

# **BIRSE TRADING COMPANY<sup>1</sup>**

## **Directors' Annual Report 2014**

### **Introduction**

The Birse Trading Company (BTCo) is a subsidiary company of Birse Community Trust (BCT). BTCo leases Slewdrum and Balfour Forests from BCT and manages the Forests to implement BCT's Forest Plans 2011-30 for each Forest. BTCo's current leases run until the end of 2022.

2014 was BTCo's seventh year of operation. BTCo is managed by its Directors. During 2014, they were Paul Chapman (Chair), David Younie and Doug Boyle.<sup>2</sup> The Directors are all local members of BCT and included a Director through Doug Boyle, who is also a BCT Trustee.

This report provides an account of BTCo's operations during 2014.

### **Forest Management**

In 2014, BTCo made progress with a number of improvements in the two Forests and with developing plans for works in 2015. There was no commercial timber harvesting in either Forest during the year.

In Slewdrum, BTCo developed its plans for re-stocking the Lower Kettock Burn site that had been clear felled in 2013. This included an experimental planting of 405 Sitka spruce on the site in the spring and a start being made to deer fencing the area before the end of the year. BTCo also planted a further 30 individually protected native broadleaves near the Shooting Greens forest road entrance, and implemented the annual bracken cutting around the existing c.450 planted broadleaves in Slewdrum.

During the year, BTCo carried out maintenance on the Fishing track, including clearing out the side ditches and cross drains and grading the central ridge where necessary. BTCo also surveyed all the roads, tracks and paths in Slewdrum for the invasive Piri piri, removing all the plants found except for a large clump at the bottom of the Fishing track.

In Balfour, BTCo continued to make progress in developing the network of forest tracks set out in the Forest Plan. The main work was upgrading the Coffin road to vehicle standard from the link to the forest road end, down to the boundary with Balfour Estate. BTCo has vehicular access rights over the Coffin road through Balfour Estate under BCT's title to Balfour Forest. The improved route, while enabling better access down the side of Bogranda for management purposes, could also be a valuable route into the Forest in the event of a fire from the west. The other track work during the year, was levelling a quad bike track from the south side of the Allansack Burn to the edge of the Baudylace clearing, to improve access for deer control and other management purposes.

During the year, BTCo discussed and put in place plan to clear fell in 2015 the two areas of Lodgepole pine on Creagantoll, that had been badly damaged by windblow in December 2013. Further progress was also made in limiting the spread of regenerating spruce in the riparian areas along the lower Allansack Burn and in the Bogranda area, by felling them to waste. In addition, BTCo carried out some cutting of non-native conifers around the old Scots pine near the summit of Creagandummie.

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<sup>1</sup> The Birse Trading Company (BTCo) is a company limited by guarantee (SC327196) which was set up by Birse Community Trust (BCT) in 2007. The company is owned by BCT as the only shareholder and the appointment of the Directors who manage BTCo requires BCT's approval.

<sup>2</sup> David Younie retired as a BTCo Director at BTCo's AGM in March 2014

In both Forests, deer culling continued to try to reduce the numbers of red and roe deer and the level of damage by them to naturally regenerating and planted trees. In the 2013-14 season to 31<sup>st</sup> March 2014, the cull from the Forests was 62 red deer and 142 roe deer (2012-13, 32 red, 66 roe). BCo was also actively involved with other local land owners in the Birse Parish Deer Management Group to try to improve deer control locally.

During the year, BCo supplied approximately 30 tonnes of firewood from the Forests to 18 local households (2013, 30 tonnes, 17 households). This timber resulted from clearing windblown trees from tracks in the Forests, trees felled as part of track improvements and from other amenity fellings.

## **Administration**

In 2014, the BCo Directors held six Board meetings, one of which followed BCo's AGM on 13<sup>th</sup> March. Another of the meetings was at the start of a site visit to Slewdrum to discuss re-stocking the Lower Kettock Burn clear fell site. The Directors also undertook a schedule of monthly monitoring visits to the Forests, with six to each Forest over the year.

BCo hosted the annual site visit to each Forest by BCT's Trustees, while the BCo Directors continued to act as advisers to the Trustees as members of BCT's Commonly Pinewoods Management Group.

During the year, BCo continued to retain Jane Winton as Administrator, Robin Callander as Adviser and RTS as forestry agent. RTS's main involvements were in connection with BCo's forestry grants, timber harvesting plans and Forest Stewardship Council (FSC) Forest Certification.

## **Finance**

In 2014, BCo's total income was £17,818 and its total expenditure was £26,654, giving a net loss of £8,836.<sup>3</sup>

BCo's income in 2014 was all from Forestry Commission Scotland grants, principally grants to support deer management in each Forest over the next five years. 2014 was the first year in which BCo has had income from any source other than timber sales.

BCo's expenditure in 2014 included payment of the £4,000 annual rent for the two Forests to BCT and also making a donation of £6,000 to BCT. The remaining expenditure was £13,215 on managing and improving the Forests and £3,373 on administration. As in 2012 and 2013, over 95% of BCo's total expenditure was spent on using local contractors and suppliers within Birse parish and the Mid Deeside area.

As a result of BCo's net loss, the balance of funds held by BCo decreased over the year from £90,130 to £81,292. The Directors consider that BCo ended the year well placed to take forward its responsibilities and plans in 2015.

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<sup>3</sup> BCo's Annual Accounts are submitted to Companies House, reported in BCT's Annual Accounts and published on BCT's website.