


Earthworks Trust Limited			Charity No	1079866	CC17a
			Company No	03011755	
Audited Financial Statements for the period					
Period start	01-Jan-22	To	Period end	31-Dec-22	

	Earthworks Trust Limited			Charity No	1079866	CC17a
				Company No	03011755	
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	Period start	01-Jan-22	To	Period end	31-Dec-22	

Important information

The trustees who are also the directors of the charity for the purposes of the Companies Act 2006 are as follows:

Mr H M Clarke
Mr J R Saulet
Mr J Lane
Mr C R Hillyer
Ms A F Carey
Ms S E Marshall
Ms J Mckenzie
Mr P Cox
Mr A J Cohen
Mr P A Ciniglio

Registered Office:

The Sustainability Centre
Droxford Road
East Meon
Petersfield
Hampshire
GU32 1HR

Accountants:

Triple Bottom Line Accounting Limited
The Enterprise Centre
University of East Anglia
Norwich
NR4 7TJ

Bankers:


The Co-operative Bank
PO Box 250
Skelmersdale
WN8 6WT

Independent Auditor:


A J Bennewith & Co Chartered Accountants
3 Wey Court, Mary Road
Guildford
Surrey
GU1 4QU

Senior member of staff in charge of day to day operations:

Ms C M Seaward

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Report of the Trustees

Reference and administrative details

Charity number	1079866
Company registration number	03011755
Registered Office:	The Sustainability Centre Droxford Road East Meon Petersfield Hampshire GU32 1HR

The trustees who are also the directors of the charity for the purposes of the Companies Act 2006 are as follows:


Mr H M Clarke
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Report of the Trustees (Continued)

1. Trustees Report

Trustees Report

The Trustees present their report along with the financial statements of the charity for the year ended 31 December 2022. The financial statements comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for smaller entities (effective 1 January 2015).

1.1 Objectives of the Charity

The mission statement of Earthworks Trust is:

to demonstrate, develop and promote knowledge, skills and lifestyles that improve people's quality of life without damaging the local or global environment.

to be a dynamic force for change, creating enjoyable practical learning experiences for environmentally sustainable living

In pursuing this mission, we welcome families and schools; professionals and special interest groups; children and young people; adult learners; casual visitors, and simply anyone with an interest in what we do.

We nurture people and ideas and in an increasingly uncertain world, we aim to provide positive messages and practical solutions for dynamic, creative change.

1.2 Public Benefit

The Charity manages its site and education programmes and assets to maximise public benefit in the delivery of its mission. The 55 acre site is managed to benefit biodiversity and people. Visitors are welcome to enjoy the grounds at no charge.

In the delivery of our mission statement we aim to manage our land, our charity and our businesses as working examples of sustainability. We practice and promote sustainability as a process of making decisions which balance economic, social and environmental factors for positive benefit.

We work in partnership with other organisations and projects who support our ethos and aims. This includes on site partnerships with SMEs and other charities.

Our procurement policy means that we aim to support the economy of our locality working with local providers and services.

The Charity delivers learning opportunities for young people and adult learners throughout the year. We offer opportunities for volunteers to support the work of the charity in a variety of ways. This includes practical hands-on tasks, support to office and administration as well as Trustees and advisors.

Our Education programmes have bounced back as from September 2022 as expected, with small group work and special education seeing a rise in demand. Nature therapy, our outdoor volunteering programme, and adult courses took place with reduced group until restrictions were fully lifted.

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Report of the Trustees (Continued)

2. Achievement and Performance - Earthworks Trust, Charity no 1079866

The Charity maintains the land and property at the Sustainability Centre and its receipts consist mainly of rent; covenanted donations from the South Downs Natural Burial Site; and donations from other charities, grant giving organisations and individuals.

A number of significant capital projects remain in development as they will rely heavily on successfully attracting external grant aid or funding. There is a pressing need to undertake major capital improvement works to our main building to repair, update improve facilities and services. We have also identified the need to invest in reducing our energy and CO2 consumption and footprint.

2.1 Key Activities

This year has seen The Sustainability Centre focus on building on the successes of surviving the pandemic. The major eco retrofit works to create extend our overnight accommodation facilities was completed and fully opened to guests and groups.

We have reviewed our priorities and strategic plan.

Partnership working and delivery of services in partnership with others enabled us to develop and deliver some outreach and online services.


The Charity has identified limited scope for growth until additional indoor space is built.

