projects.

Funds allocated under this arrangement pass directly to projects via EB Scotland and do not therefore affect the accounts.

Grant payments from FET funds were at a relatively low level, reflecting in part the loss of momentum from the change in Development Manager post, and in the Board structure. Delays in the progress of key projects delivered by outside agencies also limited the payout of grants.

There was a significant increase in the income received from new non-landfill tax sources, specifically in relation to the Gateway and Green travel projects. In the latter case there has also been a successful bid to Fresh Futures lottery funding, but this is not yet reflected in the accounts. Such funds are ringfenced for the specific projects and payments will be made as the projects progress, in the next accountancy period. This new type of funding is reflected in a healthy “Cash in Bank” position at the end of the period.

Please see following pages for extracts of accounts

4.2 Annual Accounts Extracts for FET

Profit and Loss Account For the Year Ended 31 March 2004

	<u>2004</u>	<u>2003</u>
	£	£
TURNOVER	83,208	101,467
Direct Costs	66,163	81,818
	<hr/>	<hr/>
GROSS PROFIT	17,045	19,649
Administrative Expenses	2,949	3,424
	<hr/>	<hr/>
OPERATING PROFIT	14,096	16,225
Interest receivable and similar income	2,553	865
	<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES	16,649	17,090
Surplus brought forward	38,548	21,458
	<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD	<u><u>55,197</u></u>	<u><u>38,548</u></u>



FALKIRK ENVIRONMENT TRUST

Statement of Financial Activities For the Year Ended 31 March 2004

	2004	<i>Restricted Funds</i>
	£	2003
		£
INCOME & EXPENDITURE		
Incoming Resources		
Landfill Tax	41,251	86,989
Other Grants	121,638	39,470
Movement in Deferred Income	(79,681)	(24,992)
Bank Interest	2,553	865
TOTAL INCOMING RESOURCES	<u>85,761</u>	<u>102,332</u>
RESOURCES EXPENDED		
Direct Charitable Expenditure	66,163	81,818
Administration and Overheads	2,949	3,424
TOTAL RESOURCES EXPENDED	<u>69,112</u>	<u>85,242</u>
NET INCOMING RESOURCES	<u>16,649</u>	<u>17,090</u>

FALKIRK ENVIRONMENT TRUST

**Balance Sheet
31 March 2004**

	<u>2004</u>	<u>2003</u>
	£	£
CURRENT ASSETS:		
Cash at bank	239,591	146,395
CREDITORS: Amounts falling due within one year	<u>184,394</u>	<u>107,847</u>
NET CURRENT ASSETS:	<u>55,197</u>	<u>38,548</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:	<u><u>55,197</u></u>	<u><u>38,548</u></u>
RESERVES:		
Profit and loss account	<u>55,197</u>	<u>38,548</u>
	<u><u>£55,197</u></u>	<u><u>£38,548</u></u>



*Falkirk Environment Trust
would like to thank their partners
for their continued support*



Scotland

