

Charity Registration No. 1058565

Company Registration No. 3254207 (England and Wales)

HAWK AND OWL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

HAWK AND OWL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P J Holms D C Missen M S Reader Professor S M Redpath H C W Robinson H Shaw M L Kimber
Chief Operations Director	A Blumfield
Charity number	1058565
Company number	3254207
Principal address	Turf Moor Road Fakenham Norfolk NR21 9GN
Registered office	Turf Moor Road Fakenham Norfolk NR21 9GN
Independent examiner	Mapus- Smith & Lemmon LLP 48 King Street King's Lynn Norfolk England PE30 1HE
Bankers	Child & Co bankers 1 Fleet Street London EC4Y 1BD
Solicitors	Butcher Andrews 15 Market Place Holt Norfolk NR25 6BE

HAWK AND OWL TRUST

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HAWK AND OWL TRUST

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

Little did I think when I wrote about the perils of lockdown last year that we would still be in it a year later. In what has been an outstandingly difficult year for almost all charities, as well as almost all people, it is good to report that the Hawk & Owl Trust has been able to weather the storm. I pay full tribute to all the staff, volunteers and members whose patience, dedication and determination have continued through circumstances none of us could have envisaged.

I am very pleased to be able to report that following a significant restructuring of the Trust, we have applied for planning permission for a new visitor centre at Shapwick Moor in Somerset and will be taking on a new member of staff for the SW, assuming that this is successful. This extra member of staff will enable Chris & Emma Sperring to spend more time rejuvenating the Trust's Adopt-A-Box scheme, which is a scheme with enormous potential.

At Sculthorpe, the lockdowns have meant that visitor numbers have been greatly down, and the Centre and whole Trust has been run on a skeleton staff. The challenging weather has made already difficult conditions close to impossible, with floods being a regular occurrence. But I am happy to report that progress has been made on the Livestock Barn, which is now finished and houses the stock we need to manage the habitat on the reserve. The Dragonfly Hide has been completed, and next year should hopefully see the completion of the new Wetland hide overlooking to new 10 acre wetland area, which will be enormously valuable to many different sorts of wildlife. There are plans for another 1000m of access throughout the reserve so our members and visitors can enjoy the progress that we have been making.

It has been a great pleasure to welcome Dr David Harper as a Consultant to the Trust this year, and we are very grateful for his sharing of his great knowledge and expertise. Also, we have gained two new, co-opted members of the Board, and Eleanora Arcese and Dr Andrew McCulloch have both brought new and refreshing views to a year dominated by Zoom meetings. My sincere thanks to all three of them, as well as all other members of the Board and Adrian Blumfield, our Chief Operating Officer, for helping to guide the Trust through a very difficult year.



H C W Robinson

Chairman

Dated: 7 Oct 21

HAWK AND OWL TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Hawk and Owl Trust's mission is to conserve wild birds of prey and their habitats and to encourage people to enjoy and understand these special birds.

The charity's objects are to conserve wild birds of prey (Raptors) and their habitats through conservation, research, and any other means and to undertake any activity which will enhance public education regarding Raptors.

It carries this out by:

- Creative conservation;
- Practical research; and
- Imaginative education

The trustees have, in accordance with section 17(5) of the Charities Act 2011, had regards to the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

HAWK AND OWL TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

Creative Conservation

Creative Conservation continues to form the heart of the work of the Trust, focusing on creating, improving and maintaining suitable nesting, roosting and feeding habitats for Raptors. As well as managing our reserves, our Conservation Officers and other members of staff work in close collaboration with other land managers and organisations to fulfil our Creative Conservation brief.

The period ending 31 March 2021 has seen very much reduced activity as the Trust has followed the Government guidelines and has operated on a very reduced basis during this period.

The Trust has, where possible, maintained and monitored its nest boxes.

At our Sculthorpe Moor Nature Reserve in North Norfolk work has continued with the delivery of the Lottery Heritage Funded Project. A new livestock building, staff offices and public viewing hide have been built. In addition, the groundworks for a new 4 ha. wetland have been created, which will open to the public in 2022.

The Trustees have agreed to explore the development of a visitor centre for Shapwick Moor, and a planning application has been submitted. When the restrictions allowed, work continued to meet the requirements of the Countryside Stewardship agreement.

