

Minutes of the 6th Annual General Meeting (AGM) of the Kilfinan Community Forest Company (KCFC) held at 7 pm on Thursday, 27th November 2014 at Kames Church Hall

1. Welcome & Apologies

David Blair introduced himself as Chair of the Board and welcomed everyone to the sixth Annual General Meeting of KCFC. He issued a list of apologies from Steve Williamson, David and Mary Pirie, Michaela Blair and Fraser Brown.

2. Minutes of last AGM

Proposed by Robert Borruso

Seconded by Andrew Graham-Weall

3. Chair Report

KCFC has 199 members, and the charity is managed and run by a board of seven directors and a team of staff. The directors serving during the year under review were:

David Blair, Andrew Graham-Weall, Robert Borruso, Steve Williamson, William McAllan, Fiona Hamilton (appointed 03/05/2013), and Fraser Brown (appointed 14/09/13)

Kilfinan Community Forest Company (KCFC) is a charitable enterprise formed to work with and for the local community to manage and develop their forest, creating opportunities for a sustainable future for the local economy, recreation and tourism, the environment and education. The principal activity of KCFC is to manage ownership of 127 hectares of Acharossan Forest, in order to deliver a range of benefits to the community of Kilfinan. These benefits include the development of recreational activities, the creation of a valuable educational resource for environmental activities, and the provision of affordable housing opportunities.

Through these activities, KCFC aims to bring long term sustainability to the forest and create employment opportunities in an economically fragile area. A further key aim is to create a truly 'working forest', with training opportunities to bring key forestry skills to the community. As well as creating new infrastructure, KCFC manages the existing forest to protect the local environment and sustain a natural forest.

Sustainable development

Our aim has always been to be self-sustainable and we are now achieving this through various projects and activities, just four years since purchasing the forest in 2010. In this last year we have devised a 'development plan', which is a four year strategy document outlining how we intend to fund activities using our own resources. The activities and projects described in the plan aim to strengthen the Kilfinan community and bring many positive benefits to the area, to be implemented through this primary purpose.

Phase 3

KCFC completed a joint HIE/ LEADER funded one year development project in January 2014, with three people employed to deliver the project – full time Operations Manager, Jamie Chaplin-Brice, part

time Administrator, Nikki Woolf, and part time Operations Worker, Colin Willment. All three remained in post beyond the funding period, supported predominantly by timber sales. The project was a great success, resulting in the delivery of an approved Forest Design Plan (FDP), outlining in-depth strategic management plans for the forest. Further key activities were the construction of a new road to extract timber and sell it commercially, the set-up of a sawmill business to sell milled timber and firewood locally, and the construction of a forest retail outlet to sell forest products. The sawmill in particular is answering a local need we are now able to supply bespoke sawn timber for a variety of different purposes, such as cladding, fencing and garden furniture. Project staff are now busy promoting and developing these initiatives, to generate local business and spread the word out-with the local community.

Renewables

Since a feasibility study conducted into the potential for a micro hydro scheme on the Allt Mor burn reported that this would be viable, much work has gone into gaining the necessary permissions, as well as appointing a contractor to do the work. Plans are progressing well, and we hope to have the system installed and generating electricity by the end of this year or early into next.

We also sought to explore the potential for a wind project within the forest, and to this end continued to erect a 60m met mast for a further year to measure wind data. Unfortunately the wind data that was gathered over a full eighteen-month period was not good enough to justify the continuation of the project. We tried to improve matters by clearing trees that were closest to the met mast but this did not improve the data collected. Under the condition of the loan agreement, we were able to apply for the CARES loan from the Energy Saving Trust to be written off, on the grounds of insufficient wind.

Housing

We have now outlined a project development area (PDA), for the allocation of ready built houses, self-build plots and woodland crofts, to be constructed using in-house skills and materials where possible. We are also working closely with architects and other experts to put together a comprehensive master plan, which is a blueprint for the entire housing project and will be submitted to the council as part of a formal planning application.

Rhododendron management

We commenced a comprehensive rhododendron clearance programme, to eradicate the invasive species present in the forest, working with local contractor Ross Petro to achieve this. Financed by a bridging loan from Social Investment Scotland (SIS) while waiting for a Scottish Rural Development Programme (SRDP) grant to come through, we were able to press ahead with the removal to enable more land to be unlocked for public access, uncover potential heritage sites such as the curling rink and the Kilfinan Way, and allow for more efficient timber harvesting.

Volunteering and training

The forest attracted a large number of volunteers over the course of the year, with diverse work opportunities available, as well as the opportunity to develop personal skills. Recognising the potential in engaging volunteers, we devised a formal 'Volunteer For Skills' programme, to help people learn about different areas of forestry and enable them to improve their work skills for future employment. Funded by the Voluntary Action Fund, we were able to employ local Tighnabruaich resident Craig Blair as Volunteer Coordinator, on a part-time basis to manage the project. He was in post to develop potential training opportunities, recruit volunteers, and manage them on site.

