

Registered number: 2502427
Charity number: 1002373

THE MAGDALEN ENVIRONMENTAL TRUST
(A company limited by guarantee)



REVISED TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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STATEMENTS IN RESPECT OF THESE REVISED ACCOUNTS

- The revised accounts replace the original annual accounts for the year ended 31 December 2023;
- The revised accounts are now the statutory accounts of the Group for that financial year;
- The revised accounts have been prepared as at the date of the original accounts and not as at the date of revision and accordingly do not deal with events between those dates;
- The accounts did not comply with the requirements of the Charities SORP (FRS 102) in terms of the allocation of expenditure; and
- As a consequence of remedying these defects, expenditure on raising funds has reduced to £134k, on charitable activities has increased to £875k and governance costs have reduced to £31k. Designated funds and revaluation reserve have been stated on the Balance Sheet.

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees Gillian Rowe, Chair
Martin Biss, Trustee
William Davies, Treasurer
Rupert Farthing, Trustee
Sarah Gleadell, Trustee
Hilary Habberfield, Trustee
Stephen Miller, Trustee
Gill Spence, Trustee
Caroline Walker, Trustee

Company registered number 2502427

Charity registered number 1002373

Registered office Magdalen Farm
Winsham
Somerset
TA20 4PA

Company secretary Gillian Rowe

Chief executive officer Giles Aspinall

Independent auditors Xeinadin Audit Limited
Chartered Accountants
Statutory Auditors
Wadebridge House
16 Wadebridge Square
Poundbury
Dorchester
Dorset
DT1 3AQ

Bankers Triodos Bank NV
Deanery Road
Bristol
BA1 5AS

Solicitors McPhersons
The Long Barn
Winchester Road
King's Somborne
Hampshire
SO20 6NZ

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2023.

Structure, Governance and Management

The Magdalen Environmental Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 16 May 1990 and amended by special resolutions dated 12 June 1990, 22 June 1990 and 22 March 1991, as amended by certificate of incorporation on change of name dated 19/07/2011. It is a registered charity with the Charity Commission.

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as trustees. The trustees serving during the year and since the year end are set out on page 1. The liability of the members in the event of the charity being wound up is limited to £1.

The charity's overall strategic direction and policy decisions are determined by the board of trustees, who meet quarterly. The board delegates the translation of the strategic goals into the achievements of operational aims to the Chief Executive, Giles Aspinall, and staff team, who manage the charity's resources to achieve its goals most effectively. The Chief Executive reports directly to the board at their meetings, providing up to date reports for the trustees' scrutiny and query.

Two sub committees, the Finance Advisory Group and the Farm & Land Advisory Group, each including a mixture of trustees and staff, make recommendations and report directly to the board at their meetings.

The pay of key management personnel is set by the Board of Trustees.

Legal company structure

The Magdalen Environmental Trust is a registered charity and a company limited by guarantee. It is the sole owner of two trading subsidiaries, Magdalen Farm Ltd and Magdalen Events Ltd.

The Upper Axe Community Interest Company is a not-for-profit enterprise that, while not owned by the Trust, is effectively 100% controlled by the Trust during the accounting period. This is because the company Directors are The Magdalen Environmental Trust, and Giles Aspinall, the Trust's Chief Executive Officer. It is deemed possible, perhaps likely, that the Upper Axe CIC will not be wholly controlled by the Trust in the future as its membership and work develop.

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Future plans

The charity and its subsidiaries continue to follow the objectives for “Quality and Resilience” as specified in the Strategic Plan.

No aspect of our work is excluded from development and improvement, but in particular, specific attention is to be given next year to:

- Nature conservation and habitat creation on Magdalen Farm
- The successful launch and delivery of the new Just Act Natural strategic programme for families with a disabled child
- The continuing delivery of other existing programmes
- The consideration of accommodation and visitor facilities on site, where they can be enhanced and increased, and what benefits that would bring.

Financial review

This is the first set of consolidated group accounts for 10 years, reflecting the growth in income over the £1million threshold for the Trust and its subsidiaries.

Significant jumps in income and expenditure occur in funding for nature conservation. 2023 is the first year of two Defra-funded, 2-year investment programmes in habitat creation; the Countryside Stewardship agreement on Magdalen Farm, and the Development Phase of the Axe Landscape Recovery project. These projects, each of them significant in relation to Magdalen’s operations budget, have started simultaneously, and are scheduled to conclude at the end of 2024.

While the Trust is proud to host and deliver these works, which contribute to charitable aims and are vital in their own right for environmental gain, they are separate from the environmental education and care farming that is traditionally the Trust’s core function. Accounting notes 5, 15 and 21 illustrate that the increase in income for the charity’s core work with people, (labelled education and learning in note 5), is proportionate to the increased numbers of beneficiaries, and similar to the increase in 2022. It represents a position of stability and incremental improvement.

The Magdalen Environmental Trust Group made a surplus of £238,239 during the year, due in large part to the receipt of nature conservation grants that are carried into next year as restricted funds. Despite significant increases in income and expenditure in 2023, the charity’s available funds and resources for its core work with people remain effectively unchanged from one year to the next.

This year’s accounts, unlike those of previous years, contain income and expenditure for the trading subsidiary Magdalen Farm Ltd, and the Upper Axe C.I.C. This Community Interest Company was set up specifically to run the aforementioned Axe Landscape Recovery project, and associated works. Because the C.I.C. is currently wholly controlled by The Magdalen Environmental Trust (including Trustees and employees), its trading is consolidated within these accounts. In the future, it is intended that other stakeholders will become members and directors of the Company, at which time the C.I.C. will no longer be wholly controlled by the Trust, and so its accounts will no longer form part of the Magdalen Environmental Trust’s consolidation.

Reserves policy

The Trust’s Reserves Policy is specified in the Financial Policy as follows:

It is our responsibility to safeguard the financial future of the charity. To achieve this we will maintain unrestricted free reserves approximately equivalent to three months operating costs, including salaries, unless these reserves must be drawn upon for pressing needs to further the charity’s aims and growth.

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The Group has reserves of £3.0m. After excluding fixed assets and long-term loans held by the Charity, amounts owned by trading subsidiaries and amounts restricted for spending on specific ongoing projects, the unrestricted funds which are available to the Charity meet this definition of approximately 3 months of operating costs, though the Trustees have exercised their right to designate the bulk of these funds for capital works to further the charity's aims and growth, as per the policy. The Trust's cash balance is bolstered by borrowed funds that will be in the Trust's best interest to invest or return once they have been used to manage cash flow through 2024 and the significant investments in habitat creation in that year.

Governance

In 2023 we have:

- Continued to deliver the charity's aims and extended our offer to various groups
- Made considerable investments on the estate at Magdalen Farm, for the greater long term benefit of wildlife
- Supported the growth and early success of the Upper Axe CIC, and the Axe Landscape Recovery project that is managed and delivered locally, for the benefit of wildlife and the local farming community
- Re-costed all our operations and adjusted pricing (up and down) to assure full cost recovery, and not-for-profit operations.