The main work in the Southwest Project area and land advisory visits have been limited. These continue to be an important tool in our conservation armoury, with a steady stream of new farmers coming on-board and wanting to do what they can to help owls and birds of prey on their land. Support to these landowners has continued by other technological means. Our educational outreach to local organisations, schools and groups continues via Zoom calls.

The Peregrine project continues at Bath with a new collaboration with Ely Cathedral also coming online. The funding for the Norwich Peregrine Project ended and has been restructured, and no new funding was available.

Practical Research

Practical Citizen Science Research and species monitoring continues within the Trust on its reserves. The Trust continues to evaluate projects for the future.

Education

The Hawk and Owl Trust have continued to engage with teachers and children using Zoom. It is vital that we encourage children to understand the important role that Raptors play in our ecosystems if we are going to stand any chance of the successful Conservation of them and their habitats going forward.

Educational programs this last year have been reduced.

Membership and Adopt A Box

Membership and Adopt A Box retention have been steady and constant: The Trust is maintaining levels comparative with other years for which we are very grateful.

HAWK AND OWL TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Our Volunteers

For most of the year volunteers have been stood down. This has given us the opportunity to review and restructure in this area to meet our contractual and legal requirements. A new volunteer database was implemented, and all-volunteer records updated. Without our army of volunteers and the time and effort that they contribute, the Trust would not achieve a fraction of the results that we have done. Every volunteer hour is important to us, and we continue to recruit at every opportunity. Thank you to all who have supported us through this very difficult year.

Legacies and Gifts in Memory.

Gifts in wills and donations in memory make a considerable difference to what the Trust can achieve, as well as generous, lasting tributes. We have over the past 12 months received several Legacy bequests and memorial donations which have added to the Sculthorpe Fen Project Appeal.

Financial review

During the year to 31 March 2021, the Trustees have continued to manage the finances to support the activities of the Trust and to maintain reserves of around £317,000 in cash and deposits at the bank. Overall income for the year decreased by 38% compared to that for 2020. Total expenses increased from £541,041 to 600,806, the bulk of the increase relates to premises costs and general overheads.

At the year end, the charity had total funds of £2,388,314 (2020: £2,219,245). Unrestricted reserves were £357,728 (2020: £355,670) and restricted reserves were £2,030,586 (2020: £1,863,575).

Reserves policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to at least six months unrestricted expenditure which is currently approximately £200,000 per annum. This provides sufficient funds to cover management and administration and support costs and respond to any emergency funding requirements which may arise from time to time.

At the year end the charity had free reserves of £357,728 (2020: £355,670). These are greater than the funds referred to above, but are considered prudent having regard to the possible need to apply funds to complete the Fen Project and also the longer-term obligation to meet the repayment of the bank loan.

Restricted funds at year end amounted to £2,030,586 (2020: £1,863,575), of which £404,828 related to the Shapwick Reserve, £269,634 Sculthorpe and £1,255,145 relating to the Fen Land Appeal Project.

Investment policy

The Board adopts what it considers to be a conservative investment policy, taking professional advice before implementing any changes to its investment portfolio. In the light of the current uncertainties in financial markets and the potential need to contribute towards the acquisition of land at Sculthorpe, the bulk of trust funds are now held in bank deposits. When opportunities arise to diversify into a broader and balanced spectrum of low risk investments, the trustees are likely to take the opportunity to do so.

Risk Management

The trustees have reviewed the significant risks that the charity faces. They intend to review these risks at least annually. The trustees are implementing improvement to the systems of internal control to mitigate operational and business risks, this being now under the management of the Chief Operations Director.

Procedures and policies have been put in place to mitigate these risks and are regularly reviewed.

HAWK AND OWL TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

The Trust plans to continue to deliver the Sculthorpe Fen Land Appeal and try to find a solution to the current flooding issues.

In the South West, the Trust is planning to fundraise and build a visitor centre at Shapwick, subject to planning.

Structure, governance and management

The company is limited by guarantee (registration number 3254207) incorporated on 24 September 1996 and registered as a charity (registration number 1058565) on 24 November 1997. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

H C W Robinson (New Chairman)

P J Holms

D C Missen

M S Reader

Professor S M Redpath

H C W Robinson

H Shaw

M L Kimber

A Blumfield also served during the year as Chief Operations Director.

Recruitment, Appointment, Induction, and Training of Trustees

All members of the charity are eligible to seek election to the board of trustees. One-quarter of the trustees stand down each year on rotation and are eligible to stand for re-election. New trustees receive an induction pack designed to provide them with an understanding of their roles and responsibilities. They are also encouraged to visit the charity's key operational offices. An annual trustees' skills audit is carried out to help identify future requirements to ensure the board has the necessary skills. The expertise the board is looking for is promoted in the membership magazine, Peregrine.

