



Irish Forestry Unit Trust Forestry Management Limited

Annual Report

Year Ended 31 December 2021

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## **DIRECTORS AND OTHER INFORMATION**

### **Board of Directors**

James R Kehoe  
John Dwyer  
Brendan Lacey  
Jim Foley

### **Solicitors**

McCann FitzGerald  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Secretary and Registered Office**

Secretary  
L & P Trustee Services  
75 St Stephen's Green  
Dublin 2

### **Registered Office**

Unit 5, Woodford Court  
Woodford Business Park  
Santry  
Dublin 17

Registered Number: 516591

### **Independent Auditors**

PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Ballycar House  
Newtown  
Waterford

## DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the financial year ended 31 December 2021.

### Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law.

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council including, Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DIRECTORS' REPORT - continued****Principal activities and review of the business**

The company was incorporated on 20 August 2012. The company commenced trading during the year ended 31 December 2013. In July 2013 the company entered into a contract to provide management services for the Irish Forestry Unit Trust and the North American Forestry Investment Trust and continued to do so during 2021.

The company was authorised as an Alternative Investment Fund Manager on 30 October 2015 by the Central Bank of Ireland.

**Political donations**

The directors, on enquiry, have satisfied themselves that no political donations have been made by the company (2020: €Nil).

**Directors**

The names of the persons who are currently or were directors at any time during the financial year ended 31 December 2021 are set out below. They served for the entire year.

James R Kehoe (Chairman)  
John Dwyer  
Brendan Lacey  
Jim Foley

**Directors and secretary's interests**

The beneficial interests, including the interests of spouses and minor children, of the directors and secretary in office at 31 December 2021 in the share capital of the company were as follows:

	Ordinary shares of €1.00 each in the company	
	31 December 2021	31 December 2020
<b>Directors:</b>		
James R Kehoe	-	-
John Dwyer	4	4
Brendan Lacey	1	1
Jim Foley	4	4
<b>Secretary:</b>		
L&P Trustee Services	-	-

The directors and secretary and their families had no other interests in the shares of the company or any other group company at 31 December 2021.

**DIRECTORS' REPORT - continued****Accounting records**

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems, procedures and employment of competent persons. Accounting records are kept at Unit 5, Woodford Court, Woodford Business Park, Santry, Dublin 17.

**Events since the financial year end**

There have been no events affecting the company since the financial year end. The company continues to monitor the fallout from the war in Ukraine and the potential impact on the business

**Disclosure of information to auditors**

Each of the directors in office at the date of this report have each confirmed that:

- As far as he is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- He has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company statutory auditors are aware of that information

**Covid 19**

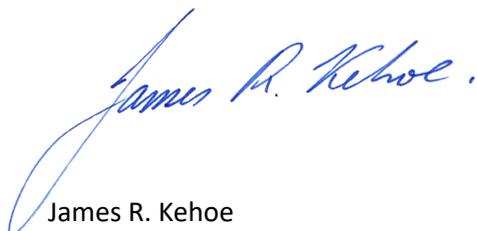
The business continued to operate under Covid 19 restrictions imposed as a result of the pandemic. The directors are continually monitoring the situation and do not anticipate any changes to business arrangements in the near term.

**Going concern**

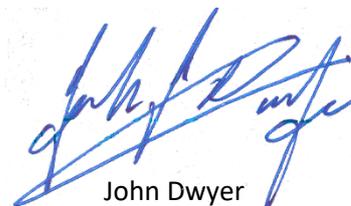
The financial statements have been prepared on the basis that the directors, after making enquiries, have a reasonable expectation that the company has adequate resources to enable it to continue operating for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the financial statements.

**Statutory auditors**

The statutory auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

**On behalf of the board**

James R. Kehoe



John Dwyer



## ***Independent auditors' report to the members of Irish Forestry Unit Trust Forestry Management Limited***

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Irish Forestry Unit Trust Forestry Management Limited's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2021 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the balance sheet as at 31 December 2021;
- the profit and loss account for the year then ended;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Independence***

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### **Conclusions relating to going concern**

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 company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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



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## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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## Responsibilities for the financial statements and the audit

### *Responsibilities of the directors for the financial statements*

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

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 auditors' 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 (Ireland) 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)

This description forms part of our auditors' report.



### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

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### **Companies Act 2014 opinions on other matters**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
  - In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
  - The financial statements are in agreement with the accounting records.
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### **Other exception reporting**

#### *Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Fiona Kirwan  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Waterford  
March 2022

**Profit and Loss Account for the Financial Year ended 31 December 2021**

	Note	2021 €	2020 €
Turnover: management fee income	4	1,367,329	1,302,194
Administration expenses	5	<u>(1,356,906)</u>	<u>(1,164,782)</u>
<b>Profit before taxation</b>		10,423	137,412
Tax on profit	7	<u>(3,526)</u>	<u>(18,055)</u>
<b>Profit for the financial year</b>		<u><u>6,897</u></u>	<u><u>119,357</u></u>

**Statement of Comprehensive Income for the Financial Year Ended 31 December 2021**

There are no recognised gains or losses other than those included in the profit and loss account above and therefore no separate statement of comprehensive income has been presented.

**Statement of Changes in Equity for the Financial Year ended 31 December 2021**

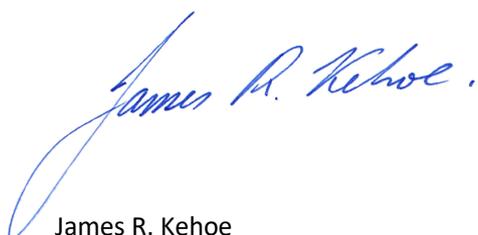
	<b>Called Up Share Capital Presented as Equity</b>	<b>Capital Reserve</b>	<b>Profit and Loss Account</b>	<b>Total Equity</b>
	€	€	€	€
Balance at 1 January 2020	9	310,000	227,377	537,386
Profit for the financial year	-	-	119,357	119,357
Transfer to capital reserve	-	40,500	(40,500)	-
Balance at 31 December 2020	<u>9</u>	<u>350,500</u>	<u>306,234</u>	<u>656,743</u>
Balance at 1 January 2021	9	350,500	306,234	656,743
Profit for the financial year	-	-	6,897	6,897
Transfer to capital reserve	-	50,000	(50,000)	-
Balance at 31 December 2021	<u>9</u>	<u>400,500</u>	<u>263,131</u>	<u>663,640</u>

**Statement of Cash Flows for Financial Year ended 31 December 2021**

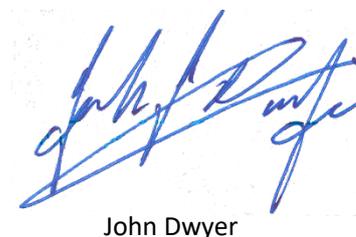
	Note	2021 €	2020 €
Cash from operating activities	12	36,958	133,302
Income taxes paid		<u>(20,231)</u>	<u>(20,843)</u>
<b>Net cash generated from operating activities</b>		<u>16,727</u>	<u>112,459</u>
<b>Cash flows used in investing activities</b>			
Purchase of tangible fixed assets		(36,444)	(1,823)
Cash Transferred to deposit account		<u>(47,421)</u>	<u>(37,996)</u>
<b>Net cash used in investing activities</b>		<u>(83,865)</u>	<u>(39,819)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(67,138)	72,640
Cash and Cash equivalents at 1 January		<u>319,113</u>	<u>246,473</u>
Cash and Cash equivalents at 31 December		<u><u>251,975</u></u>	<u><u>319,113</u></u>
Use of funds			
Cash at Start of Year	Current	319,113	246,473
	Reserved	<u>345,796</u>	<u>307,800</u>
		664,909	554,273
Cash at End of Year	Current	251,975	319,113
	Reserved	<u>393,217</u>	<u>345,796</u>
		<u><u>645,192</u></u>	<u><u>664,909</u></u>