Appointment of trustees, induction and training

New trustees can put themselves forward for election or can be proposed by any member of the existing board or by the Chief Executive. If the board accepts the nomination, a potential trustee is invited to attend one of their quarterly meetings as a guest, prior to accepting appointment to it. At the end of the meeting, if the board and candidate are in agreement, the potential candidate is formally appointed as a trustee.





Trustees are chosen for their professional abilities and experience and commitment to the Trust's aims.

The Trust's DEED provides for a minimum of three trustees, but there is no maximum. One third of the trustees shall retire by rotation annually at the annual general meeting, being those who have held office the longest since their last appointment or reappointment, but they can apply for re-election. The chairman is appointed by the board and serves for a period of one year, after which they may put themselves forward for re-election.

The Chief Executive oversees the management of the Trust, supported by the Senior Management Team.

Objectives and activities

Aims

-  Our visitors feel the connection between their wellbeing and nature
-  We all consider and understand our environmental choices
-  The recovery of wildlife
-  Inclusion and inspiration for all

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Through our 132 acres of diverse habitats, residential accommodation, interpretation materials, workshops and courses, the foundation offers visitors the opportunity to develop an understanding of sustainability, their environment and a greater responsibility towards it. The charity aims to make learning an adventure, through hands-on inspirational activities and imaginative teaching styles and resources. We take an holistic approach to our work, integrating ideas about education and sustainability and supporting best environmental practice at all times.

In pursuance of its charitable objectives the charity provides a range of residential and one-day educational activities, courses and services aimed at school groups, other children and adults seeking environmental education, and people whose wellbeing can be improved by spending productive time in nature. The 132 acre farm with its diverse environment provides the setting for many of our activities and courses.

These services can be grouped together as:

- Environmental education for children and adults
- Care Farming – improved quality of life and personal development

Risk Management

In line with our health and safety policy, risks stemming from project activities, management and facilities are subjected to risk assessments, updated annually. This is overseen by our Health & Safety Officer (Centre Manager), with the support of the Chief Executive. Trained staff update the risk assessments relevant to their roles.

All our activity risk assessments and health and safety procedures are documented and discussed at regular staff and trustees meetings.

To manage financial risks, our Treasurer chairs the Finance Advisory Group, analysing data which we have restructured for maximum transparency. Financial risks beyond the immediate control of the charity are covered by Contingent Liability Insurance policies.

Volunteers

The charity greatly benefits from the ongoing involvement and commitment by volunteers, whose contribution is hugely appreciated.

We would like to thank

- Volunteers from the local community, who have tirelessly given their time and effort for the improvement of the quality of service we provide.
- Volunteers from across the world who have stayed in our accommodation for weeks or months, contributing both skills and strong backs to work on site
- Employee Volunteers from the private sector, who contribute enormous volumes of work condensed into single, very exciting days.

Without all of these volunteers, Magdalen would not be so able to meet the needs of schools and communities, or support so many wild plants and animals.

Public Benefit

It can be seen from our achievements detailed in this report that the charity has complied with section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission in respect of public

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benefit.

As well as being a leading provider of environmental education, Magdalen is a prominent member of Social Farms and Gardens, and is one of the foremost care farms in Britain.

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way consistent with the aims and objects of the charity.

Fundraising standards information

The Trust does not carry out significant fundraising activities directly to the public.

Trustees

The trustees who served during the year were:

Gillian Rowe, Chair
Martin Biss, Trustee
William Davies, Treasurer
Rupert Farthing, Trustee
Sarah Gleadell, Trustee
Hilary Habberfield, Trustee
Stephen Miller, Trustee
Gill Spence, Trustee
Robert Shearer, Trustee (resigned 14 October 2024)
Caroline Walker, Trustee

Small Company

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

04 Apr 2025

Approved by the Trustees on

and signed on their behalf by:



.....
William Davies
Trustee

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the trustees have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees on:

04 Apr 2025

.....

and signed on their behalf by:



.....
William Davies
Trustee

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ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Outcomes for People and Outcomes for Nature

The annual report and accounts look different this year.

2023 has been an amazing year at Magdalen – another huge year for environmental education and respite / therapeutic visits for people from all walks of life, maintaining last year's record-breaking numbers of beneficiaries, and also the start of two long term nature conservation initiatives that both dwarf anything we have ever done to date.

The changes have been so profound, and so encouraging for the future, that those changes are reflected in how we present our annual report and accounts. We are specifically segregating Outcomes for People from Outcomes for Nature. In practice, this is not a clean separation as there is so much cross-over in our work. For instance, the flagship Environmental education programme is listed in Outcomes for People, though obviously we expect long term environmental benefits through behaviour change to be a result.

This year, our accounts have been subject to audit, rather than independent examination. This is because while financial turnover for Outcomes for People remains stable, but the investment in Outcomes for Nature has increased five-fold, lifting the charity (and the CIC it controls) over the £1million threshold.



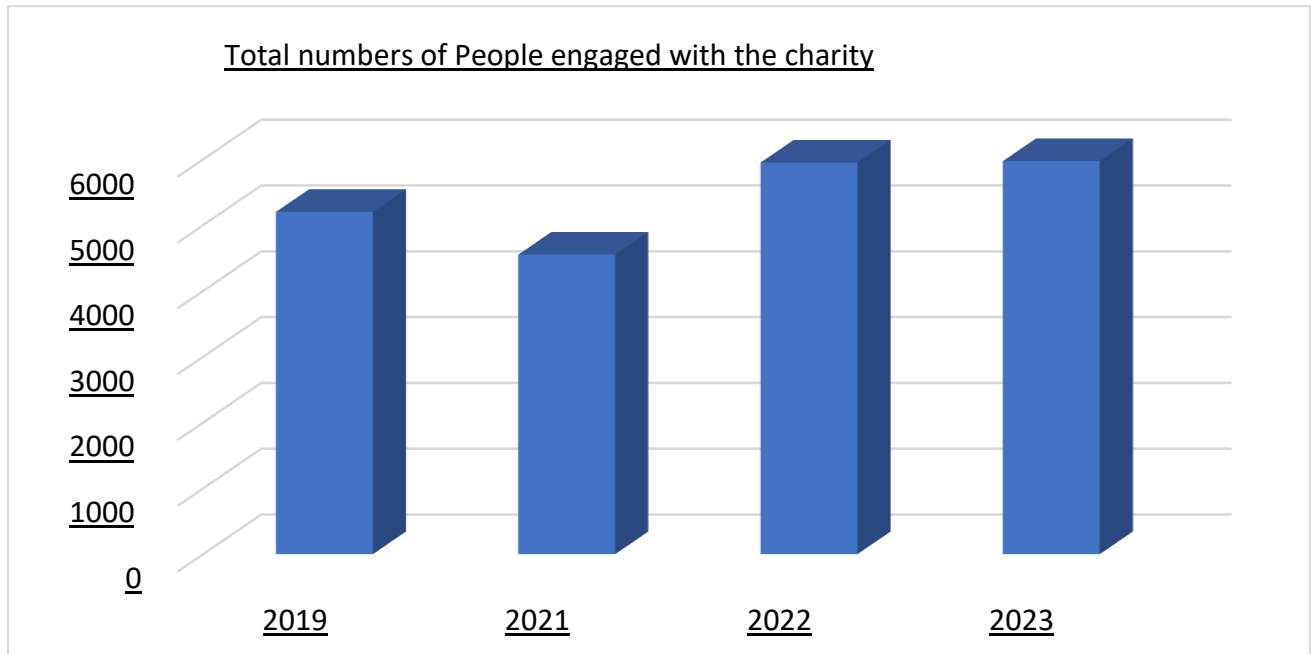
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Outcomes for People