Organisation

The Trustees are responsible for the overall governance and strategic direction of the Trust. The board of the Trust consists of a maximum of twelve elected Trustees plus the Chief Operation Director. The board meets four times per year. In between board meetings, two subcommittees meet. The Strategy and Governance Review Group, and the Finance and General Purposes Committee. The day to day operations of the Trust is managed by the Chief Operations Director.

Key Management Personnel

Key management personnel is considered to be the trustees (who are not remunerated), the Chief Operations Director, Adrian Blumfield and Nigel Middleton.

The pay and remuneration of the charity's key management personnel is fixed annually by the trustees having regard to performance and salary rates within the sector. There are no other formal parameters or criteria.

HAWK AND OWL TRUST


TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Related parties

There are no related parties which either control or significantly influence the decisions and operations of the Hawk and Owl Trust.

The Trustees report, including the strategic report, was approved by the Board of Trustees.



H C W Robinson

Trustee

Dated: 06/07/21

HAWK AND OWL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HAWK AND OWL TRUST

I report to the Trustees on my examination of the financial statements of Hawk and Owl Trust (the trust) for the year ended 31 March 2021.

Responsibilities and basis of report

As the Trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.


SHARON EDWARDS
Mapus- Smith & Lemmon LLP

48 King Street
King's Lynn
Norfolk
PE30 1HE
England

Dated: 12/11/2021

HAWK AND OWL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>								
Donations and legacies	3	32,116	168,292	121,054	321,462	137,545	192,705	330,250
Charitable activities	4	113,840	-	219,700	333,540	119,704	693,527	813,231
Other trading activities	5	10,643	-	33,665	44,308	29,518	33,776	63,294
Investments	6	108	-	-	108	624	-	624
Other income	7	21,447	-	49,008	70,455	37,467	-	37,467
Total income		178,154	168,292	423,427	769,873	324,858	920,008	1,244,866
<u>Expenditure on:</u>								
Raising funds	8	35,106	-	5,450	40,556	52,542	17,427	69,969
Charitable activities	9	137,371	-	422,879	560,250	134,831	336,241	471,072
Total resources expended		172,477	-	428,329	600,806	187,373	353,668	541,041
Net incoming/(outgoing) resources before transfers		5,677	168,292	(4,902)	169,067	137,485	566,340	703,825

HAWK AND OWL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Net incoming/(outgoing) resources before transfers	5,677	168,292	(4,902)	169,067	137,485	566,340	703,825
Gross transfers between funds	(3,620)	(168,292)	171,912	-	(3,176)	3,176	-
Net income for the year/ Net movement in funds	2,057	-	167,010	169,067	134,309	569,516	703,825
Fund balances at 1 April 2020							
As originally reported	280,737	-	1,863,576	2,181,780	336,001	1,294,059	1,572,740
Prior year adjustment	37,467	-	-	37,467	(57,320)	-	(57,320)
As restated	318,204	-	1,863,576	2,219,247	278,681	1,294,059	1,515,420
Fund balances at 31 March 2021	357,728	-	2,030,586	2,388,314	355,670	1,863,575	2,219,245

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HAWK AND OWL TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020 as restated	
		£	£	£	£
Fixed assets					
Tangible assets	14		751,628		568,322
Heritage assets	15		1,552,001		1,580,186
			<u>2,303,629</u>		<u>2,148,508</u>
Current assets					
Stocks	16	11,287		8,429	
Debtors	17	85,465		220,969	
Cash at bank and in hand		316,890		264,230	
		<u>413,642</u>		<u>493,628</u>	
Creditors: amounts falling due within one year	19	(105,265)		(196,610)	
Net current assets			<u>308,377</u>		<u>297,018</u>
Total assets less current liabilities			<u>2,612,006</u>		<u>2,445,526</u>
Creditors: amounts falling due after more than one year	20		(223,692)		(226,281)
Net assets			<u><u>2,388,314</u></u>		<u><u>2,219,245</u></u>
Income funds					
Restricted funds	23		2,030,586		1,863,575
Unrestricted funds - general			357,728		355,670
			<u><u>2,388,314</u></u>		<u><u>2,219,245</u></u>