**Balance Sheet as at 31 December 2021**

	Notes	2021 €	2020 €
<b>Fixed Assets</b>			
Tangible Assets	8	<u>57,075</u>	<u>34,808</u>
		<u>57,075</u>	<u>34,808</u>
<b>Current Assets</b>			
Debtors	9	58,750	66,672
Cash at Bank and in hand		251,975	319,113
Deposit Account		<u>393,217</u>	<u>345,796</u>
		<u>703,942</u>	<u>731,581</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(97,377)</u>	<u>(109,646)</u>
		<u>(97,377)</u>	<u>(109,646)</u>
<b>Net Current Assets</b>		<u>606,565</u>	<u>621,935</u>
<b>Net Assets</b>		<u><u>663,640</u></u>	<u><u>656,743</u></u>
<b>Represented by</b>			
Capital and Reserves			
Called-up share capital presented as equity	11	9	9
Capital Reserve	11	400,500	350,500
Profit and loss account	11	<u>263,131</u>	<u>306,234</u>
<b>Total equity</b>		<u><u>663,640</u></u>	<u><u>656,743</u></u>

**On behalf of the board**


James R. Kehoe



John Dwyer

## NOTES TO THE FINANCIAL STATEMENTS

### 1 General information

The company provides management services for the Irish Forestry Unit Trust and the North American Forestry Investment Trust.

Irish Forestry Unit Trust Forestry Management Limited is incorporated as a company limited by shares in the Republic of Ireland under the registered number 516591. The address of its registered office is Unit 5, Woodford Court, Woodford Business park, Santry, Dublin 17.

The company was authorised as an Alternative Investment Fund Manager on 30 October 2015 by the Central Bank of Ireland.

These financial statements are the company's financial statements for the financial year beginning 1 January 2021 and ending 31 December 2021.

### 2 Statement of compliance

The company financial statements have been prepared on a going concern basis and in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The company financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

### 3 Summary of significant accounting policies

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

#### (a) Basis of preparation

The company financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise their judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

#### (b) Going concern

The company meets its day-to-day working capital requirements through its bank facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore these entity financial statements have been prepared on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS - continued****3 Summary of significant accounting policies - continued****(c) Turnover**

Turnover represents amounts received or receivable in respect of management services rendered to the Irish Forestry Unit Trust and the North American Forestry Investment Trust during the year. Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered.

**Other Revenue**

The company also earns interest income. Interest income is recognised using the effective interest rate method. Interest income is presented as 'Interest receivable and similar income' in the profit and loss account

**(d) Tangible fixed assets**

Tangible fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs and borrowing costs capitalised.

*(i) Freehold Property and office equipment*

Freehold property and office equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

*(ii) Depreciation and residual values*

Depreciation is calculated, using the straight-line method over their estimated useful lives, as follows:

- Leasehold buildings 50 years
- Fixtures and fittings 10 years
- Office Equipment 5 years
- IT Equipment 3 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

**(e) Income tax**

Income tax expense for the financial year comprises current tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss account or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

*(i) Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

**NOTES TO THE FINANCIAL STATEMENTS - continued****3 Summary of significant accounting policies - continued****(e) Income Tax – continued**

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A current tax liability is recognised where appropriate and measured on the basis of amounts expected to be paid to the tax authorities.

**(f) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand & deposits held at call with banks. Bank deposits which have original maturities of over three months are not cash and cash equivalents and are presented as deposit accounts.

**(g) Share capital presented as equity**

Equity shares issued are recognised at the proceeds received and presented as share capital

**(h) Employee benefits**

The company provides a range of benefits to employees, including short term employee benefits such as annual bonus arrangements and paid holiday arrangements and post-employment benefits (in the form of defined contribution pension plans).

*(i) Short term employee benefits*

Short term employee benefits, including paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service. The company operates an annual bonus plan for employees. An expense is recognised in the profit and loss account when the company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

*(ii) Post-employment benefits**Defined contribution plan*

The company operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the company in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS – continued****3 Summary of significant accounting policies - continued****(i) Financial instruments**

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

*(i) Financial assets*

Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at market rate of interest for similar debt instrument.

