Registered Charity Number: SC016033

INSTITUTE OF CHARTERED FORESTERS

DRAFT ANNUAL REPORT and FINANCIAL STATEMENTS

For the year ended 31 December 2025

INSTITUTE OF CHARTERED FORESTERS

ANNUAL REPORT and FINANCIAL STATEMENTS

<u>For the year ended 31 December 2025</u>

Contents	**Pages**

INSTITUTE OF CHARTERED FORESTERS

REPORT of the COUNCIL

For the year ended 31 December 2025

The Council is pleased to present its annual report and financial statements for the year ended 31 December 2025. The financial statements have been prepared in accordance with the accounting policies set out in note 2 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 & Republic of Ireland (FRS 102).

Strategic Review

The Institute's objectives, as set out in our Charter, are to maintain and improve the standards of practice of forestry, to advance, spread and promote all aspects of forestry especially in the United Kingdom of Great Britain and Northern Ireland and to encourage the study of forestry. There have been no changes in objectives since the last annual report.

We are heading into the final year of our five-year Strategy 2022-2026, *A Strong Future – Taking us into our Second Century.* Our **Vision** is that chartered status is the goal for all professional foresters and arboriculturists in the UK so that our standards are the key demand from industry with members sought after for their advice and expertise. Our **Purpose** is to serve members and society to promote and deliver the sustainable management of trees and woodlands throughout the UK. Integrity, excellence, collaboration, sustainability and transparency form the basis on which we operate and underpin our strategic objectives. The Strategy sets out our work in three key objectives with outcomes set against each objective.

A Strong Profession
We will ensure that our profession thrives by attracting, retaining and developing people from a wide range of social and cultural backgrounds, by providing access to the education, knowledge and skills to succeed. We will help our members engage with the challenges and opportunities of a changing world. We will lead and support the highest professional and ethical standards by inspiring collaboration, creativity and exemplary best practice.

A Strong Voice
We will ensure that tree professionals are understood and valued by policymakers, the media and society. We will do this through the expertise of our members, our leadership, advocacy and engagement with stakeholders at all levels. We will base our decisions and policies on sound evidence.

A Strong Organisation
We will grow our membership base and ensure that our business model supports our vision, purpose and strategy. We will do this by engaging talented and committed staff, enhancing the value of our offer to members and others, generating diverse and sustainable sources of income and striving for operational excellence.

What we will continue to achieve in the next two years:

- Demonstrate the value of being chartered by elevating professional status
- Increase our membership in both professional and technical categories
- Increase the diversity of our membership across a range of key performance indicators
- Be the trusted voice of all tree-related matters for media and society

Achievements and Performance

The Institute had a productive year in 2025, continuing its steady growth and strengthening its role across the sector. Membership rose to 2,418, and our annual retention rate remained close to 90%, representing a strong and stable membership base and continued confidence in the Institute's work. We also saw sustained interest in professional progression and engagement across our programmes. The year delivered meaningful progress in organisational resilience, professional standards and member support, helping to position the Institute as a trusted and influential voice during a period of change for the sector. During this period our priorities were:

Achievements and Performance (continued)

- Launched the Institute's centenary year
- Continued development of Technical Membership and Examinations
- Delivered Professional Membership examinations and supported progression
- Provided a strong programme of CPD events
- Undertook a review of the Competency Framework
- Reviewed the professional complaints process
- Contributed to consultations and policy development across the UK
- Expanded mentoring and early-career support
- Delivered the second Emerging Leaders Programme with UK government support
- Continued delivery of UKFS training
- Advanced Equality, Diversity and Inclusion activities
- Relaunched the Educational & Scientific Trust and prepared for 2025 fundraising
- Delivered the National Study Tour at Windsor Great Park
- Recruited a Business Development Manager as part of the restructure to focus on income generation outside the membership offer
- Relocated the Edinburgh office
- Strengthened data security and protection systems.

We delivered 66 in-person, hybrid and virtual events at both national and regional levels. Our popular Members' Hour events (close to 2,300 registrants) continued, allowing members flexible access to professional development. Partnership working remained a focus for us with events with the Scottish Forestry, Forest Plastics Working Group and Tree Officer Associations (National Tree Officers Conference, celebrating its tenth year). We also concluded the webinar series with the Forestry Commission, 'Forestry Facing the Future: a 50-year horizon scan'.

We have raised membership targets and enhanced communication, support, and engagement. A broader CPD programme has increased knowledge exchange and career impact. Ensuring compliance with professional development is increasingly vital, especially as more non-foresters join the sector and demands on experienced members grow.

We hosted the Institute of Chartered Foresters' Centenary National Conference 2025 at the John McIntyre Conference Centre in Edinburgh on 29–30 April 2025, welcoming around 300 in-person delegates and 50 online participants. Feedback was strongly positive, with 90% of respondents rating the event highly, reflecting the strength of the programme and delivery. Sessions explored key themes across policy, people, technology, environment and economics, shaped by a wide range of sector experts, and the conference provided rich opportunities for networking and professional exchange.

We concluded our Trees Call to Action Fund (TCAF) project in March 2025, marking the end of the programme and the departure of our project officer. As a direct outcome of the funding, we launched Silvestor, a new forestry and arboriculture hub designed to bring together learning, resources and sector collaboration in one place. Early uptake has been strong, with organisations beginning to establish themselves as tenants on the platform and key resources – including UKFS e-learning materials – already attracting significant engagement.

Achievements and Performance (continued)

In 2025, the Institute strengthened its external policy engagement, working with decision-makers across the UK to ensure professional insight informed discussions affecting forestry and arboriculture. We contributed to national conversations on improving regulatory clarity, supporting more consistent interfaces between statutory bodies and the profession, and promoting approaches that enhance public confidence in professional practice. Our involvement across sector forums ensured the perspectives of our multidisciplinary membership were represented in policy areas linked to woodland creation, sustainable management and arboriculture standards.

In 2025, membership continued to grow with a total of 320 new members, reaching another all-time high of 2,418 members at the end of the year. The examinations process evaluated 60 applications via Professional Membership Entry (PME) and Assessed Professional Competence (APC). Of these, 49 applicants were invited for interview in November 2025 (one further APC applicant will be interviewed in March 2026), all of whom met the requirements and were promoted to Professional Member. We also received one application for a standalone Chartered Environmentalist, who was also interviewed and recommended for promotion. The Institute commends the assessors for their dedication and professionalism in ensuring another successful examination process.

We promoted 11 Fellows in 2025 and changes to the process for fellowship applications were approved, for implementation in 2026.

Forestry: An International Journal of Forest Research publishes quality scientific papers from a global authorship, with readership continually growing. Editor-in-Chief Dr. Fabian Fassnacht FICFor (Hon) and Deputy Editor-in-Chief Dr. Rubèn Manso lead the journal in advancing knowledge of forest management and supporting forestry and arboriculture in the UK. Our productive partnership with Oxford University Press, dating back to 1927, continues to thrive.