When it comes to our work with people, if you think of this year as being similar to last, you won't go far wrong.

It has been another bumper year for our work with people, proving that the previous year was not a blip, but a step change in our provision.



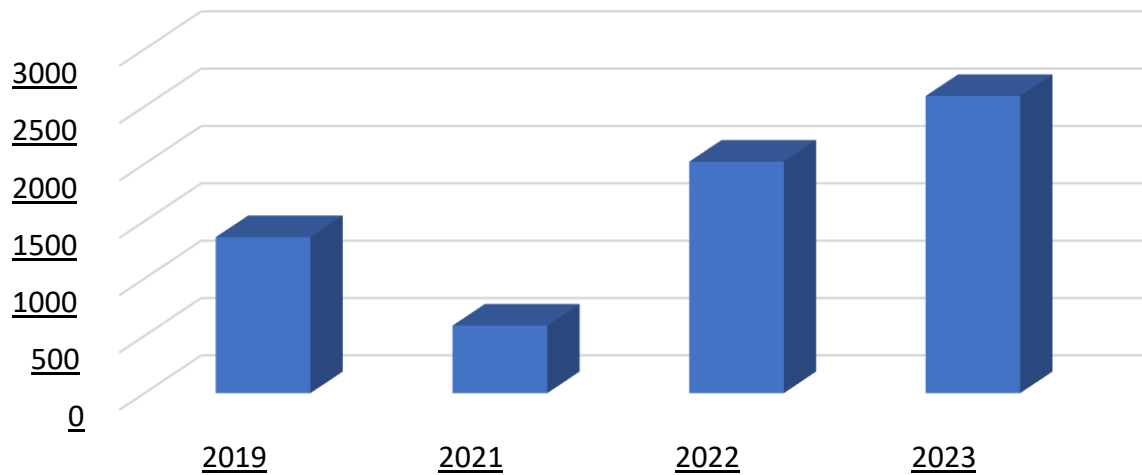
This chart shows the total number of people whom we have engaged with (in person and on site, not including on-line engagement).

The year 2020 is not included as our work was so significantly curtailed and altered by meeting the community's needs in the Covid Pandemic. The chart shows a dip in the wake of the Pandemic but a significant and sustained increase over pre-covid numbers. 2019 was, at the time, a record breaking year.

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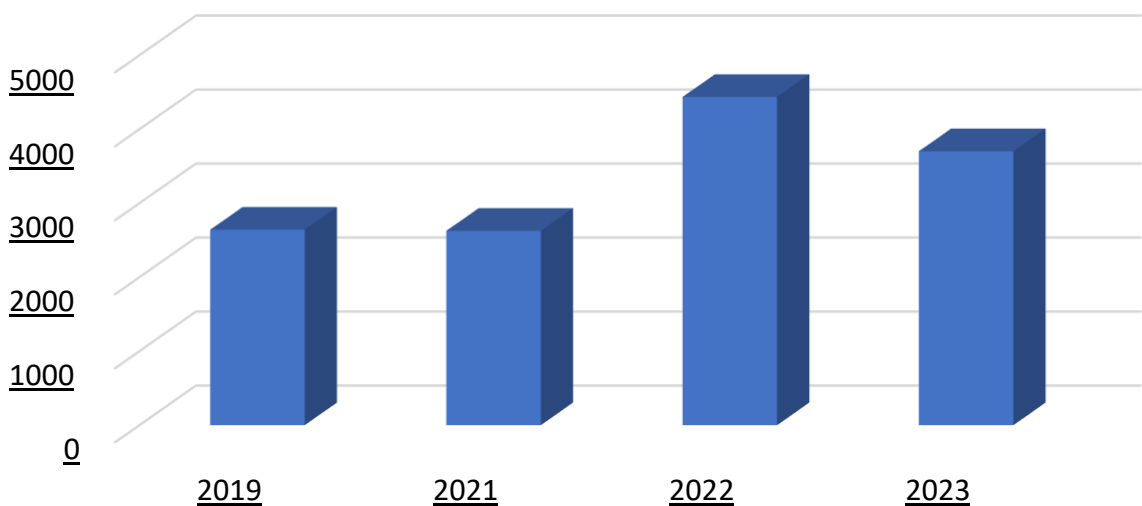
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People living with disabilities or in significant disadvantage



These charts demonstrate that, while the volume of the charity's work with people has remained steady, the needs of the groups visiting us this year have shifted in emphasis, with an even greater focus on meeting the emotional, psychological and respite needs of people who live with disabilities or in significant disadvantage.

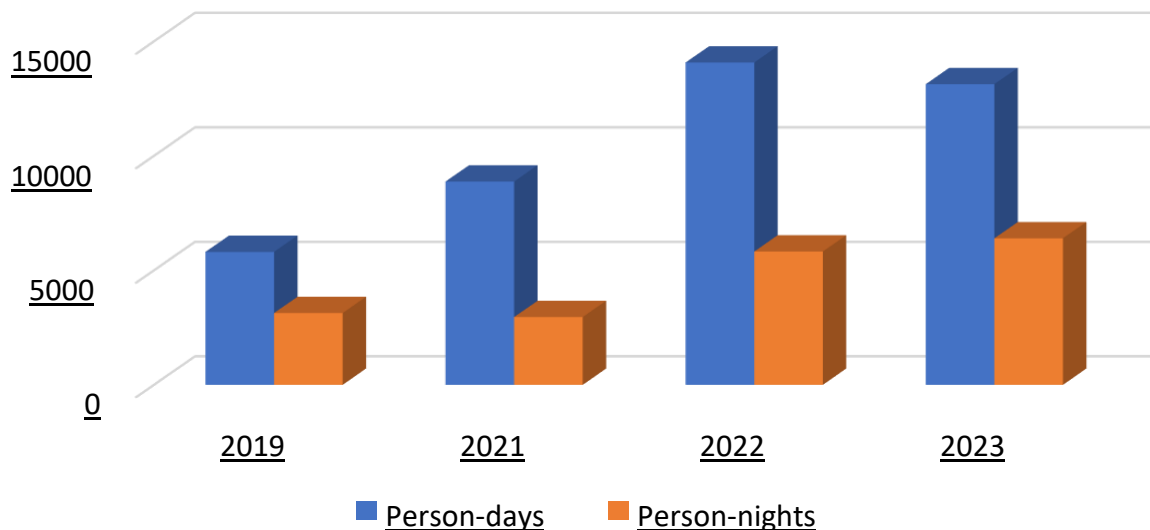
People coming to us for Environmental Education



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Overall Busyness – person-days and person-nights



This chart shows something different to the previous ones, as it gives an indication of the increase in overall engagement, rather than the more blunt tool of looking at numbers of people. The chart shows that while there is fluctuation between this year and last year (fewer day-visits, longer stays for those using the residential facilities), performance remains consistently greater than before the Pandemic.