2.1.1 Governance

- Welcomed one new Trustee to The Board to broaden skills and expertise available to the Charity
- One long-standing Trustee retired as a Trustee
- Acknowledged the valuable contribution made by Chair and Vice Chair of The Board
- Continued to deliver quality outputs in accounting and reporting to the Board of Trustees
- Continued to maintain high standards of scrutiny and management of the Charity and its associated enterprises and assets

2.1.2 Social

- Continued to support and deliver learning opportunities in an imaginative and creative way to deliver the aims of the charity
- Enabled and supported teachers and learners to gain new skills and understanding of sustainability
- Re-built core activities following challenges of the corona virus pandemic, whilst maintaining standards
- Offered a quality experience to volunteers
- Offered training opportunities for adults through our courses programme
- Provided a quality bespoke service to bereaved families seeking natural burials
- Worked in partnership with others to achieve shared goals and develop mutual interests
- Welcomed groups and individuals to enjoy our campsite with full unrestricted service resumed
- Attended a variety of community and business events, both in person and online to showcase The Sustainability Centre and eco retrofit works
- Supported the learning and development of our own staff and volunteers
- Continued to maintain and develop partnership working both on-site and off-site with enterprises and small businesses that enhance the aims of the charity

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Report of the Trustees (Continued)						

2.1 Key Activities Cont.

2.1.3 Environmental

- Continued to manage our site to maintain and enhance its biodiversity
- Provided opportunities for people to appreciate the natural beauty of our site and surrounding area of the South Downs National Park
- Worked in Partnership with South Downs National Park to support projects and initiatives through their Sustainable Communities Grant Fund
- Offered advice to community projects and other organisations about organisational development, practical solutions and retrofit of the built environment
- Provided access to visitors to our 55 acre site
- Continued to maintain consideration of the impact of our own activities on the local and global environment

2.1.4 Capital Improvement Programme


- Our planned programme of capital improvements works continues to move forward with two major buildings needing a complete update and refurbishment. Major capital works to the South Downs Eco Lodge were completed in 2021. Further funds are being sought to support the rest of the capital improvement programme. Fundraising is a priority to enable further works to begin soon. The implementation of these works will enable the Charity to deliver improved and increased services .

2.1.5 Training and Development

- Training and skills development in the environmental and sustainable development sector continues to be an important area.
- Demand for bookings for schools, courses and bushcraft activities continues. The underlying trend continues to show a steady demand.
- The John Muir Award programme continues to be delivered here and is a flagship for the South Downs National Park.
- Additional wellbeing programmes have been provided to small groups of adults and young people.
- We continue to develop partnerships and networks to support our specialist and short residential courses.

2.1.6 Growth and Development

- Under 18s Education Programme continues to be much in demand both for day visits and residential courses. Our priority capital improvement project seeks to respond to this need by providing a dedicated under 18s learning zone.
- The Young Natural Ambassadors Programme continues to be supported by a bursary to support the training of under 25's. Additional funding continues to be sought to extend this much valued programme.
- Our programme for adult learning has been developed further so we are able to offer a greater variety of short courses. Online bookings and improved marketing support high levels of bookings.
- Accommodation bookings continue to show a steady demand. The completion of the eco retrofit of the east wing of The South Downs Eco Lodge extends the overnight accommodation options for groups, individuals and eco tourism and delivers on an important element of our vision for growth.
- An integrated marketing and promotional strategy continues to foster shared marketing across the organisation has been achieved. Our website continues to be designed and administered in-house and grows alongside our own development.

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Report of the Trustees (Continued)

3. Partnership working

The Sustainability Centre continues to work in partnership with a number of organisations that are housed on site to extend the reach of our own capacity. Their aims and key activities contribute something significant in addition to our own activities and programmes. We nurture and support the development of small businesses who share our ethos and values.

- **Fitzroy Rural Skills Project** - a social enterprise project to engage adults with learning disabilities in practical work-based activities
- **Beech Cafe** - Organic, fair-trade cafe and caterers
- **ERS** – Event Services Management for Recycling and re-use

4. South Downs Natural Burials

South Downs Natural Burial Site continues to be a major contributor of funds this year with £376,070 covenanted to Earthworks Trust.

The site is highly regarded and the service given by the staff contributes to the site's recognition as an exemplar


5. Statement of Trustees' Responsibilities

The Trustees are required to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity for the period. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- observe the methods and principles in the Charity SORP
- keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity
- arrange for the preparation of accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in the business name
- safeguard the assets of the charity and take reasonable steps for the prevention and detection of fraud and other irregularities

Guiding Principles of Governance

1. **Organisational purpose** – The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably
2. **Leadership** – Every charity is led by an effective board that provides strategic leadership in line with the charity's aims and values.
3. **Integrity** – The board acts with integrity. It adopts values, applies ethical principles to achieve the charity's purpose. The board is aware of the importance of the public's confidence and trust in charities. It reflects the charity's ethics and values in everything it does. The trustees undertake their duties with this in mind.
4. **Decision-making, risk and control** – The board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.
5. **Board effectiveness** – The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.
6. **Equality, diversity and inclusion** – The board has a clear, agreed and effective approach to supporting equality, diversity and inclusion throughout the organisation and in its own practice. This approach supports good governance and delivery of the organisation's charitable purposes.
7. **Openness and accountability** – The board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is a good reason for it not to be.