Structure, Governance and Management

The Society of Foresters of Great Britain, founded in 1925, was reconstituted as the Institute of Foresters in 1974 and was incorporated by Royal Charter in 1982, becoming the Institute of Chartered Foresters.

Under the Royal Charter the Institute is required to safeguard the public interest and uphold high professional standards. The Institute sets and maintains the standards for the profession by regulating its standards of entry through a system of professional examinations, requiring its members to undertake continuing professional development and maintaining and upholding a Code of Conduct.

The Institute is a charity at law, registered in Scotland, and must comply with a range of regulations governing its financial and other activities. Any changes to the Charter and Bylaws require approval of the membership in a general meeting and of the Privy Council. The governance and control of the Institute and its affairs are vested in its Council.

The Institute as a charity has specific responsibilities that Trustees are required to scrutinise and report on annually.

Structure, Governance and Management (continued)

The Trustees maintained a strong focus on governance throughout 2025, overseeing a programme of work that included:

- A review of IT Policies and GDPR compliance
- Review of ICF regulations
- The recruitment process for a new Finance Trustee, to commence in 2026
- HR policies and procedures
- Banking arrangements
- A detailed review of Forestry Publications Limited, the Institute's principal subsidiary.

They carried out annual reviews of our VAT and Reserves Policy. A review of the Delegated Authority policy is currently underway by the Finance and Audit committee. Trustees also review quarterly reports on operational programmes, financial performance, compliance, risk and organisational structure supported their ongoing oversight.

Organisational Structure

The Council is responsible for the effective and responsible governance of the Institute. Council members share collective accountability for ensuring that the Institute meets its charitable objectives and adheres to its Bylaws and Regulations. In 2025, the Council convened formally three times, in addition to an informal away day. Two of these meetings were held in person, while the other two were conducted virtually.

The Council comprises the President, Vice President, up to five Fellows, and up to seven Professional Members. Trustees are elected at the Annual General Meeting for two-year terms and may be re-elected once. The Council aims for a broad range of skills and actively encourages members to stand for election. If necessary, up to three additional Trustees can be co-opted each year, including one Council member who is specifically co-opted to serve as the Finance Trustee with expertise in finance.

New Council members are inducted at the June Council Away Day, where they receive OSCR information and are introduced to the organisation's Bylaws, Regulations, and structure.

Council, as per our Bylaws and Regulations, delegates certain functions to subcommittees such as the Finance & Audit Committee, People & Culture Committee, and Professional and Educational Standards Committee. Trustees must serve on one subcommittee, all of which report to Council at each meeting.

The **Finance & Audit Committee** chaired by the Finance Trustee and made up of four members (Council members). The Chief Operating Officer, Executive Director and Finance Officer are in attendance. Its purpose is to undertake monitoring and supervision, of the current and future financial situation and associated risks to The Group (the charity and its subsidiaries), have oversight of the internal and external audit arrangements including resourcing, review of plans and reports and to report on such to Council.

The **People & Culture Committee** is chaired by the President and made up of five Trustees and the Executive Director is in attendance. It is responsible for supporting the Senior Management Team in their responsibilities regarding issues of staffing, renumeration, resource and staff performance.

The **Professional & Educational Standards Committee** is responsible for standards of entry to the profession, for professional examinations and for the ongoing continuing professional development of members. It is chaired by a Council member and includes seven other chartered members with experience of professional standards and training or education. An examinations process Moderator is a *de facto* member. The committee oversees the Institutes examinations and makes recommendations to Council for promotion to Fellow. It met three times in 2025.

Structure, Governance and Management (continued)

The **Executive Director** is appointed by Council to manage the day-to-day running of the Institute under powers set out in the Regulations and, working closely with President, leads the Senior Management team to ensure that strategy and operations are aligned and effectively delivered.

The **Senior Management Team** has executive responsibility and is comprised of the Executive Director, Chief Operating Officer and Director of Membership Engagement.

The Institute finished the year with 13 members of staff (eleven full-time and two part-time).

Member Volunteers

Member participation is fundamental to all our activities. The Institute could not operate effectively without their support. Volunteers contribute in various ways, such as representing the profession, serving on internal and external committees, organising local events, and contributing to our digital media.

Educational & Scientific Trust

The Institute's Educational and Scientific Trust (EST), established in 1984 to advance education in forestry and arboriculture, continues to operate as a restricted fund within the Institute's reserves. In 2025, the Trust focused on strengthening its governance and improving transparency around grant processes. The updated Terms of Reference set out that the EST Board should consist of five to seven members, with at least two professional members, and with attention given to diversity in age, gender, professional background and other protected characteristics. During the year, the Trust also launched new funding streams to broaden support for professional development, including event bursaries, international conference funding and expanded Expanding Horizons opportunities.

Related Parties

In 1989, the Institute established a private limited company, Forestry Publications Limited (FPL), which owns and manages the Institute's scientific research journal *Forestry: An International Journal of Forest Research*. The publication of this journal is significant for two reasons: the profits generated by Forestry Publications Limited are Gift Aided to the Institute and distributing educational and scientific information fulfils the Institute's charity objectives. The Directors of FPL include the President, Vice President, Chief Operating Officer, Executive Director, one Member of the Institute, and two former editors of the journal (also members of the Institute).

In October 2025, following consultation with our accountants and solicitors, Council concluded that all journal operations contribute to the charitable objectives of the Institute and agreed that a subsidiary is not necessary. Plans are currently under way to wind down FPL and transfer the journal operations back into the Institute.

Financial Review

Council and the Finance and Audit Committee are responsible for the way the Institute governs its cash flow and investments.

The principal means of governance are:

- Formal use of the Risk Register, aligned to the Institute's Strategic Plan
- Appointment of an independent investment advisor
- Appointment of investment managers to manage our funds
- Appointment of Chief Operating Officer with extensive experience in finance
- Junior and senior members of the management team to manage the Institute's finances alongside the Senior Management Team
- Appointment of a Finance Trustee with special skills in Finance

Financial Review (continued)

Governance entails systematic processes and evaluations. The Executive Director and Chief Operating Officer routinely discuss cash flow and financial performance during their weekly meetings. The Senior Management Team conducts quarterly reviews of management accounts, discusses financial matters at weekly senior management team meetings, and submits reports to the Finance and Audit Committee and Council on a quarterly basis.

The Delegated Authority Policy, the Reserves Policy and the Investment Policy are reviewed annually.