Environmental Education for primary school children



This is core to the Magdalen mission. We are proud to have worked with schools from across the breadth of the country, serving children both from affluent and deprived communities, and everywhere in between. We have welcomed back old friends, and made some great new partnerships. The benefits to the children are multi-faceted, including personal development, confidence building, new experiences and a greater understanding and appreciation of where food comes from, and how that interacts with the natural world. Children are the decision makers of the future, and it is crucial they should be well informed about how their choices affect the natural world. It is essential they are given the chance to fall in love with it.

Experiential learning outside the classroom

This year, we have focused our Forest School Transitions programme on children living in pressured conditions in Bridgwater, an acute hotspot of socio-economic disadvantage in Somerset.

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We have also provided regular learning opportunities for individual children who cannot successfully attend school, and for those who need more variety of learning environments in their week than a school can provide.



Outdoor Learning for some of England's most deprived children

Once again, and thanks to the generosity of our funders, we have worked with schools serving communities experiencing acute deprivation. Children attending these schools tend to live in effective isolation from nature due to a lack of appropriate green open space in their home communities. No child should grow up without nature, and we are proud to help redress the balance for as many children as we can. The impact on these children of a stay at Magdalen Farm is profound.

Children with disabilities, and their families

This has been the final year of our long term funding from the National Lottery Community Fund, providing a programme of opportunities for families with children who are disabled. It has been a high success and a mainstay of Magdalen for many years. We are applying to continue and expand the work in future!

In our wider work, we have fostered new partnerships right across the country, including families whose children have Down's Syndrome from East Anglia.



Growing independence

The trusting, supportive relationships we have built over the years with children who have a disability give us a unique opportunity to give them a better chance of semi-independence as adults. The Growing Independence courses we run help them learn the basics – cooking, cleaning and looking after themselves. The young people learn from trusted professionals without embarrassment, more comfortably and more effectively than they might learn from their parents.

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Trafficked children and unaccompanied young asylum seekers

Magdalen's role is to provide meaningful interventions through which children can express themselves, feel valued and useful, and can forge friendships and a peer-support network. Unaccompanied trafficked children feel welcome here, and feel accepted, which can have a profound psychological value to them.

We are very pleased to have continued our partnerships with both ICN and the British Refugee Council. Every time we welcome trafficked children on site, we are amazed by the resilience and warmth they show to each other, and to a wider world that has been so unkind to them.



Refugee families

For several years, we have been pleased to offer opportunities to families who have fled persecution in Syria and Afghanistan.

Perhaps unsurprisingly, this has been the biggest year so far for our work with refugee families. As well as supporting families whose lives have been turned upside down by the Taliban, we have been pleased to offer opportunities throughout the year for refugees from Ukraine, in order to reduce social isolation and relieve pressure in homes shared with Sponsor families. The humanitarian response to the Ukraine war from our region, particularly from Somerset, has been heart warming, and we are proud to have played our part.

Adults with, and recovering from mental illness

This year, we have been pleased to provide a programme of weekly session for local people who experience mental illness, working with the WATCH group.

We were also delighted to engage with a new London-based partner, CHT (Community, Housing and Therapy), who spent a few days with us on a residential stay. We are pleased to say that we will work with both again next year, as well as our old friends at the Mosaic Clubhouse.



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Young Carers and children growing up in care

Young carers are children with inappropriate caring responsibilities at home. Children growing up in local authority care all have to manage the emotional transition away from a “normal” family life.

They face common challenges as they grow into adulthood. They come to us to improve:

- Social skills and communication with others
- Emotional resilience
- Physical health

Families overcoming their problems

We have been very happy to work with Dorset Council to help parents give their children opportunities that would otherwise be very difficult to provide.

Some families are affected by low incomes and food poverty, others by social and circumstantial pressures that make life very difficult.

We are proud to provide important interventions that contribute to wider programmes of support.



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Outcomes for Nature

On Magdalen Farm

Magdalen Farm is an oasis of unimproved neutral grassland (now one of England's rarest habitats), interspersed with a mosaic of woodland, wetland, hedgerows and scrub. This diversity makes it a fabulous resource for wildlife.

100 acres, including a Site of Nature Conservation Interest, are now managed with the recovery of wildlife as the overriding objective.

The conservation strategy for Magdalen Farm is defined and described by two documents:

- The Bioresilience Framework, which gives details of the overall strategy, including the new conservation grazing regime and pulse- grazing zones.
- The Higher Tier Countryside Stewardship Agreement

We entered into the Higher Tier Countryside Stewardship Agreement on January 1st, so this has been our first year in the scheme. A great deal has been done in this first year to restructure the farm for conservation grazing, and for habitat development. Some of the most visual and appealing changes are the 63 semi-mature trees that have been planted throughout the mid-part of the site, protected from stock and deer by parkland tree guards. A further 87 will be planted In 2024. Elsewhere, fences have been erected, dismantled and re-routed, deer enclosures established, and whips planted by the hundred. Nest boxes have been built by our visitors and staff team, for bats, dormice and kestrels.

Speaking of kestrels... We have already seen the first impacts of the change in land use. Kestrels, which have been absent for a decade, now hunt daily over the tall grasses, predated on the greatly increased small mammal population.

Speaking of small mammals...

We are delighted to welcome back the water vole! These secretive animals were last identified for certain on site 12 years ago. We have seen signs they might be here over the years, but not enough to be certain. This summer, a water-vole sniffer dog confirmed our suspicions with a range of definite finds of water vole both in the river channel, and in our water vole ponds, dug 13 years ago specifically to provide habitat for them. The surveys of 2022 missed these water voles, so have they come to live here over the last year, or were they just keeping a low profile? Who knows?



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Landscape Recovery across the River Axe Catchment

2023 saw the start of the first 22 Landscape Recovery projects across England. One of them is based right here in the river Axe, and Magdalen is knee deep in it.