Trade and other debtors, cash and cash equivalent and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's estimated cash inflows discounted at the asset's original effective interest rate and the amortised cost.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

*(ii) Financial liabilities*

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**NOTES TO THE FINANCIAL STATEMENTS - continued****4 Turnover**

Analysis of turnover by category:

	<b>2021</b>	<b>2020</b>
	€	€
Management Fee Income	<u>1,367,329</u>	<u>1,302,194</u>

Analysis of turnover by geographic market:

	<b>2021</b>	<b>2020</b>
	€	€
Ireland	<u>1,367,329</u>	<u>1,302,194</u>

**5 Administrative expenses**

The following Administrative Expenses have been recognised:

	<b>2021</b>	<b>2020</b>
	€	€
Depreciation (note 8)	<u>14,177</u>	<u>5,263</u>

**Auditors' remuneration**

Remuneration (including expenses) for the statutory audit and other services carried on for the company by the company's auditors is as follows:

	<b>2021</b>	<b>2020</b>
	€	€
Audit of entity financial statements	10,200	10,200
Tax advising services	21,275	9,050
	<u><b>31,475</b></u>	<u><b>19,250</b></u>

**6 Employees and directors****(i) Employees**

The average number of persons employed by the company including directors during the year was 11 (2020: 10).

	<b>2021</b>	<b>2020</b>
	€	€
Staff costs comprise:		
Wages and salaries	876,790	759,876
Other retirement costs	129,867	114,542
Social insurance costs	88,367	75,487
<b>Staff Costs</b>	<u><b>1,095,024</b></u>	<u><b>949,905</b></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued****6 Employees and directors - continued****(ii) Directors**

	<b>2021</b>	<b>2020</b>
	€	€
Emoluments:		
-for services as directors	85,680	84,000
-for other services	300,929	275,602
	<u>386,609</u>	<u>359,602</u>

**(iii) Key management compensation**

Key management includes two directors and two members of senior management. The compensation paid or payable to key management for employee services is shown below:

	<b>2021</b>	<b>2020</b>
	€	€
Salaries and other short-term benefits	518,195	485,682
Post-employment benefits	85,830	82,266
<b>Total key management compensation</b>	<u>604,025</u>	<u>567,948</u>

**7 Income tax****a) Tax expense included in profit or loss**

	<b>2021</b>	<b>2020</b>
	€	€
Current tax:		
Irish corporation tax on profit for the financial year	2,868	17,870
Adjustments in respect of prior years	658	185
<b>Tax on profit</b>	<u>3,526</u>	<u>18,055</u>

**b) Reconciliation of tax expenses**

Tax assessed for the financial year is higher (2020: higher) than the standard rate of corporation tax in the Republic of Ireland for the financial year ended 31 December 2021 of 12.5% (2020: 12.5%).

The differences are explained below:

	<b>2021</b>	<b>2020</b>
	€	€
Profit before tax	<u>10,423</u>	<u>137,412</u>
Profit before tax multiplied by the standard rate of tax in the Republic of Ireland for the financial year ended 31 December 2021 of 12.5% (2020:12.5%)	1,303	17,177
Effects of:		
Expenses not deductible for tax	2,607	985
Capital allowances	(1,042)	(292)
Adjustment in respect of prior years	658	185
<b>Tax on profit</b>	<u>3,526</u>	<u>18,055</u>

## NOTES TO THE FINANCIAL STATEMENTS – continued

## 8 Tangible assets

	Leasehold property €	Office Equipment €	Fixtures & Fittings €	IT Equipment €	Total €
<b>At 1 January 2021</b>					
Cost	20,750	15,298	14,025	2,637	52,710
Accumulated Depreciation	(2,490)	(6,991)	(7,848)	(573)	(17,902)
<b>Carrying Amount</b>	<b>18,260</b>	<b>8,307</b>	<b>6,177</b>	<b>2,064</b>	<b>34,808</b>
<b>Financial year end 31 December 2021</b>					
Opening carrying amount	18,260	8,307	6,177	2,064	34,808
Additions	-	1,761	-	34,683	36,444
Depreciation	(415)	(3,200)	(1,402)	(9,160)	(14,177)
<b>Carrying amount</b>	<b>17,845</b>	<b>6,868</b>	<b>4,775</b>	<b>27,587</b>	<b>57,075</b>
<b>At 31 December 2021</b>					
Cost	20,750	16,706	14,025	37,673	89,154
Accumulated depreciation	(2,905)	(9,838)	(9,250)	(10,086)	(32,079)
<b>Carrying amount</b>	<b>17,845</b>	<b>6,868</b>	<b>4,775</b>	<b>27,587</b>	<b>57,075</b>

During the financial year ended 31 December 2021 tangible assets classified as office equipment in the opening cost and accumulated depreciation were reclassified to IT equipment, the assets had a cost of €353 and accumulated depreciation of €353.