Financial Reserves Policy

The group's reserves are made up of restricted and unrestricted funds totalling £1,054,817 (2024: £1,020,318). Restricted funds are those received with conditions imposed by the donor as to their use, these total £114,656 (2025: £87,098). Unrestricted funds are those received with no conditions attached, these total £940,161 (2024: £860,421). Free reserves are those funds within unrestricted funds which have not been designated or tied up as fixed assets. The free reserves of £843,361 (2024: £821,981) are held as working capital and a cushion against unforeseeable or severe financial difficulties. Designated funds of £97,000 (2024: £32,300) were earmarked to the 2022-2026. Designated funds are subject to change in accordance with the level of retained Reserves required as outlined below.

The Institute has identified the following primary reasons for holding unrestricted reserves at the appropriate levels, to:

- Maintain free reserves (those unrestricted funds which are not invested in fixed assets, designated for a specific purpose or otherwise committed):
    - **Working Capital:** to ensure the continuity of the Institute's activities in the event of unexpected setbacks, at a target level of six months, with a working range of between five and seven months of unrestricted budgeted expenditure. These funds are also available in case the organisation is required to close, ensuring that there are sufficient resources available to fulfil legal obligations in the unlikely event that the Institute ceases to operate.
    - **Risk Reserves:** to ensure the continuity of the Institute's activities in the event that risks identified in the charity's risk register are realised.
    - **Deficit Reserve:** Based on budgeted income and expenditure for 2026 the financial objective of the Institute referred to above 'to generate a small surplus' is currently not being met. Therefore, this reserve is kept allowing sufficient funds to cover budgeted deficit for the next 12 months.
    - **Investment fluctuation** – to cover any significant fall in the value of the company's investment capital.

The Institute currently also holds a designated reserve which supports annual planned strategic expenditure to support the Institute's 5-year strategy launched in 2022.

Based on 2026 budget, six months of operating costs total £555,181, therefore the Institute is holding target reserves as well as other reserves for unforeseeable financial difficulties as outlined in our Reserves Policy.

Investment policy and practice

In 2025 the investments of the Institute were held in two portfolios, the General Fund and the Educational and Scientific Fund, managed on an enhanced capital basis with medium risk. In 2025 the Education and Scientific trust was liquidated to cash to support the activities of the trust whilst the General Fund was held in the McInroy and Wood's income fund. More information on McInroy and Wood and a statement of their ethical investment policy is available on the website McInroy & Wood | Home | UK (mcinroy-wood.co.uk).

Financial report on the year

For 2025, we set a deficit budget for the charity, in line with our five-year plan for growth. The budget and revised forecast were reviewed regularly by Council. We finished the year with higher than anticipated in income and lower than anticipated expenditure and a small surplus of £37,625 (2024: surplus of £45,622).

Income from member subscriptions was slightly higher than what was budgeted for, which demonstrates the work which is underway for 2022-2026 strategy. Income from Education and Training was much higher than expected, and this is due to our flagship centenary national Conference which as earlier mentioned was a great success. Our Sales and Services income remain strong specifically our jobs board and advertising on *TREES* magazine. Our member networks were very active in 2025. Investments remained stable for 2025, and investment Income was as expected. Gift aid from the Forestry journal was also on par with previous year. In 2025 we also saw the completion of the Trees Call to Action grant programme and the second Emerging leaders' cohort.

The charity's income derived from the following:

- 40.7% from Membership Subscriptions, SocEnv & Gift Aid (36.5% in 2024)
- 22.3% from Education and Training and Member Network Events (15.1% in 2024)
- 9.3% from Forestry Publications Ltd (*Forestry* journal) and Gift Aid (8.2% in 2023)
- 6.3 % from Sales and Advertising (4.4.% in 2024)
- 15.8 % from Grant Funding & Ad hoc projects (29.6% in 2024)
- 3.5% from Exams (3.3% in 2023)
- 2.1% from Investment Income (2% in 2024)

Overall, the charity's income showed a 6% decrease to 2024 while expenditure also decreased by 4%, excluding strategic spend and loss or gain in investments.

The underlying financial performance and scale of the Institutes finances continue to underpin the planned investment in membership services and development. Our budgeting policy will continue to reflect the investment needs highlighted in the current Strategic Plan 2022-2026 whilst retaining prudent levels of reserves.

Risk Management

The Institute reviews its strategic, business, and operational risks to ensure controls against fraud and error. The Senior Management Team evaluates these risks monthly. Risks are managed by the Senior Management Team or Council/subcommittees and reviewed during their meetings. A Risk Register assigns responsibility and recommends mitigation actions.

As an outcome from this work, the Council has identified the following key risks and has put in place mitigation plans which it monitors on a regular basis:

- Following the staff turnover and subsequent organisational restructuring in 2024, the Institute prioritised enhancing employee benefits to mitigate further attrition and attract new applicants

- **IT security/cyber risk** remained a standing red-flag area in the Risk Register. Across the wider sector, there has been a noticeable increase in cyber incidents, with organisations reporting targeted phishing attacks and data breaches, underscoring the importance of robust IT security measures. With controls such as cyber-compliant IT services providers, cloud backup, Microsoft security enhancements, MFA, insurance review, phishing guidance and Cyber Essentials certification, trustees have kept this under regular review.

Financial Review (continued)

- The Institute, like all professional bodies, continues to face pressure on **membership growth**, with risks linked to slower recruitment, Technical membership expectations, and potential impacts on financial resilience and strategic delivery. This risk sits within the wider context of a competitive sector, changing career pathways, and varying levels of employer support, all of which influence the attractiveness and sustainability of membership routes. In response, Council and committees have strengthened monitoring of membership trends, increased follow-up with leavers, run targeted recruitment activity, improved inclusive practice, delivered workshops for new members, and appointed a Professional Practice Manager. Further actions include launching the new membership roadmap (Jan 2026), refreshing the TME process, developing the Chartered Environmentalist (CEnv) pathway, and integrating the Forest Works Manager apprenticeship to improve participation.

- The Institute remains exposed to fluctuations in **investment performance**, which could adversely affect income, reserves, and the ability to fund strategic projects, particularly given market volatility and reliance on external fund managers. With financial resilience central to operational stability, Council and the Finance & Audit Committee have put in place regular oversight supported by an independent adviser, benchmark-driven monitoring, annual reviews with managers, maintenance of an investment fluctuation reserve, and a reallocation to the income fund with McInroy & Wood, with a scheduled review of investment decisions planned for 2027 to ensure long-term alignment with strategic needs.

- There is a strategic risk that the Institute could lose relevance if it does not adapt quickly to changes across the forestry sector, potentially reducing membership value, weakening its influence, and limiting its ability to attract and retain professionals. In recognition of this, Council has taken steps to modernise standards, update exam criteria, deliver new technical initiatives, strengthen national conference themes, reinvigorate member networks, develop the Silvestor platform, and increase engagement with sector leaders. Further planned actions include reviewing APC and TME processes, exploring a standalone CEnv qualification, updating the competency framework, enhancing digital presence, expanding recognition programmes, and seeking support for future leadership development initiatives.