The relationship between Magdalen and the Landscape Recovery Project:

Working with partners in the conservation sector, we secured a successful Landscape Recovery bid to Defra in 2022. Magdalen was the lead partner. Once funds were secured, we created a not for profit company to run the project, called the Upper Axe CIC. The CIC, and therefore the Landscape Recovery project, are based at Magdalen Farm. There are co-staffing arrangements in place, and we are very proud to host and support this extraordinary initiative. Magdalen Farm is one of 32 holdings that are a part of the project.

What is the Landscape Recovery project for?

The River Axe used to be a very special river.

It is one of very few English Rivers to have a SAC (Special Area of Conservation) and SSSI (Site of Special Scientific Interest).

The name 'axe' comes from a Celtic word, meaning abundant in fish – a name that nowadays seems like a sick joke to anyone familiar with the river whose salmon population is almost gone, and whose trout population is propped up by the tireless work of community volunteers hatching and rearing young fish, and introducing them to the river at the end of the alevin stage.

The river flows a chocolate brown for much of the year, laden with silt, agricultural runoff and at times bloated with algal blooms.

The channel has become deeply incised into the earth, causing the rupture of the peri-glacial moraine riverbed in places, and undermining the soft loamy banks, which form vertical cliffs 2 metres high that collapse in times of spate. Marginal habitats are hard to find.



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As farming is the overwhelming land-use in the catchment, it falls on farmers to address these problems – no-one else can do it. The Landscape Recovery project works with farmers to help them find solutions to environmental problems. It also addresses the habitat loss and geomorphological problems in the channels of the Axe and its tributaries with a series of river restoration interventions. The experimental work carried out here at Magdalen Farm in 2021 is an important piece of learning, informing how the project can best be carried out.

The project is still in its two-year Development Phase.

So far, as well as a series of works being done behind the scenes,

- 32 farmers and landowners have engaged, and chosen to remain engaged in the project.
- We have commissioned Farm Plans on the key holdings in the project area, to help us establish what will work best on each farm, and throughout the valley, to benefit nature.
- We have had 500+ hectares of land adjacent to the watercourses ecologically surveyed
- We have reassessed the scale of the project needed to truly restore the Axe and its tributaries at a scale that makes a fundamental difference to the people who love it, and to the wildlife that depends on it, and we are in conversation with Defra about just how big this thing needs to get before we can truly say we have fixed the Axe.



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Why is the Landscape Recovery Project included in these consolidated accounts?

We are a partner in the project, and the project's guarantor, but as the project is run by the Upper Axe CIC, which is not owned by us or anyone else, why are the CIC's accounts included here?

Think of Magdalen being the parent in this relationship. The Upper Axe CIC will grow and thrive and do amazing things, but it is now in its infancy. Magdalen's role is to provide stability and security to this new company, and to lend expertise and experience as well as physical space.

At present, the governance of the CIC is wholly controlled by Magdalen, and so, (although the CIC is not an owned subsidiary), the SORP requires that the CIC's accounts be included in Magdalen's consolidated accounts.

In the future it may be appropriate to increase the number of Directors on the company's Board in order to ensure the continued investment and involvement of key stakeholders. Should that happen, the company may no longer be wholly or majority controlled by Magdalen, and so the company's income and expenditure will no longer form part of the consolidated Magdalen accounts. When, if, this happens, the apparent turnover in future Magdalen accounts will drop suddenly, just as it has risen so suddenly this year, but that will have no bearing on our core operations.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAGDALEN ENVIRONMENTAL TRUST

Opinion

We have audited the revised financial statements of The Magdalen Environmental Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated statement of financial activities, the Consolidated income and expenditure account, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. These revised financial statements replace the original financial statements approved by the directors on 28 October 2024. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). The revised financial statements have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date the original financial statements were approved.

In our opinion the revised financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the Group's and of the parent charitable company's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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 Auditors' responsibilities for the audit of the revised financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the revised financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other 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 opinion.

Emphasis of matter

We draw attention to note 30 to these revised financial statements which describes the need for revision of the Statement of Financial Activities and associated notes to correctly show expenditure split between costs of raising funds, cost of charitable activities and governance costs. The Balance Sheet has been revised to show designated funds and the revaluation reserve. The original financial statements were approved on 28 October 2024 and our previous audit report was signed on that date. We have not performed a subsequent events review for the period from the date of the previous auditor's report to the date of this report. Our opinion is not modified in this respect.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the revised financial statements is not appropriate; or
- the trustees have not disclosed in the revised financial statements any identified material uncertainties that may cast significant doubt on the Group's or the parent charitable company's ability to adopt the going concern basis of accounting for a period of at least twelve months from the date when the original financial statements are authorised for issue.

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

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAGDALEN ENVIRONMENTAL TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the revised financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the revised 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 revised 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 revised 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the revised financial statements are prepared is consistent with the revised financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

In our opinion, the original financial statements for the year ended 31 December 2023 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in note 30 to the revised financial statements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company revised financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the revised financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

THE MAGDALEN ENVIRONMENTAL TRUST

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAGDALEN ENVIRONMENTAL TRUST (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the revised financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of revised financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the Trustees are responsible for assessing the Group's and the parent charitable 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the revised financial statements

Our objectives are to obtain reasonable assurance about whether the revised 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 (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 revised 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 assessed the risk of material misstatement due to non-compliance with laws and regulations by:

- Obtaining an understanding of the legal and regulatory frameworks that are applicable to the Group and how it complies with those through enquires of management and those charged with governance. Laws and regulations which make have a direct material effect on the revised financial statements include the Companies Act 2006 and the Charity Act 2011. Other laws and regulations which may have a material effect on the revised financial statements include safeguarding, data protection, agricultural and health and safety laws; and
- Communicating within the audit team and maintaining professional scepticism.

Specifically in respect of fraud we discussed with those charged with governance areas in which the Group was susceptible to fraud and whether there were an instances of known, suspected or alleged fraud. We also assessed the ability of internal controls to mitigate the risk of fraud and where internal controls were lacking we performed additional audit procedures.

We assessed the risk of non-compliance with laws and regulations by:

- Making enquiries of management and those charged with governance concerning actual and potential

THE MAGDALEN ENVIRONMENTAL TRUST

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAGDALEN ENVIRONMENTAL TRUST (CONTINUED)

litigation or claims;

- Reading meeting minutes for evidence of discussions which may indicate potential litigation and claims;
- Reviewing the company's records for evidence of legal costs which may indicate non-compliance with laws and regulations; and
- Requesting sight of any correspondence from regulators.

To address the fraud risk of management override of controls, we:

- Tested the validity of journal entries;
- Tested accounting estimates for evidence of potential bias;
- Performed analytical procedures to identify any unusual relationships;
- Sought explanations and evidence for any transactions outside the normal course of business; and
- Assessed the appropriateness of accounting policies, including in respect of revenue recognition, bearing in mind the specific requirements of the Charities SORP in respect of grant income.