9 Debtors	Note	2021 €	2020 €
Related party balances	13	22,972	37,168
Prepayments and other debtors		13,577	26,492
Corporation tax recoverable		15,660	-
VAT recoverable		6,218	2,689
Other debtor		323	323
		<b>58,750</b>	<b>66,672</b>
<b>Creditors- Amounts</b>			
10 falling due within one year		2021	2020
		€	€
Trade Creditors		2,385	4,016
Other creditors		17,862	16,884
Tax and social insurance		24,817	35,441
Accruals		52,313	53,305
		<b>97,377</b>	<b>109,646</b>

Trade creditors are payable at various dates in the months after the end of the financial year in accordance with the creditors usual and customary credit limits. Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

**NOTES TO THE FINANCIAL STATEMENTS – continued****10 Creditors- Amounts falling due within one year****Tax and social insurance comprise**

	<b>2021</b>	<b>2020</b>
	€	€
Corporation tax	-	1,045
PAYE	16,445	25,420
PRSI	8,372	8,976
	<u>24,817</u>	<u>35,441</u>

**11 Share capital and reserves**

	<b>2021</b>	<b>2020</b>
	€	€
<b>Authorised</b>		
1,000,000 shares (2020: 1,000,000 shares)	<u>1,000,000</u>	<u>1,000,000</u>
	<b>2021</b>	<b>2020</b>
	€	€
<b>Allotted and fully paid – presented as equity</b>		
At 1 January and 31 December : 9 shares (2020: 9 shares)	<u>9</u>	<u>9</u>

A description of each reserve within equity is outlined below:

**Capital Reserve:**

The capital reserve represents the amount held separately by the company to comply with the minimum capital requirements of the Alternative Investment Fund Management Directive (AIFMD). This amount is held in a separate deposit account.

Profit and loss account represents accumulated comprehensive income for the financial year and prior financial years less transfers to capital reserve.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

<b>12 Cash from operating activities</b>	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Profit for the financial year	6,897	119,357
Tax on profit	3,526	18,055
<b>Operating profit</b>	<b>10,423</b>	<b>137,412</b>
Depreciation of tangible fixed assets	14,177	5,263
Working capital movements:		
- Decrease/(Increase) in debtors	23,582	(40,315)
- (Decrease)/Increase in creditors	(11,224)	30,942
<b>Cash from operating activities</b>	<b>36,958</b>	<b>133,302</b>

**13 Related party transactions**

The company regards Irish Forestry Unit Trust (IForUT) and the North American Forestry Investment Trust (NAFIT) to be a related party by virtue of directors of Irish Forestry Unit Trust Forestry Management Limited also being members of the committees of management of the above named Trusts. During the year the company invoiced €1,367,329 (2020: €1,302,194) to IForUT and NAFIT in respect of management charges rendered and there was a balance owing from IForUT and NAFIT at year end of € 22,972 (2020: €37,168).

**14 Analysis of Net Cash**

	<b>At 1 Jan 2021</b>	<b>Cash Flow</b>	<b>At 31 Dec 2021</b>
<b>Cash and Cash Equivalents</b>	<b>€</b>	<b>€</b>	<b>€</b>
Cash	319,113	(67,138)	251,975
Deposit Account	345,796	47,421	393,217
<b>Total</b>	<b>664,909</b>	<b>(19,717)</b>	<b>645,192</b>

**15 Events since the end of the financial year**

There have been no events affecting the company since the financial year end. The company continues to monitor the fallout from the war in Ukraine and the potential impact on the business.

**16 Approval of the financial statements**

The directors approved the financial statements on 22<sup>nd</sup> March 2022.