Statement of Council's Responsibilities

The Council is responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Council to prepare financial statements for each 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 the financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditor

To the knowledge and belief of each of the persons who are Council members at the time the report is approved:

- so far as the Council member is aware, there is no relevant information of which the charity's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a Council member in order to make himself/herself aware of any relevant audit information, and to establish that the charity's auditor is aware of the information.

Approved by the Council and signed on its behalf by:

[redacted]
President of the Institute of Chartered Foresters

[redacted].

[redacted]

Opinion

We have audited the financial statements of Institute of Chartered Foresters (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2025 which comprise the Consolidated and Parent Charity Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2025 and of the group's and parent charity's 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 Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and the provisions applicable for small entities in the circumstances set out in note 27 to the financial statements, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Council members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council members' with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Council; or
- proper accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Council members

As explained more fully in the Statement of Council's Responsibilities set out on page 9, the Council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council members are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council members either intend to liquidate the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. This included but was not limited to the Charities and Trustee Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulations 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the trustees and key management personnel;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's Council, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charity's Council, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Council, as a body, for our audit work, for this report, or for the opinions we have formed.

[redacted]

CT Audit Limited
Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

…………………………..

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

INSTITUTE OF CHARTERED FORESTERS

CONSOLIDATED STATEMENT of FINANCIAL ACTIVITIES

For the year ended 31 December 2025

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2025 Total £	2024 Total £
Income and endowments from:						
Charitable activities	5	969,082	-	-	969,082	850,756
Investment income	6	23,705	-	1,169	24,874	26,454
Other income	7	-	-	189,894	189,894	369,708
Total income		992,787	-	191,063	1,183,850	1,246,918
Expenditure on:						
Raising funds						-
Charitable activities	8	973,679	18,648	174,471	1,166,798	1,209,317
Total expenditure		973,679	18,648	174,471	1,166,798	1,209,317
Net gains on investments	17	14,887		2,560	17,447	6,056
Net income/(expenditure)		33,995	(18,648)	19,152	34,499	43,657
Transfers between funds		(56,629)	83,348	(26,719)	-	-
Net movement in funds		(22,634)	64,700	(7,567)	34,499	43,657
Reconciliation of funds:						
Fund balances as at 1 January 2025		865,944	32,300	122,074	1,020,318	976,661
Fund balances as at 31 December 2025	21	843,130	97,000	114,507	1,054,817	1,020,318

The notes on pages 17 to 33 form part of these financial statements

CHARITY STATEMENT of FINANCIAL ACTIVITIES

For the year ended 31 December 2025

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2025 Total £	2024 Total £
Income and endowments from:						
Donations and legacies - Gift aid payment from subsidiary	26	65,822	-	-	65,822	67,791
Charitable activities	5	891,056	-	-	891,056	778,588
Investment income	6	23,705	-	1,169	24,874	26,454
Other income	7	-	-	189,894	189,894	369,708
Total income		980,583	-	191,063	1,171,646	1,242,541
Expenditure on:						
Raising funds						
Charitable activities	8	958,349	18,648	174,471	1,151,468	1,202,975
Total expenditure		958,349	18,648	174,471	1,151,468	1,202,975
Net gains on investments	17	14,887	-	2,560	17,447	6,056
Net income/(expenditure)		37,121	(18,648)	19,152	37,625	45,622
Transfers between funds		(56,629)	83,348	(26,719)	-	-
Net movement in funds		(19,508)	64,700	(7,567)	37,625	45,622
Reconciliation of funds:						
Fund balances as at 1 January 2025		791,289	32,300	122,074	945,663	900,041
Fund balances as at 31 December 2025	21	771,781	97,000	114,507	983,288	945,663

All the results relate to continuing activities.

The notes on pages 17 to 33 form part of these financial statements

INSTITUTE OF CHARTERED FORESTERS

CONSOLIDATED and CHARITY BALANCE SHEETS

As at 31 December 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fixed assets					
Tangible assets	16	5,762	7,612	5,762	7,612
Investments	17	509,471	694,221	509,473	694,223
Total fixed assets		515,233	701,833	515,235	701,835
Current assets					
Debtors	18	254,710	263,018	133,686	147,852
Cash at bank and in hand	19	654,945	534,837	652,351	532,243
Total current assets		909,655	797,855	786,037	680,095
Liabilities					
Creditors: amounts falling due within one year	20	(370,071)	(479,370)	(317,984)	(436,267)
Net current assets		539,584	318,485	468,053	243,828
Total net assets	22	1,054,817	1,020,318	983,288	945,663
Funds					
Restricted funds	21	114,507	122,074	114,507	122,074
Unrestricted general funds		843,310	865,944	771,781	791,289
Designated funds		97,000	32,300	97,000	32,300
Total charity funds		1,054,817	1,020,318	983,288	945,663

The financial statements were approved and authorised for issue by the Council on ____________________ and are signed on their behalf by:

..[redacted] President

[redacted] Treasurer

Charity Number: SC016033

The notes on pages 17 to 33 form part of these financial statements

CONSOLIDATED and CHARITY STATEMENT of CASH FLOWS

As at 31 December 2025

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	24	105,217	148,364	105,217	148,878
Cash flows from investing activities:					
Dividends, interest and rents from investments		24,874	26,454	24,874	26,454
Purchase of property, plant and equipment		(1,752)	(7,862)	(1,752)	(7,862)
Deposit of cash into investments		(2,380)	-	(2,380)	-
Proceeds from sale of investments		721,866	88,634	721,866	88,634
Purchase of investments		(517,283)	(92,536)	(517,283)	(92,536)
Net cash provided by investing activities		225,325	14,690	225,325	14,690
Change in cash and cash equivalents		120,108	163,054	120,108	163,568
Cash and cash equivalents at the beginning of the reporting period		534,837	371,783	532,243	368,675
Cash and cash equivalents at the end of the reporting period	19	654,945	534,837	652,351	532,243

1. General information

These financial statements are presented in Pounds Sterling (GBP) and rounded to the nearest £, as that is the currency in which the Institute's transactions are denominated. The Group comprises the Institute of Chartered Foresters and its subsidiary, Forestry Publications Limited. These financial statements are drawn up for the year ended 31 December 2025.

The objective of The Institute of Chartered Foresters is to maintain and improve the standards of practice of forestry, to advance, spread and promote all aspects of forestry and encourage the study of forestry.

The continuing activity of Forestry Publications Limited is publishing the journal of the Institute of Chartered Foresters.

The Institute was incorporated as a charity in Scotland and by Royal Charter and is recognised as a charity for tax purposes by HMRC and registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC016033. Details of the principal address can be found on page 1 of these financial statements.

2. Accounting policies

Basis of accounting
The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Institute of Chartered Foresters meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Council members to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the charity's financial statements unless otherwise stated.