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 revised 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 revised 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 revised financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

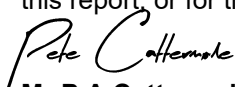
We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 2006 in the respects identified by the trustees. The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the trustees are appropriate and have been properly made.

Other matters

The comparative information in the revised financial statements is derived from the prior year financial statements of the charitable company which were not audited.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mr P A Cattermole FCA (Senior statutory auditor)

for and on behalf of

Xeinadin Audit Limited

Chartered Accountants and Statutory Auditors

Wadebridge House, 16 Wadebridge Square, Poundbury, Dorchester, Dorset, DT1 3AQ

Date: 04 Apr 2025

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	4	2,229	-	-	2,229	72
Charitable activities	5	342,219	476,573	-	818,792	615,025
Other trading activities	6	69,929	384,266	-	454,195	82,399
Investments	7	3,977	-	-	3,977	1,031
Total income and endowments		418,354	860,839	-	1,279,193	698,527
Expenditure on:						
Raising funds	8	134,006	-	-	134,006	130,552
Charitable activities	9	251,278	623,980	-	875,258	594,724
Governance costs	10	31,690	-	-	31,690	9,665
Total expenditure		416,974	623,980	-	1,040,954	734,941
Net movement in funds		1,380	236,859	-	238,239	(36,414)
Reconciliation of funds:						
Total funds brought forward		2,703,237	32,577	-	2,735,814	2,772,228
Total funds carried forward		2,704,617	269,436	-	2,974,053	2,735,814

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 30 to 49 form part of these financial statements.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Total funds 2023 £	<i>Total funds 2022 £</i>
Gross income in the reporting period		1,279,193	698,527
Less: Total expenditure		(1,040,954)	(734,941)
Net income/(expenditure) for the reporting period		<u>238,239</u>	<u>(36,414)</u>

The notes on pages 30 to 49 form part of these financial statements.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	2,676,861	2,693,608
		<u>2,676,861</u>	<u>2,693,608</u>
Current assets			
Stocks	16	18,490	30,133
Debtors	17	233,521	72,703
Cash at bank and in hand	25	780,675	346,176
		<u>1,032,686</u>	<u>449,012</u>
Creditors: amounts falling due within one year	18	(441,584)	(196,883)
Net current assets		<u>591,102</u>	<u>252,129</u>
Total assets less current liabilities		<u>3,267,963</u>	<u>2,945,737</u>
Creditors: amounts falling due after more than one year	19	(293,910)	(209,923)
Net assets excluding pension asset		<u>2,974,053</u>	<u>2,735,814</u>
Total net assets		<u><u>2,974,053</u></u>	<u><u>2,735,814</u></u>
Charity funds			
Designated funds	21	691,619	780,968
Unrestricted funds	21	212,805	122,076
Revaluation reserve	21	1,800,193	1,800,193
Restricted funds	21	269,436	32,577
Total funds		<u><u>2,974,053</u></u>	<u><u>2,735,814</u></u>

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023**

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on:

04 Apr 2025

.....

and signed on their behalf by:



.....

William Davies

Trustee

The notes on pages 30 to 49 form part of these financial statements.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

**CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2023**

	Note	2023 £	As restated 2022 £
Fixed assets			
Tangible assets	14	2,635,722	2,641,084
Investments	15	100	100
		<u>2,635,822</u>	<u>2,641,184</u>
Current assets			
Stocks	16	6,539	7,453
Debtors	17	204,701	115,620
Cash at bank and in hand		359,646	293,948
		<u>570,886</u>	<u>417,021</u>
Creditors: amounts falling due within one year	18	(237,325)	(162,890)
Net current assets		<u>333,561</u>	<u>254,131</u>
Total assets less current liabilities		<u>2,969,383</u>	<u>2,895,315</u>
Creditors: amounts falling due after more than one year	19	(271,487)	(174,356)
Net assets excluding pension asset		<u>2,697,896</u>	<u>2,720,959</u>
Total net assets		<u><u>2,697,896</u></u>	<u><u>2,720,959</u></u>
Charity funds			
Designated funds	21	691,619	780,968
Unrestricted funds	21	189,131	107,221
Revaluation reserve	21	1,800,193	1,800,193
Restricted funds	21	16,953	32,577
Total funds		<u><u>2,697,896</u></u>	<u><u>2,720,959</u></u>

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

The Charity's net movement in funds for the year was £(23,063) (2022 - £51,009).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on:

04 Apr 2025

.....
and signed on their behalf by:



.....
William Davies

Trustee

The notes on pages 30 to 49 form part of these financial statements.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	340,502	14,018
Cash flows from investing activities		
Dividends, interests and rents from investments	3,977	1,031
Purchase of tangible fixed assets	(1,118)	(5,627)
Net cash provided by/(used in) investing activities	2,859	(4,596)
Cash flows from financing activities		
Cash inflows from new borrowing	114,750	-
Repayments of borrowing	(23,612)	(18,140)
Net cash provided by/(used in) financing activities	91,138	(18,140)
Change in cash and cash equivalents in the year	434,499	(8,718)
Cash and cash equivalents at the beginning of the year	346,176	354,894
Cash and cash equivalents at the end of the year	<u>780,675</u>	<u>346,176</u>

The notes on pages 30 to 49 form part of these financial statements.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The Magdalen Environmental Trust is a charitable company incorporated in England and Wales. The registered office is The Magdalen Environmental Trust, Magdalen Farm, Winsham, Somerset, TA20 4PA. The Charity's registration number is 1002373.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Magdalen Environmental Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees have considered the financial position of the Group and have assessed both financial and operational risk. They are of the opinion that the Group has sufficient financial resources to continue to operate as a going concern for the foreseeable future. Accordingly, the Trustees continue to adopt the going concern basis in the preparation of the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (Continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are recognised using the performance model. A grant that does not impose specified future performance-related conditions is recognised in income when the grant proceeds are received or receivable. A grant that imposes future performance-related conditions is recognised only when the performance-related conditions are satisfied. Grants received before the performance-related conditions are satisfied are recognised as a liability.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (Continued)

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Freehold property is initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charity may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Consolidated statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

Other tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- not depreciated
Plant and machinery	- straight line over 5-15 years
Fixtures and fittings	- straight line over 3-10 years or reducing balance at 25%
Office equipment	- straight line over 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (Continued)

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE MAGDALEN ENVIRONMENTAL TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (Continued)

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions arise on the valuation of freehold property. Further information is provided in Note 14.

The Charity makes judgements in its recognition of income, particularly in respect of grants where the wording of grant agreements needs to be interpreted to conclude whether accompanying narrative constitutes performance-related conditions, restrictions, or neither.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Donations	<u>2,229</u>	<u>2,229</u>	<u>72</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
Education and learning	342,219	225,492	567,711	535,373
Environmental and farming	-	251,081	251,081	79,652
	<u>342,219</u>	<u>476,573</u>	<u>818,792</u>	<u>615,025</u>
<i>Total 2022 as restated</i>				
	<u>326,680</u>	<u>288,345</u>	<u>615,025</u>	

Restricted funds comprises income received from grants.