The financial statements were approved by the Trustees on 05/04/21

Henry Robinson

H C W Robinson
Trustee

Company Registration No. 3254207

HAWK AND OWL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	29		301,602		877,259
Investing activities					
Purchase of tangible fixed assets		(246,393)		(28,291)	
Purchase of heritage assets		(660)		(1,177,062)	
Interest received		108		624	
Net cash used in investing activities			(246,945)		(1,204,729)
Financing activities					
Proceeds of new bank loans		-		250,000	
Repayment of bank loans		(1,997)		(11,662)	
Net cash (used in)/generated from financing activities			(1,997)		238,338
Net increase/(decrease) in cash and cash equivalents			52,660		(89,132)
Cash and cash equivalents at beginning of year			264,230		353,362
Cash and cash equivalents at end of year			316,890		264,230

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Hawk and Owl Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Turf Moor Road, Fakenham, Norfolk, NR21 9GN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future notwithstanding the limited impact of COVID 19 to date, and having regard of any consequent restrictions on activities and income of the charity for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations and legacies

Donations are recognised when the Charity has been notified in writing of both the amount and the settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and the settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Donated services and facilities

Volunteers carry out a wide range of tasks for the charity including conservation work such as habitat creations, manning stands at events and shows and assisting in the visitor centre. During the year volunteers contributed some 800 hours of work to the charity. Given the absence of a reliable measurement basis, the contributions of volunteers are not included as income in the accounts in accordance with the Charities SORP.

Grants receivable

Income from government and other grants, whether 'capital' or 'revenue' grants, is accounted for using the performance model. It is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred

Investment income

Interest is recognised once the interest has been declared and notification has been received of the interest due.

1.5 Resources expended

All expenditure is recognised once there is a legal or constructive obligation to that expenditure. It is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic movement and Trustee's meetings and reimbursed expenses.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Individual fixed assets costing £250 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Equipment	25% straight line
Motor vehicles	25% straight line
Reserve infrastructure	10% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Heritage assets

Heritage assets are assets of historic or scientific importance that are held to advance the preservation, conservation and educational objectives of the charity and through public access contribute to the nation's culture and education at either a national or local level. Freehold nature reserves are included in heritage assets as the cost of acquisition. No depreciation is charged on heritage asset land as the reserves are considered to have an indefinite life. Where buildings are erected on heritage asset land, they are depreciated in accordance with normal accounting policies. The charity aims to acquire land, where available at reasonable cost, in order to preserve and enhance its nature reserves, which are not held for their resale potential. All reserves are accessible to the public, unless temporarily closed to prevent disturbance to wildlife or for safety reasons.

1.8 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.11 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The Charity is exempt from taxation in respect of income and capital gains tax received within categories by Chapter 3 Part 12 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.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	32,086	-	121,054	153,140	42,126	190,848	232,974
Legacies receivable	-	168,292	-	168,292	95,419	1,857	97,276
Donated capital and stock items	30	-	-	30	-	-	-
	<u>32,116</u>	<u>168,292</u>	<u>121,054</u>	<u>321,462</u>	<u>137,545</u>	<u>192,705</u>	<u>330,250</u>
Donations and gifts							
Donations from individuals	5,554	-	114,781	120,335	9,868	174,492	184,360
Donations from community groups	3,670	-	377	4,047	7,371	213	7,584
Gift aid reclaimed	22,862	-	5,896	28,758	24,887	16,143	41,030
	<u>32,086</u>	<u>-</u>	<u>121,054</u>	<u>153,140</u>	<u>42,126</u>	<u>190,848</u>	<u>232,974</u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	2021 £	2020 £
Subscriptions	140,406	137,727
Sponsorship	15,147	8,670
Grants receivable	177,987	666,834
	<u>333,540</u>	<u>813,231</u>

Analysis by fund

Unrestricted funds - general	113,840
Restricted funds	219,700
	<u>333,540</u>

For the year ended 31 March 2020

Unrestricted funds - general	119,704
Restricted funds	693,527
	<u>813,231</u>

5 Other trading activities

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Publications and products	564	11,065	11,629	6,914	20,228	27,142
Teaching	-	(269)	(269)	20	1,285	1,305
Conservation management	10,079	22,869	32,948	22,584	12,263	34,847
Other trading activities	<u>10,643</u>	<u>33,665</u>	<u>44,308</u>	<u>29,518</u>	<u>33,776</u>	<u>63,294</u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	108	624