Basis of Consolidation
The financial statements consolidate the results of the charity and its wholly owned subsidiary Forestry Publications Limited (Company Number SC118758) on a line-by-line basis. The charity together with the subsidiary comprises the Group.

Going concern
The Council members are of the opinion that there are no material uncertainties about the group and Institute's ability to continue and the Institute can continue to meet its obligations as they fall due for the foreseeable future due to the level of cash and reserves held. As a consequence, the Council members have prepared the financial statements on the going concern basis.

2. Accounting policies (continued)

Recognition and allocation of income
Income is recognised when the Institute has legal entitlement, there is sufficient certainty of receipt, so it is probable that income will be received, and the amount of the income receivable can be measured reliably. Where practicable, income is related to the operating activities of the Institute.

Where there are terms placed on income that limit the Institute's discretion over how that income can be used, that income is shown as restricted income in the accounts.

Subscription income is recognised in the year to which the subscription relates to. In the event of subscriptions being received in advance these are deferred and released into the year in which they relate.

Education and training and examination income is recognised in the year in which the event has taken place. In the event of income being received in advance this is deferred and released in the year in which the event takes place. Any income not received in the year in which an event takes place is accrued at the year end.

Publishing income is recognised at the point of sale.

Gift aid income is recognised in the year in which it relates to. Any income not received in the year in which an event takes place is accrued at the year end.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

Grants receivable are credited to the Statements of Financial Activities when the Institute is entitled to the income and it is probable it will be received. Deferred income represents amounts received for future periods and is released in the period for which it has been received.

Recognition and allocation of expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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. For more information on this allocation refer to allocation of support and governance costs below.

Allocation of support and governance costs
Support costs have been differentiated between governance costs and other support costs. 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 statutory audit and legal fees together with an apportionment of overhead and support costs relating to Council Board and sub-Committee meetings.

Costs of raising funds
The costs of generating funds consist of investment management fees.

Fixed assets and depreciation
Fixed assets are capitalised at cost and held at cost less any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its useful life, as follows:

Furniture and equipment	straight line over 5 years
Computer equipment	straight line over 3 years
Website	straight line over 3 years

2. Accounting policies (continued)

Capitalisation
A "Capital Asset" is a unit of property with a useful life exceeding one year and a per-unit acquisition cost exceeding £500. Capital assets will be capitalised and depreciated over their useful lives. Tangible personal property below the threshold will be expensed in the year purchased.

Capital assets are recorded at cost and depreciated over their estimated useful lives using the straight-line method. Assets with an economic useful life of 12 months or less must be expensed for both book and financial reporting purposes. Repairs and maintenance costs are expenses as incurred, while major improvements are capitalised.

Investments
Investments consist of units of listed investments. Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Pension scheme
The Institute provides a defined contribution pension scheme, the assets of which are held separately from those of the Institute in an independently administered fund. Contributions payable to the Institute's pension scheme are charged to the statement of financial activities in the period to which they relate.

Operating leases
Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Taxation and VAT
The Institute is a charity and is recognised as such for taxation purposes, therefore no corporation tax is payable. The Institute is registered for VAT and accounts for it on a partial exemption basis. Irrecoverable VAT is included within support costs and is then allocated across the charitable activities on the allocation basis noted above.

Debtors
Short term debtors are recognised at the undiscounted amount of cash receivable less any allowances for doubtful debts.

Cash and cash equivalents
Cash and cash equivalents consist of cash in hand and balances with banks and investment managers which are readily convertible into cash.

Creditors
Short term creditors are obligations to pay for goods or services that have been acquired. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less. If not, they are presented as creditors falling due after one year. Short term creditors are recognised at the undiscounted amount owed to the supplier.

Financial assets and liabilities
Financial instruments are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price. Subsequent to initial recognition, they are accounted for as set out below.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102. The charity only entered into basic financial instruments. At the end of each reporting period, they are measured at amortised cost using the effective interest rate method, other than investments which are recognised initially at cost and subsequently at fair value which is normally mid-market value. Gains and losses on disposal and revaluation of investments are charged or credited to the statement of financial activities in the period to which they relate.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership.
Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

2. Accounting policies (continued)

Funds structure
Funds held by the Institute are:

Unrestricted general funds – these are funds which are free to be used for any purpose in furtherance of the charitable objects at the discretion of the Council.

Designated funds – these are unrestricted funds earmarked by the Council for particular purposes.

Restricted funds – these are funds which are to be used for particular restricted purposes within the objects of the charity. Restricted funds arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the note 21 to the financial statements.

3. Critical judgements and estimates

In preparing the financial statements the council makes estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future may differ from such estimates.

Critical judgements are made in the application of income recognition accounting policies, and the timing of the recognition of income in accordance with the Charities SORP (FRS 102).

The only accounting judgement or significant estimate deemed to be required in preparing these accounts relates to the depreciation rates used. The council is satisfied that the rates used are appropriate for each class of asset.

4. Comparative Statement of Financial Activities

Group	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 Total £
Income and endowments from:				
Donations and legacies - Gift aid payment from connected company	-	-	-	-
Charitable activities	850,756	-	-	850,756
Investment income	24,080	-	2,374	26,454
Other income	30	-	369,678	369,708
Total income	874,866	-	372,052	1,246,918
Expenditure on:				
Raising funds	-	-	-	-
Charitable activities	862,045	8,985	338,287	1,209,317
Total expenditure	862,045	8,985	338,287	1,209,317
Net (losses)/gains on investments	5,488	-	568	6,056
Net income/(expenditure)	18,309	(8,985)	34,333	43,657
Transfers between funds	25,654	(25,654)	-	-
Net movement in funds	43,963	(34,639)	34,333	43,657
Reconciliation of funds:				
Fund balances as at 1 January 2024	821,981	66,939	87,741	983,250
Fund balances as at 31 December 2024	865,944	32,300	122,074	1,020,318

4. Comparative Statement of Financial Activities

Charity	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2024 Total £
Income and endowments from:				
Donations and legacies - Gift aid payment from subsidiary	67,791	-	-	67,791
Charitable activities	778,588	-	-	778,588
Investment income	24,080	-	2,374	26,454
Other income	30	-	369,678	369,708
Total income	870,489	-	372,052	1,242,541
Expenditure on:				
Raising funds	-	-	-	-
Charitable activities	855,703	8,895	338,287	1,202,975
Total expenditure	855,703	8,895	338,287	1,202,975
Net (losses)/gains on investments	5,488	-	568	6,056
Net income/(expenditure)	20,274	(8,895)	34,333	45,622
Transfers between funds	25,654	(25,654)	-	-
Net movement in funds	45,928	(34,639)	34,333	45,62
Reconciliation of funds:				
Fund balances as at 1 January 2024	745,361	66,939	87,741	900,041
Fund balances as at 31 December 2024	791,289	32,300	122,074	945,633