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
Conference and party functions	14,846	-	14,846	10,527
Venue hire	26,512	-	26,512	34,092
Tuck shop income	2,701	-	2,701	3,517
Other income	15,244	-	15,244	13,016
Farm produce and subsidies	10,626	-	10,626	21,247
Upper Axe CIC – grant income	-	384,266	384,266	-
	<u>69,929</u>	<u>384,266</u>	<u>454,195</u>	<u>82,399</u>
<i>Total 2022 as restated</i>				
	<u>82,399</u>	<u>-</u>	<u>82,399</u>	

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Upper Axe CIC includes income from this limited by guarantee subsidiary. It is a subsidiary because the charity and its chief executive are its 2 guarantors and therefore its income is considered to be non charitable.

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income - local cash	<u>3,977</u>	<u>3,977</u>	<u>1,031</u>

8. Expenditure on generating funds

Costs of raising voluntary income

	Total funds 2023 £	As restated Total funds 2022 £
Salaries	28,168	25,514
Other costs	697	2,161
Cost of running farm	27,119	23,824
Support costs	78,022	79,053
	<u>134,006</u>	<u>130,552</u>

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9. Expenditure on charitable activities

Education and learning, environmental and farming

	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
Salaries	214,361	197,463
Course costs, training and educational material	11,932	17,321
Travel costs	1,144	1,961
Maintenance costs	514	-
Other costs	1,116	783
Direct charitable expenditure	217,164	41,913
Support costs	429,027	335,283
	<u>875,258</u>	<u>594,724</u>

	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
Governance		
Salaries	6,839	6,464
Audit, accountancy and bookkeeping	24,467	2,760
Travel costs	109	-
Support costs	275	441
	<u>31,690</u>	<u>9,665</u>

Included in notes 8 - 9 is a total of £623,980 relating to restricted funds.

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10. Allocation of support costs

	Apportionment method	Generating funds	Education	Governance	Total funds 2023	As restated Total funds 2022
		£	£	£	£	£
Salaries	Time spent	8,320	244,522	-	252,842	196,052
Staff costs	Staffing	4,311	3,859	48	8,218	13,418
Maintenance	Usage	17,815	43,324	-	61,139	39,630
Computer consumables and maintenance	Staffing	559	9,582	105	10,246	7,401
Food	Usage	1,963	38,593	-	40,556	30,890
Cleaning	Usage	528	10,387	-	10,915	11,647
Energy	Usage	30,280	17,364	-	47,644	42,808
Water	Usage	518	10,186	-	10,704	6,595
Council tax and rates	Usage	21	419	-	440	1,375
Insurance	Usage	512	10,836	-	11,348	7,897
Waste disposal	Usage	94	1,843	-	1,937	1,980
Travel costs	Staffing	932	5,556	40	6,528	1,591
Printing, postage and stationery	Staffing	105	1,259	18	1,382	1,781
Telephone	Staffing	310	3,650	58	4,018	4,196
Bank charges and interest	Usage	3,591	13,799	-	17,390	11,038
Depreciation and profit on disposals	Usage	7,126	12,736	-	19,862	29,148
Other costs	Staffing	1,037	1,112	6	2,155	7,330
		78,022	429,027	275	507,324	414,777

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11. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £20,000 (2022 - £NIL), and accountancy fees of £2,000 (2022 - £NIL). In 2022 £1,200 was paid for an independent examination.

12. Staff costs

	Group 2023	<i>Group 2022</i>	Charity 2023	<i>Charity 2022</i>
Wages and salaries	455,574	390,318	352,920	312,021
Social Security costs	36,653	27,589	30,569	23,009
Employers' contribution to pensions	9,983	7,586	7,363	6,327
Other benefits	3,140	1,570	-	-
	<u>505,350</u>	<u>427,063</u>	<u>390,852</u>	<u>341,357</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2023	<i>Group 2022</i>	Charity 2023	<i>Charity 2022</i>
Employees	<u>20</u>	<u>19</u>	<u>19</u>	<u>19</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel received aggregate remuneration (salary and employer pension contributions) of £132,209.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, no Trustee expenses have been incurred (2022 - £NIL).

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14. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2023	2,625,000	103,553	143,505	24,194	2,896,252
Additions	-	-	1,118	-	1,118
At 31 December 2023	<u>2,625,000</u>	<u>103,553</u>	<u>144,623</u>	<u>24,194</u>	<u>2,897,370</u>
Depreciation					
At 1 January 2023	-	63,503	118,693	20,448	202,644
Charge for the year	-	6,686	8,814	2,365	17,865
At 31 December 2023	<u>-</u>	<u>70,189</u>	<u>127,507</u>	<u>22,813</u>	<u>220,509</u>
Net book value					
At 31 December 2023	<u>2,625,000</u>	<u>33,364</u>	<u>17,116</u>	<u>1,381</u>	<u>2,676,861</u>
At 31 December 2022	<u>2,625,000</u>	<u>40,050</u>	<u>24,812</u>	<u>3,746</u>	<u>2,693,608</u>

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14. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2023 (as restated)	2,625,000	28,173	56,084	24,194	2,733,451
Additions	-	-	1,118	-	1,118
At 31 December 2023	<u>2,625,000</u>	<u>28,173</u>	<u>57,202</u>	<u>24,194</u>	<u>2,734,569</u>

Depreciation

At 1 January 2023 (as restated)	-	28,173	43,746	20,448	92,367
Charge for the year	-	-	4,115	2,365	6,480
At 31 December 2023	<u>-</u>	<u>28,173</u>	<u>47,861</u>	<u>22,813</u>	<u>98,847</u>

Net book value

At 31 December 2023	<u>2,625,000</u>	<u>-</u>	<u>9,341</u>	<u>1,381</u>	<u>2,635,722</u>
At 31 December 2022 (as restated)	<u>2,625,000</u>	<u>-</u>	<u>12,338</u>	<u>3,746</u>	<u>2,641,084</u>

Freehold property was valued by Mr K Luxton RICS on 30 April 2024 using a fair value basis, which is defined in the Charities Statement of Recommended Practice as being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms' length transaction. Given that there has been no revaluation in the accounts since 2010, the Trustees are of the opinion that a prior year adjustment is required and the valuation is materially correct at both 31 December 2022 and 31 December 2023.

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14. Tangible fixed assets (continued)

The Group has adopted a policy of revaluation for freehold property. Had these assets been measured at historic cost, the carrying values would have been as follows:

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Freehold property	<u>781,659</u>	<u>781,659</u>	<u>781,659</u>	<u>781,659</u>

Freehold property with a value of £2,625,000 is security against group borrowings totalling £175,204.

15. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2023	100
At 31 December 2023	<u>100</u>
Net book value	
At 31 December 2023	100
At 31 December 2022	<u>100</u>

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15. Fixed asset investments (continued)**Principal subsidiaries**

The following were subsidiary undertakings of the Charity:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding
Magdalen Farm Limited	07148851	Magdalen Farm, Winsham, Chard, Somerset, TA20 4PA	Farming	Ordinary	100%
Upper Axe C.I.C	14223756	Magdalen Farm, Winsham, Chard, Somerset, TA20 4PA	The enactment of the Axe Landscape Recovery Project	N/A	100%

The financial results of the subsidiaries for the year were:

Names	Income	Expenditure	Profit/(Loss)/ Surplus/(Deficit) for the year	Net assets
Magdalen Farm Limited	191,750	197,000	(5,250)	9,706
Upper Axe C.I.C	279,132	293,493	(14,361)	(14,361)

The trading subsidiaries account for grants on the accruals basis in their entity accounts. On consolidation they are accounted for under the performance model to align with Group accounting policies.

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16. Stocks

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Consumables	10,075	15,083	6,539	7,453
Livestock	8,415	15,050	-	-
	<u>18,490</u>	<u>30,133</u>	<u>6,539</u>	<u>7,453</u>

17. Debtors

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Due within one year				
Trade debtors	5,864	8,433	5,864	7,695
Amounts owed by group undertakings	-	-	182,879	94,014
Other debtors	45,209	6,276	1,497	2,249
Prepayments and accrued income	182,448	57,994	14,461	11,662
	<u>233,521</u>	<u>72,703</u>	<u>204,701</u>	<u>115,620</u>

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18. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Bank loans	28,442	21,291	18,467	14,074
Trade creditors	217,707	24,302	33,431	5,331
Corporation tax	6,480	6,480	-	-
Other taxation and social security	14,204	8,155	14,020	8,155
Other creditors	1,042	3,678	830	2,605
Accruals and deferred income	<u>173,709</u>	<u>132,977</u>	<u>170,577</u>	<u>132,725</u>
	<u>441,584</u>	<u>196,883</u>	<u>237,325</u>	<u>162,890</u>

At 31 December 2023 the charity had deferred income of £145,837, made up of £94,280 of residential visits paid in advance and £51,556 of grant income with specific performance or time related conditions that had not been achieved at the year-end.

Bank loans includes £14,009 which is secured against freehold property owned by the charitable company.

Corporation tax includes an estimate of historic amounts due from Magdalen Farm Trust Limited, which is included in the prior year adjustment.

19. Creditors: Amounts falling due after more than one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Bank loans	<u>293,910</u>	<u>209,923</u>	<u>271,487</u>	<u>174,356</u>

Bank loans includes £161,195 which is secured against freehold property owned by the charitable company.

20. Prior year adjustments

The prior period has been restated to adjust for errors. Income has reduced by £42,617 and expenses have increased by £2,333 so the total effect on the income and expenditure account is £44,950. On the balance sheet, Opening reserves have increased by £1,230,817, of which £1,131,851 relates to the property revaluation (which had not been done since 2010) and the remainder relates to opening balance adjustments as at 1 January 2022.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Unrestricted funds					
Designated funds					
Designated Fund - Net Assets	630,968	-	-	(89,349)	541,619
Designated Fund - Capital	150,000	-	-	-	150,000
	<u>780,968</u>	<u>-</u>	<u>-</u>	<u>(89,349)</u>	<u>691,619</u>
General funds					
General Funds	15,466	397,770	(358,612)	(48,473)	6,151
Reserves of trading subsidiary	106,610	20,584	(58,362)	137,822	206,654
Revaluation reserve	1,800,193	-	-	-	1,800,193
	<u>1,922,269</u>	<u>418,354</u>	<u>(416,974)</u>	<u>89,349</u>	<u>2,012,998</u>
Total Unrestricted funds	<u>2,703,237</u>	<u>418,354</u>	<u>(416,974)</u>	<u>-</u>	<u>2,704,617</u>
Restricted funds					
Restricted Funds - all funds	<u>32,577</u>	<u>860,839</u>	<u>(623,980)</u>	<u>-</u>	<u>269,436</u>
Total of funds	<u>2,735,814</u>	<u>1,279,193</u>	<u>(1,040,954)</u>	<u>-</u>	<u>2,974,053</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The net assets designated fund has been created to provide a reserve equal to the net fixed asset value less the revaluation reserve and the borrowings greater than one year. This is to give a true reflection in the accounts of the unrestricted funds available to the charitable company.

The capital designated fund has been created to provide a reserve for future purchases of land and capital improvements.

22. Summary of funds

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
Designated funds	780,968	-	-	(89,349)	691,619
General funds	1,922,269	418,354	(416,974)	89,349	2,012,998
Restricted funds	32,577	860,839	(623,980)	-	269,436
	<u>2,735,814</u>	<u>1,279,193</u>	<u>(1,040,954)</u>	<u>-</u>	<u>2,974,053</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	2,676,861	-	2,676,861
Current assets	763,250	269,436	1,032,686
Creditors due within one year	(441,584)	-	(441,584)
Creditors due in more than one year	(293,910)	-	(293,910)
Total	<u>2,704,617</u>	<u>269,436</u>	<u>2,974,053</u>

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24. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	238,239	(36,414)
Adjustments for:		
Depreciation charges	17,865	29,631
Dividends, interests and rents from investments	(3,977)	(1,031)
Decrease/(increase) in stocks	11,643	(5,818)
Increase in debtors	(160,818)	(48,418)
Increase in creditors	237,550	76,068
Net cash provided by operating activities	<u>340,502</u>	<u>14,018</u>

25. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash at bank and in hand	780,675	346,176
Total cash and cash equivalents	<u>780,675</u>	<u>346,176</u>

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26. Analysis of changes in net debt

	At 1 January 2023	Cash flows £	At 31 December 2023 £
	£		
Cash at bank and in hand	346,176	434,499	780,675
Debt due within 1 year	(21,291)	(7,151)	(28,442)
Debt due after 1 year	(209,923)	(83,987)	(293,910)
	<u>114,962</u>	<u>343,361</u>	<u>458,323</u>

27. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

28. Related party transactions

The Charity has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the group.

There are no other related party transactions that required disclosure.

29. Controlling party

The charitable company is controlled by the trustees, who are directors of the company.

30. Statements in respect of the revised accounts

- The revised accounts replace the original annual accounts for the year ended 31 December 2023;
- The revised accounts are now the statutory accounts of the Group for that financial year;
- The revised accounts have been prepared as at the date of the original accounts and not as at the date of revision and accordingly do not deal with events between those dates;
- The accounts did not comply with the requirements of the Charities SORP (FRS 102) in terms of the allocation of expenditure; and
- As a consequence of remedying these defects, expenditure on raising funds has reduced to £134k, on charitable activities has increased to £875k and governance costs have reduced to £31k. Designated funds and revaluation reserve have been stated on the Balance Sheet.