7 Other income

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £
Other income	21,447	46,801	68,248	37,467
Sale of livestock	-	2,207	2,207	-
	<u>21,447</u>	<u>49,008</u>	<u>70,455</u>	<u>37,467</u>

8 Raising funds

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Fundraising and publicity</u>						
Other direct costs of generating voluntary income	3,767	201	3,968	5,486	2,922	8,408
Staff costs	14,444	-	14,444	14,031	-	14,031
Support costs	16,895	-	16,895	23,087	-	23,087
Fundraising and publicity	<u>35,106</u>	<u>201</u>	<u>35,307</u>	<u>42,604</u>	<u>2,922</u>	<u>45,526</u>
<u>Trading costs</u>						
Cost of goods sold	-	5,249	5,249	9,938	14,505	24,443
	<u>35,106</u>	<u>5,450</u>	<u>40,556</u>	<u>52,542</u>	<u>17,427</u>	<u>69,969</u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Charitable activities

	Education 2021 £	Conservation & research 2021 £	Support costs 2021 £	Total 2021 £	Education 2020 £	Conservation & research 2020 £	Support costs 2020 £	Total 2020 £
Staff costs	47,601	127,734	-	175,335	49,395	82,380	-	131,775
Education - other costs	4,055	-	-	4,055	4,128	-	-	4,128
Conservation and research - other costs	-	39,223	-	39,223	-	22,839	-	22,839
	<u>51,656</u>	<u>166,957</u>	<u>-</u>	<u>218,613</u>	<u>53,523</u>	<u>105,219</u>	<u>-</u>	<u>158,742</u>
Share of support costs (see note 10)	-	-	335,186	335,186	-	-	294,019	294,019
Share of governance costs (see note 10)	-	-	6,451	6,451	-	-	18,311	18,311
	<u>51,656</u>	<u>166,957</u>	<u>341,637</u>	<u>560,250</u>	<u>53,523</u>	<u>105,219</u>	<u>312,330</u>	<u>471,072</u>
Analysis by fund								
Unrestricted funds - general	19,413	3,553	114,405	137,371	25,625	2,489	106,717	134,831
Restricted funds	32,243	163,404	227,232	422,879	27,898	102,730	205,613	336,241
	<u>51,656</u>	<u>166,957</u>	<u>341,637</u>	<u>560,250</u>	<u>53,523</u>	<u>105,219</u>	<u>312,330</u>	<u>471,072</u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	117,838	-	117,838	83,396	-	83,396
Depreciation	91,931	-	91,931	61,521	-	61,521
Operating lease charges	9,314	-	9,314	11,007	-	11,007
Premises costs and general overheads	116,103	-	116,103	138,096	-	138,096
Printing and stationery for fundraising and membership departments	16,895	-	16,895	23,086	-	23,086
Audit fees	-	-	-	-	6,000	6,000
Accountancy	-	4,640	4,640	-	2,550	2,550
Legal and professional	-	230	230	-	2,327	2,327
Cost of trustees' meetings	-	1,581	1,581	-	7,434	7,434
	<u>352,081</u>	<u>6,451</u>	<u>358,532</u>	<u>317,106</u>	<u>18,311</u>	<u>335,417</u>
Analysed between						
Fundraising	16,895	-	16,895	23,087	-	23,087
Charitable activities	335,186	6,451	341,637	294,019	18,311	312,330
	<u>352,081</u>	<u>6,451</u>	<u>358,532</u>	<u>317,106</u>	<u>18,311</u>	<u>335,417</u>

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the auditor	2021 £	2020 £
Audit of the annual accounts	-	6,000
Non-audit services		
Taxation compliance services	1,735	1,650
All other non-audit services	2,905	900
Total non-audit fees	<u>4,640</u>	<u>2,550</u>

12 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

Expenses amounting to £1,158 (2020: £3,236) were paid to 3 (2020: 8) Trustees in respect of travel costs and accommodation.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Conservation and research	6	6
Education	3	4
Administration	8	8
Membership services	1	1
Total	18	19

Employment costs	2021 £	2020 £
Wages and salaries	276,857	205,759
Social security costs	19,008	17,393
Other pension costs	11,752	6,050
	307,617	229,202

The total employee benefits of the key management personnel for the Charity were £83,377 (2020 - £78,237).