5. Income from charitable activities

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Subscriptions and fees	471,928	449,664	471,928	449,664
Sales and services	74,072	55,054	74,072	55,054
Forestry Publications	121,026	115,168	43,000	43,000
Education and training	237,830	175,751	237,830	175,751
Member networks	18,706	10,218	18,706	10,218
Examinations	40,545	40,480	40,545	40,480
Gift aid	4,975	4,421	4,975	4,421
	969,082	850,756	891,056	778,588

6. Investment income	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
Deposit interest	9,201	-	9,201	7,147
Dividends and interest	14,504	1,169	15,673	19,307
	23,705	1,169	24,874	26,454

7. Other income	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Hosting income	10,500		10,500	-
Trees Call to Action Project	79,483	211,760	79,483	211,760
Miscellaneous income	95,615	155,693	95,615	155,693
Donations and legacies	4,296	2,255	4,296	2,255
	189,894	369,708	189,894	369,708

8. Analysis of charitable expenditure – 2025	Direct costs £	Governance and support costs £	2025 Total Costs £
Membership services	43,698	330,899	374,597
Sales and services	8,011	28,774	36,785
Education and training	132,631	280,545	413,176
Member networks	13,018	14,387	27,405
Examinations	22,658	64,741	87,399
Strategic plan	18,648	-	18,648
Grant making	155,237	22,704	177,941
Other expenditure	15,516	-	15,516
Charity charitable activities expenditure	409,418	742,050	1,151,468
Forestry Publications Limited	15,330	-	15,330
Group charitable activities expenditure	424,748	742,050	1,166,798

Analysis of charitable expenditure - 2024	Direct costs £	Governance and support costs £	2024 Total Costs £
Membership services	42,740	287,115	329,855
Sales and services	-	24,967	24,967
Education and training	112,070	243,424	355,494
Member networks	6,281	12,483	18,764
Examinations	22,374	56,175	78,549
Strategic plan	8,867		8,867
Grant making	313,691	24,597	338,288
Other expenditure	47,146	1,045	48,191
Charity charitable activities expenditure	556,169	646,806	1,202,975
Forestry Publications Limited	6,342	-	6,342
Group charitable activities expenditure	562,511	646,806	1,209,317

9. Subscriptions and fees income

	2025 Average number of Paid Subscriptions	2025 £	2024 Average number of Paid Subscriptions	2024 £
Fellows and honorary fellows	111	54,761	106	52,504
Professional members	775	279,127	763	269,166
Associate members	965	123,420	916	114,522
Student members	181	2,896	291	4,656
Affiliated members	78	5,039	66	4,254
Corporation affiliates	1	430	1	421
Technical members	12	2,810	4	900
Soc Env subscriptions	46	3,445	45	3,241
	2,169	471,928	2,192	449,664

The support costs allocated to subscriptions and fees in 2025 were £330,899 (2024: £287,116) (note 14).

10. Sales and services

	2025 £	2024 £
Advertising	63,102	47,432
Directory of consultants	9,409	7,622
Miscellaneous sales	1,561	-
Total sales and services income	74,072	55,054
Less: support costs (note 14)	(28,774)	(24,967)
Less: direct costs (note 8)	(8,011)	-
	37,287	30,087

11. Education and training – 2025

	Income £	Expenditure £	Total surplus/ (deficit) 2025 £
ICF National Events	178,665	(102,718)	75,947
Professional development workshops	59,165	(39,127)	20,038
Support costs (note 14)		(280,545)	(280,545)
	237,830	(422,390)	(184,560)

Education and training – 2024

	Income £	Expenditure £	Total surplus/ (deficit) 2024 £
ICF National Events	95,745	(67,388)	28,357
Professional development workshops	80,006	(46,916)	33,090
Support costs (note 14)	-	(243,424)	(243,424)
	175,751	(357,728)	(181,977)

12. Member networks – 2025	Balance 31 December 2024 £	Income £	Expenditure & transfers £	Balance 31 December 2025 £
S Scotland	1,328	1,265	-	2,593
N Scotland	1,633	-	-	1,633
N England	5,820	4,664	(4,365)	6,119
E England	4,649			4,649
S E England	823	850	(34)	1,639
S W England	2,440	2,700	(1,996)	3,144
Midlands	874	170	(83)	961
Wales	10,381	9,058	(5,469)	13,970
N Ireland	412			412
Direct Costs (Marketing)	-		(1,071)	(1,071)
	28,360	18,707	(13,018)	34,049
Support costs (note 14)	(98,991)		(14,387)	(113,378)
	(70,631)	18,707	(27,405)	(79,329)

Member networks - 2024	Balance 31 December 2023 £	Income £	Expenditure & transfers £	Balance 31 December 2024 £
S Scotland	878	555	-	1,328
N Scotland	1,423	770	(749)	1,633
N England	4,676	2,780	(1,611)	5,820
E England	4,649	-	-	4,649
S E England	1,057	400	(390)	823
S W England	2,625	850	(1,036)	2,440
Midlands	874	-	-	874
Wales	7,830	6,663	(3,144)	10,381
N Ireland	412	-	-	412
	24,424	12,018	(6,930)	28,361
Support costs (note 14)	(86,508)	-	(12,049)	(98,991)
	(62,084)	12,018	(18,979)	(70,630)

The notional balances represent the cumulative net contribution of these activities.

13. Examinations	2025 £	2024 £
Fees received	36,285	36,220
PME exam workshops	4,260	4,260
Total examinations income	40,545	40,480
Less: expenses	(22,659)	(22,374)
Less: support costs (note 14)	(64,741)	(56,175)
	(87,400)	(78,549)
	(46,855)	(38,069)

14. Support costs

2025	Total allocated £	Governance related £	Other support costs £	Basis of apportionment
Premises	34,857		34,857	No governance costs
Finances & IT	49,935		49,935	No governance costs
Human resources	533,310	34,853	498,457	Staff Time
Management & other	123,947	55,778	68,169	Cost of travel & subsistence for committee & Audit and Legal fees
	742,049	90,631	651,419	

2024	Total allocated £	Governance related £	Other support costs £	Basis of apportionment
Premises	29,444	-	29,444	No governance costs
Finances & IT	51,540	-	51,540	No governance costs
Human resources	461,171	36,819	445,239	Staff Time
Management & other	86,926	35,783	51,143	Cost of travel & subsistence for committee
	649,968	72,601	577,366	

Allocation of staff time is based on a survey of time spent on governance arrangements.

Expenses relating to committee meetings have been included under governance.

Governance costs:	2025 £	2024 £
Audit fee	12,525	12,000
Legal and professional fees	31,140	12,291
Support costs	46,966	48,310
Governance costs	90,631	72,601

The total support cost attributable to charitable activities is apportioned using staff time and specific costs relating to each activity.