We also worked with external training providers, enabling them to use the forest as a venue to deliver training courses, all with the aim of strengthening the volunteer programme by establishing the forest as a formal training centre, and enhancing opportunities for local skills development.

Archaeology

In March 2014, we were awarded funding from the Heritage Lottery Fund for an archaeological survey of the entire forest to take place over the summer. The aim is to uncover the heritage within the forests, through a partnership with professional archaeologists, Argyll Archaeology, and local volunteers, to be trained in walkover and field survey techniques. The rhododendron eradication programme has contributed to unlocking the potential for these finds.

Recreation

Over the past year, we have developed a number of recreational facilities to benefit the local community and visitors to the area. Funded by Awards For All Scotland, KCFC was able to introduce a new path network, picnic benches, interpretation panels displaying key information about the forest, bike racks, bird and squirrel boxes, and improved parking areas. The project culminated with an open day showcasing these new facilities, which attracted over 100 visitors over the course of the day.

A grant from Paths For All enabled us to improve and upgrade the woodland path leading up to the forest from Tighnabruaich primary school, as a safe walking route for the pupils to enjoy forest school.

Community composting

This has been another great year for the community composting facility, with Craig Blair continuing as part time 'composting officer' to deliver this valued local service. The facility has generated sufficient income to cover the cost of this post.

Plans for future periods

The main priority for 2014-15 is for the charity to continue moving towards becoming financially self-sustaining, principally via the sale of harvested timber, and the availability of milled timber and wood fuel to the local community and beyond. We will develop and deliver suitable marketing strategies to optimise these sales, and work to develop a solid customer base, with a focus on repeat business and good customer service. We will also continue to develop our plans for a micro hydro scheme and housing, as these projects will deliver significant income to support the charity. We will continue to give priority to supporting local enterprise and creating local employment.

We will continue to develop the volunteer programme, with a focus on training and bringing key skills to the local community. We will also continue with the rhododendron eradication to uncover further key access points and interesting features within the forest, to prepare the forest for a full archaeological survey to be conducted over the summer. We will continue working to improve the recreational value of the forest, with paths kept clear and new routes established.

David added special thanks to everyone for attending the meeting, to board members, staff and volunteers (Andy, John King, Michaela Blair and Kings Court residents) for all their efforts during the year.

4. Election of Directors

The Elected board, approved by members present, is David Blair, Andrew Graham-Weall, Steve Williamson, Willie McAllan, Robert Borruso, Fiona Hamilton, Fraser Brown with new member John King welcomed.

5. Financial statement

KCFC's Treasurer William McAllan provided a financial report of the past year. As predicted 2013/14 was challenging financially as KCFC worked towards sustainability. Cash-flow issues were particularly challenging. For example, KCFC had to borrow £65,000 to enable the rhododendron eradication programme to proceed using the loan to bridge the delays between contractor payments to receipt of SRDP grant.

The main sources of income in the year were from sales of standing timber; woodfuel sales; composting; and the new sawmill business from January 2014. Salaries totalled £57,000, which is a substantial increase from £40,000 in the preceding year and demonstrated KCFC's commitment to strengthening the community through the provision of employment. The remaining £47,000 of the CARES loan provided for the wind turbine feasibility study was written off as per the terms of the loan.

The hydro project has been delayed by difficulties in sourcing the required loan for installation but it is now hoped this will be completed and generating electricity by Spring 2015. Looking forward to the next financial year, the Treasurer anticipated cash-flow issues to again be the main challenge but that increased revenue from the sawmill and hydro income will bring KCFC even closer to financial sustainability. The other major financial issues for 2015 are the purchase of Upper Acharrossan Forest and loan repayments of £15,000.

Any questions

Q. How many kw will be generated and what is the hold-up?

A. 75 kw is expected to be generated. Finance is the hold-up. Installation costs, pipe and materials are needed. Because our scheme is so small, the costs of diligence are huge in comparison. The lenders are struggling to scale back the diligence costs.

Q. How much money is available, cash in hand?

A. Around £30k, but it is committed. The coming year will be similar to last year in terms of hand-to-mouth existence. If purchase of Upper Acharrossan is successful it will lead to more financial stability.

Q. How much has been made from timber sales?

A. £80k - spent on roads and equipment.

Q. What does restricted/unrestricted mean?

A. Grants for a particular activity are under 'restricted'

6. Appointment of the independent financial examiner

Ailsa Close was unable to produce the accounts in time for this year. Wyllie and Bisset stepped in at short notice.

It was agreed that Wyllie and Bisset be appointed for the coming year.

7. Any Other Business

There was no other formal business.

Two short presentations were given by Robert Borruso (affordable housing), and Nikki Brown, Development Manager, (key achievements and future projects).

The meeting was closed at 2013 hours.