There were no employees whose annual remuneration was £60,000 or more.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Tangible fixed assets

	Freehold property £	Plant and equipment £	Fixtures and fittings £	Equipment £	Motor vehicles £	Reserve infrastructure £	Total £
Cost							
At 1 April 2020	922,683	10,109	82,643	62,916	68,618	89,975	1,236,944
Additions	224,387	2,517	6,230	6,646	5,950	663	246,393
At 31 March 2021	1,147,070	12,626	88,873	69,562	74,568	90,638	1,483,337
Depreciation and impairment							
At 1 April 2020	405,611	2,527	76,604	54,146	50,949	78,785	668,622
Depreciation charged in the year	38,550	2,793	2,835	7,098	7,012	4,799	63,087
At 31 March 2021	444,161	5,320	79,439	61,244	57,961	83,584	731,709
Carrying amount							
At 31 March 2021	702,909	7,306	9,434	8,318	16,607	7,054	751,628
At 31 March 2020	517,072	7,582	6,038	8,771	17,669	11,190	568,322

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Heritage assets

	Land and property £
At 1 April 2020	1,580,186
Purchases	660
Depreciation	(28,845)
At 31 March 2021	1,552,001

The heritage assets are freehold land and property held at Shapwick (Somerset), Fakenham and Sculthorpe (Norfolk) extending to some 141 hectares in total, which are used as nature reserves.

16 Stocks

	2021 £	2020 £
Finished goods and goods for resale	11,287	8,429

The cost of stock recognised as an expense in the year amounted to £5,349 (2020 - £16,974).

17 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	22,306	14,700
Other debtors	12,639	27,210
Prepayments and accrued income	50,520	141,592
	<u>85,465</u>	<u>183,502</u>
Amounts falling due after more than one year:		
Other debtors	-	37,467
	<u>-</u>	<u>37,467</u>
Total debtors	<u>85,465</u>	<u>220,969</u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18 Loans and overdrafts

	2021 £	2020 £
Bank loans	236,341	238,338
Payable within one year	12,649	12,057
Payable after one year	223,692	226,281
Amounts included above which fall due after five years:		
Payable by instalments	159,192	171,841

The long-term loans are secured over the land at Sculthorpe and Shapwick.

Interest is charged on the bank loan at 3.67% above the bank's base rate. The bank loan has a maturity date of 6 September 2034.

19 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	18	12,649	12,057
Other taxation and social security		-	3,188
Deferred income	21	72,498	71,998
Trade creditors		15,176	101,317
Accruals and deferred income		4,942	8,050
		105,265	196,610

20 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	18	223,692	226,281

21 Deferred income

	2021 £	2020 £
Other deferred income	72,498	71,998

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

21 Deferred income

(Continued)

Deferred income is included in the financial statements as follows:

Membership subscriptions £72,498 (2020 - £71,998).

22 Retirement benefit schemes

Defined contribution schemes

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £11,752 (2020 - £6,050).

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£	£	£	£	£
Somerset	449,108	8,841	(44,743)	-	413,206	26,862	(35,240)	-	404,828
Sculthorpe	258,260	182,489	(158,073)	-	282,676	179,950	(192,992)	-	269,634
Norwich Cathedral	28,045	-	(5,639)	-	22,406	-	(5,326)	-	17,080
Heritage Lottery Fund	23,331	-	(23,331)	-	-	-	-	-	-
Star Meadow (Fakenham)	48,064	-	-	-	48,064	-	-	-	48,064
FOSM	43,935	-	(15,481)	-	28,454	-	(501)	1,742	29,695
Lewis Raptor Fund	1,000	-	-	-	1,000	-	-	-	1,000
Education Centre Norfolk	1,565	-	(1,565)	-	-	-	-	-	-
Community Owl	559	-	(559)	-	-	-	-	-	-
East Midlands Group	2,500	-	-	-	2,500	5	-	-	2,505
Sculthorpe Fen	435,143	709,835	(91,144)	-	1,053,835	195,479	(162,461)	168,292	1,255,145
Livestock	1,521	-	-	-	1,521	-	-	-	1,521
Bath Group	1,028	-	-	-	1,028	-	-	-	1,028
Shapwick	-	18,843	(13,133)	3,176	8,886	21,131	(31,808)	1,877	86
	<u>1,294,059</u>	<u>920,008</u>	<u>(353,668)</u>	<u>3,176</u>	<u>1,863,576</u>	<u>423,427</u>	<u>(428,328)</u>	<u>171,911</u>	<u>2,030,586</u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

23 Restricted funds

(Continued)

The specific purposes for which the funds are to be applied are as follows:

The purpose of each restricted fund is indicated by the name given to each fund. Most funds have been set up to provide funding in specific reserves (Sculthorpe and Shapwick), in specific locations or areas of the country, for specific breeds of raptor or for specific habitats.