Allocation of governance and support costs	2025 £	2024 £	Basis of apportionment
Membership services	330,899	287,116	Time and cost
Sales and services	28,774	24,967	Time and cost
Education and training	280,545	243,424	Time and cost
Member networks	14,387	12,483	Time and cost
Examinations	64,741	56,175	Time and cost
Strategic plan		-	None
Grant Making	22,703	24,597	Direct
Other expenditure		1,045	Direct
	742,049	649,807	

15. Staff numbers and costs – Group and Charity

	2025 £	2024 £
Salaries	491,078	452,475
Social Security costs	50,049	41,296
Pension costs (defined contribution scheme)	27,429	26,692
	568,556	520,463
Average number of permanent employees during year	13	13

Staff costs include the cost of temporary staff.

During the year, the number of employees whose total remuneration exceeded £60,000 were as follows:

Band (£)	2025	2024
60,000 – 70,000	1	1

Sixteen (2024: Thirteen) members of Council were reimbursed for travelling and subsistence expenses totalling £5,011 (2024: £3,235) during the year. No members of the Council were paid remuneration during the year (2024: £Nil).

The total employment benefits, including employer pension contributions and employer national insurance contributions, of the three (2023: four) key management personnel were £207,713 (2024: £230,967).

16. Tangible fixed assets

Group and Charity	Furniture and equipment £	Computer equipment £	Total £
Cost			
At 1 January 2025	2,936	44,821	47,757
Additions		1,752	1,752
Disposals	(2,405)	(11,659)	(14,064)
At 31 December 2025	531	34,914	35,445
Aggregate depreciation			
At 1 January 2025	2,936	37,209	40,146
Charge for year		3,602	3,602
Depreciation on disposals	(2,405)	(11,659)	(14,064)
At 31 December 2025	531	29,152	29,683
Net book value			
At 31 December 2025	--	5,762	5,762
At 31 December 2024		7,612	7,612

17. Investments – Group

	2025 £	2024 £
Listed Equity Investment Portfolio		
Fair value at 1 January 2025	694,221	670,722
Additions	517,283	92,536
(Disposals)	(721,866)	(88,634)
Realised gains/(losses) on disposals	10,103	(1,273)
Unrealised (losses)/gains on revaluation	7,351	7,329
Fair value at 31 December 2025	507,091	680,680
Cash held as part of investment portfolio	2,380	13,541
	509,471	694,221

Investments - Charity	Subsidiary undertaking £	Listed securities £	Total £
Total investments as above	-	509,471	509,471
Investment in subsidiary	2	-	2
	2	509,471	509,473

The Institute of Chartered Foresters owns 100% of the share capital of Forestry Publications Limited, a private company incorporated in Scotland, which consists of 2 shares of £1. Title to the shares was transferred to the charity for nil consideration during 2021. The company's registration number is SC118758 and the registered office is Scott House, 10 South St Andrews Street, Edinburgh, EH2 2AZ. It publishes the journal of the Institute of Chartered Foresters.

The company's capital and reserves at 31 December 2025 amounted to £71,532 (2024: £74,656) which comprised current assets of £132,777 (2024: of £124,644) and current liabilities of £60,745 (2024: £49,986). Relevant financial information is as follows:

Since 31 December 2025, the council have taken the decision to cease trading in FPL as of May 2026. All activities will be transferred to the parent charity by way of business transfer agreement. All remaining liabilities shall be settled within Forestry Publications Limited.

	2025 £	2024 £
Income	121,026	115,168
Expenditure	(58,330)	(49,346)
Profit before taxation	62,696	65,822

18. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Forestry Publications Limited		-		-
VAT	4,429	-	4,429	-
Prepayments and accrued income	236,322	208,043	115,296	92,875
Other Debtors	13,959	54,975	13,957	54,975
	254,710	263,018	133,686	147,852

19. Bank and cash	**Group 2025 £**	**Group 2024 £**	**Charity 2025 £**	**Charity 2024 £**
Main accounts	578,126	523,442	575,532	520,848
Educational and Scientific Trust	76,819	11,395	76,819	11,395
Cash at bank and in hand	654,945	534,837	652,351	532,243
Held as part of investment portfolio	2,380	13,541	2,380	13,541
Cash and cash equivalents	657,325	548,378	654,731	545,784

20. Creditors: Amounts falling due within one year

	Group 2025 £	**Group 2024 £**	**Charity 2025 £**	**Charity 2024 £**
Trade Creditors	28,789	31,722	28,239	31,722
Accruals	100,176	100,198	39,981	50,212
Deferred income	215,966	324,309	215,966	324,309
Taxation and social security	20,565	22,336	20,565	11,188
Other creditors	4,575	805	13,233	18,836
	370,071	479,370	317,984	436,267

Deferred income – Group & Charity	**2025 £**	**2024 £**
At 1 January 2025	324,309	162,816
Amounts released from previous years	(324,309)	(162,816)
Incoming resources deferred in the current year	215,966	324,309
At 31 December 2025	215,966	324,309

Where the charity has received subscriptions or event income in the current year for future years, this income is deferred to be released in the year to which it relates.

21. Funds - Group 2025	Balance at 1 January 2025 £	Income £	Expenditure £	Net gain on investments £	Transfers £	Balance at 31 December 2025 £
Restricted funds						
Forestry Prize	13,626	149	(470)	-	-	13,305
Educational and Scientific Trust	75,508	5,465	(12,486)	2,560	-	71,047
Emerging Leaders	-	96,393	(96,393)	-	-	-
Trees Call to Action	32,940	89,056	(65,122)	-	(26,719)	30,155
	122,074	191,063	(174,471)	2,560	(26,719)	114,507
Unrestricted funds						
Designated	32,300	-	(18,648)	-	83,348	97,000
General	865,944	992,787	(973,679)	14,887	(56,629)	843,310
	1,020,318	1,183,850	(1,166,798)	17,447	-	1,054,817

Funds - Charity 2025	Balance at 1 January 2025 £	Income £	Expenditure £	Net gain on Investments £	Transfers £	Balance at 31 December 2025 £
Restricted funds						
Forestry Prize	13,626	149	(470)	-	-	13,305
Educational and Scientific Trust	75,508	5,465	(12,486)	2,560	-	71,047
Emerging Leaders	-	96,393	(96,393)	-	-	-
Trees Call to Action	32,940	89,983	(65,122)	-	(26,719)	30,155
	122,074	191,063	(174,471)	2,560	(26,719)	114,507
Unrestricted funds						
Designated	32,300	-	(18,648)		83,348	97,000
General	791,289	980,583	(958,349)	14,887	(56,629)	771,781
	945,663	1,171,646	(1,151,468)	17,447	-	983,288

21. Funds – Group (continued) 2024	Balance at 1 January 2024 £	Income £	Expenditure £	Net gain on invest-ments £	Transfers £	Balance at 31 December 2024 £
Restricted funds						
Forestry Prize	13,819	206	(399)	-	-	13,626
Educational and Scientific Trust	73,922	4,393	(3,375)	568	-	75,508
Trees Call to Action	-	211,760	(178,820)	-		32,940
Emerging Leaders	-	155,693	(155,693)	-	-	-
	87,741	372,052	(338,287)	568		122,074
Unrestricted funds						
Designated	66,939	-	(8,985)	-	(25,654)	32,300
General	821,981	874,866	(862,045)	5,488	25,654	865,944
	976,661	1,246,918	(1,209,317)	6,056	-	1,020,318

Funds – Charity 2024	Balance at 1 January 2024 £	Income £	Expend-iture £	Net gain on invest-ments £	Transfers £	Balance at 31 December 2024 £
Restricted funds						
Forestry Prize	13,819	206	(399)	-	-	13,626
Educational and Scientific Trust	73,922	4,393	(3,375)	568	-	75,508
Trees Call to Action	-	211,760	(178,820)	-	-	32,940
Emerging Leaders	-	155,693	(155,693)	-	-	-
	87,741	372,052	(338,287)	568		122,074
Unrestricted funds						
Designated	66,939	-	(8,985)	-	(25,654)	32,300
General	745,361	870,489	(855,703)	5,488	25,654	791,289
	900,041	1,242,541	(1,202,975)	6,056	-	945,663

The Forestry Prize Fund was set up by two anonymous donations each of £500 in 1965 and 1966 to provide for a Silvicultural Prize. In 2023 the fund received a generous charitable legacy gifted by one of our members.

The principal objective of the Educational and Scientific Trust is “the advancement of education on all aspects of Forestry especially in Great Britain and Northern Ireland”. The Trust was established by the Institute and now operates as a subcommittee of council with its own Terms of reference The Education and Scientific Trust underwent notable operational changes in 2025, focusing on enhancing transparency and aligning with updated governance standards. The Trust is managed by a dedicated committee, which oversees the allocation of funds to support educational initiatives and scientific research within the forestry sector. In 2025, stricter reporting procedures were introduced, ensuring that grant applications and disbursements are carefully monitored and evaluated against the Trust's objectives. These changes have fostered greater accountability and have enabled the Trust to respond more effectively to emerging educational and scientific needs.

In July 2022, we were awarded grant funding from the Defra Trees Call to Action Fund to deliver three projects over three years. The Discover Programme was delivered online in November 2022 and the Emerging Leader 6-month programme was launched in January 2023. 2024 saw the delivery of new UK Forestry Standard online training and this funding finished in March 2025.Silvestor the product of this investment continues to serve as a hub for Forestry related courses and education.

21. Funds – Group (continued)

22. Analysis of net assets between Funds

2025 - Group	Tangible Fixed assets £	Investments £	Net current Assets £	2025 Total £
Restricted funds				
Forestry Prize Fund	-	-	13,305	13,305
Educational and Scientific Trust	-	-	71,047	71,047
Trees Call to Action	-	-	30,157	30,157
	-	-	114,509	114,509
Unrestricted funds				
Designated Fund	-	-	97,000	97,000
General Fund	5,762	509,471	328,075	843,308
	5,762	509,471	539,584	1,054,817

2025 - Charity	Tangible fixed assets £	Investments £	Net current Assets £	2025 Total £
Restricted funds				
Forestry Prize Fund	-	-	13,305	13,305
Educational and Scientific Trust	-	-	71,047	71,047
Trees Call to Action	-	-	30,157	30,157
	-	-	114,509	114,509
Unrestricted funds				
Designated Fund	-	-	97,000	97,000
General Fund	5,762	509,473	256,544	771,779
	5,762	509,473	468,053	983,288

2024 - Group	Tangible Fixed assets £	Investments £	Net current Assets £	2024 Total £
Restricted funds				
Forestry Prize Fund	-	-	13,626	13,626
Educational and Scientific Trust	-	69,089	6,419	75,508
Trees Call to Action			32,940	32,940
	-	69,089	52,985	122,074
Unrestricted funds				
Designated Fund	-	-	32,300	32,300
General Fund	7,612	625,132	233,200	865,944
	7,612	694,221	318,485	1,020,318

22. Analysis of net assets between funds (continued)

2024 - Charity	Tangible fixed assets £	Investments £	Net current Assets £	2024 Total £
Restricted funds				
Forestry Prize Fund	-	-	13626	13,626
Educational and Scientific Trust	-	69,089	6,419	75,508
Trees Call to Action			32,940	32,940
	-	69,089	52,985	122,074
Unrestricted funds				
Designated Fund	-	-	32,300	32,300
General Fund	7,612	625,134	158,543	791,289
	7,612	694,223	243,828	945,663

23. Commitments – Group & Charity

The payments due under non-cancellable operating leases are as follows:

	Equipment 2025 £	Equipment 2024 £	Land & Buildings 2025 £	Land & Buildings 2024 £
Less than one year	-	1,942	2,062	6,815
Between 2 and 5 years	-	-	-	
	-	1,942	2,062	6,815

Lease payments of £22,141 (2024: £20,654) were recognised as an expense during the year.

24. Reconciliation of group net income to net cash flow from operating activities

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Net income/(expenditure) for the reporting period	34,499	43,657	37,625	45,622
Adjustments for:				
Depreciation	3,602	1,918	3,602	1,918
(Gains) on investments	(17,447)	(4,217)	(17,447)	(4,217)
Loss on disposal of fixed assets		69		69
Dividends and interest from investments	(24,874)	(26,454)	(24,874)	(26,454)
(Increase)/decrease in debtors	8,306	(45,741)	14,164	(10,789)
Increase in creditors	(109,303)	179,132	(118,287)	142,729
Net cash provided by/(used in) operating	(105,217)	(148,364)	(105,217)	148,878

The group has no debt financing, accordingly no reconciliation of net debt is provided.

25. Ultimate controlling party

In the opinion of the members there is no ultimate controlling party.

26. Related parties

During the year, Forestry Publications Limited made a payment under gift aid of £65,822 (2024: £67,791) to the Institute of Chartered Foresters. A management charge was payable by Forestry Publications Limited to the charity of £43,000 (2024: £43,000) for services provided. At the year-end £8,657 (2024: £6,882) was payable to (2024: receivable from) Forestry Publications Limited.

27. Other professional services provided by auditor

In common with many other entities of its size and nature, the charity uses its auditor to assist with the preparation of the financial statements.

28. Subsequent events

Since 31 December 2025, the council have taken the decision to cease trading in FPL as of April 2026. All activities will be transferred to the parent charity by way of business transfer agreement. All remaining liabilities shall be settled within Forestry Publications Limited.