There is also specific funding for education (school visits, guided walks, talks etc.) at the Sculthorpe (Norfolk) and Shapwick (Somerset) Nature Reserves.

The Norwich Cathedral fund was for the purchase of a trailer for the Peregrine monitoring station at the Cathedral.

The FOSM fund relates to assets funded by Friends of Sculthorpe Moor.

The Lewis Raptor fund relates to the production of Nest Boxes.

The Sculthorpe Fen fund relates to monies raised for the purchase of land surrounding the existing reserve at Sculthorpe Moor.

The Bath Peregrines fund relates to the management of Peregrine monitoring station at Bath.

The Livestock fund relates to monies provided for the purchase of a new ram which is to be used for breeding.

The East Midlands Group and Bath Group funds relate to monies held on behalf of local groups working with the charity for the conservation of all birds of prey and owls.

The Star Meadow (Fakenham) funds related to monies raised for the purchase of the land at Star Meadow.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources £	Balance at 1 April 2020 £	Incoming resources £	Transfers £	Balance at 31 March 2021 £
Legacies received	-	-	(168,292)	168,292	-
	<u>-</u>	<u>-</u>	<u>(168,292)</u>	<u>168,292</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>(168,292)</u>	<u>168,292</u>	<u>-</u>

During the year the Trustees made the decision to designate all unrestricted legacies received to the Fen Project. The amount of £168,292 has therefore been transferred to the relevant restricted fund.

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

25	Analysis of net assets between funds	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
		2021	£	2021	£	2021	£	2020	£	2020	£	2020	£
	Fund balances at 31 March 2021 are represented by:												
	Tangible assets	20,499		-	731,129	751,628		23,382		544,940		568,322	
	Heritage assets	-		-	1,552,001	1,552,001		-		1,580,186		1,580,186	
	Current assets/(liabilities)	337,229		-	(28,852)	308,377		332,288		(35,270)		297,018	
	Long term liabilities	-		-	(223,692)	(223,692)		-		(226,281)		(226,281)	
		357,728		-	2,030,586	2,388,314		355,670		1,863,575		2,219,245	

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

26 Operating lease commitments

Lessee

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	11,124	10,030
Between two and five years	12,577	26,598
In over five years	1,686	2,876
	<u>25,387</u>	<u>39,504</u>

27 Related party transactions

Other than the expenses reimbursed to Trustees, as disclosed in note 12, there were no disclosable related party transactions during the year.

28 Charity status

The Charity is a company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

29 Cash generated from operations

	2021 £	2020 £
Surplus for the year	169,070	703,824
Adjustments for:		
Investment income recognised in statement of financial activities	(108)	(624)
(Gain)/loss on disposal of tangible fixed assets	-	951
Depreciation and impairment of tangible fixed assets	91,931	60,570
Movements in working capital:		
(Increase)/decrease in stocks	(2,858)	2,568
Decrease in debtors	135,504	17,497
(Decrease)/increase in creditors	(92,437)	77,795
Increase in deferred income	500	14,678
Cash generated from operations	<u><u>301,602</u></u>	<u><u>877,259</u></u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

30 Analysis of changes in net funds

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	264,230	52,660	316,890
Loans falling due within one year	(12,057)	(592)	(12,649)
Loans falling due after more than one year	(226,281)	2,589	(223,692)
	<u>25,892</u>	<u>54,657</u>	<u>80,549</u>

31 Prior period adjustment

Changes to the balance sheet

	At 31 March 2020		
Balances as restated:	As previously reported	Adjustment	As restated
	£	£	£
Capital funds			
Income funds			
Restricted funds	1,863,575	-	1,863,575
Unrestricted funds	318,203	37,467	355,670
Total equity	<u>2,181,778</u>	<u>37,467</u>	<u>2,219,245</u>

HAWK AND OWL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

31 Prior period adjustment

(Continued)

Changes to the profit and loss account

Net movements in funds as restated:

	Period ended 31 March 2020		
	As previously reported	Adjustment	As restated
	£	£	£
Other income	-	37,467	37,467
Net movement in funds	666,358	37,467	703,825

VAT Adjustments, prior years.