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Report of the Trustees (Continued)

5.1 Structure, governance and management

5.1.1 Constitution

The Earthworks Trust is Charity No. 1079866 governed by a Trust Deed. Earthworks Trust Ltd is a Company No. 03011755 governed by its Memorandum and Articles of Association.

Every new Trustee is provided with copies of these operational documents. No changes in the objectives have occurred since the last annual report. The key objective is environmental education and is enhanced by the many practical demonstration areas on site: eco-renovated and new buildings, renewable technology, the management of conservation habitats and gardens, and woodland restoration.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

5.1.2 Equal Opportunity

The Trustees cover a wide range of ages and skills and we continue to work towards extending a diverse group of individuals, thinking styles and a balanced diversity. The Trustees carry out an audit of skills from time to time and continue to encourage the inclusion of volunteers in the broad mix of skills needed to develop the work. Training is provided to develop the more traditional business, professional and educational skills that are generally provided by the Trustees and staff.


5.1.3 Policies and Risk Management

A handbook providing policy and operational guidance is provided to all volunteers, staff and Trustees. Risk assessments, health and safety, food hygiene and induction training are provided by staff. Funding for training is sought to develop best practice and skills development. As an on-going process the Trustees, through the Executive Group, assess the level of risk in relation to governance, service delivery, employment, health and safety, child protection, financial management and information management. The Trustees keep under review the major strategic business and operation risks that the charity and company face and ensure that monitoring systems have been established so that the necessary steps can be taken to lessen risks.

5.1.4 Management and Organisation Structure

Management of the Trust, the trading arm of the Earthworks Foundation and South Downs Natural Burial Site continues in a consolidated fashion. Management of all three entities is done centrally under the umbrella of The Sustainability Centre. The Trustees meet bi-monthly and are responsible for the strategic direction and overview of the work of the Charity. The Chair of the Trust liaises with a senior member of staff in order to oversee the management of the Charity. A nominated Executive Committee continues to meet every month to liaise with the board of Directors and key staff to maintain a close working relationship with the Company and streamline the decision making process.

During this period Jeff Lane continued in his position as the Chair of the Board of Trustees and Colin Hillyer continued as Vice Chair.

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5.1.5 Appointment of New Trustees

A skills audit assesses skills and training needs in line with priority activities within the business plan. The appointment of new Trustees is undertaken in accordance with adopted guidelines and procedures. This includes application, induction, probationary period and formal adoption as a member of The Board.

5.1.6 Review of Financial Position

We aim to:

- Be self-funding from our own activities
- Undertake growth in a sustained and planned manner
- Practise and promote sustainability as a process of making decisions which balance economic, social and environmental factors for positive benefit.

The Charity maintains the land and property at the Sustainability Centre.

Its receipts consist mainly of :

- Rent receipts for buildings and land occupied by tenant partners
- Covenanted donations from the South Downs Natural Burial Site.
- Income from Eco Lodge and camping
- Donations from other charities, grant giving organisations and concerned individuals

Our dependence on external grant funding remains reduced. However, any expansion of revenue costs remains a challenge and therefore a limitation.

A number of significant projects remain in development as they will rely heavily on successfully attracting external grant aid or funding for capital projects.

5.1.7 Reserves

Reserves are managed in accordance with the Reserves Policy of the charity which is integrated into the budget setting and management processes.

The Charity holds the following Funds:

Reserve Funds:

Unrestricted Reserve - £187,500 these funds are held in the Co-op deposit account

Unrestricted Reserve - £72,000 (as at 31st December 2022)

These funds are held in accordance with our policy to hold 2 months operational costs in reserve to ensure financial and operational stability.


These funds are held in CCLA's charities deposit fund.

Unrestricted Reserve - £113,254 (as at 31st December 2022)

This is allocated for essential future spending to meet future site management and burial commitments arising from pre-sold plots on the South Downs Natural Burials Site.

These funds are held in CCLA's charities investment and fixed interest funds.

CCLA manage funds for charities, large and small. Their funds are designed to be used on their own or in combination to match our charity's individual requirements.

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Report of the Trustees (Continued)

Restricted Funds:

Total Sum £91,455 (as at 31st December 2022)

This is allocated for essential future spending to meet future site management and burial commitments arising from pre-sold plots on the South Downs Natural Burials Site.

These funds are held in CCLA's charities investment and fixed interest funds.

6. Grants and Donations

The Trust has received a number of grants and donations during this period including sponsorship of key events and capital projects. These include:

- Capital Build Grant £62,400
- Gift Aid: £106
- General Donations: £8,620 to support education projects and to enhance facilities and services
- Omicrom Grant: £2,667

7. Future Plans

The Charity aims to:


- Uphold its core aims and principles going forward
- Re build our services to their former levels prior to the pandemic restrictions
- Integrate growth and development in a sustainable manner
- Identify opportunities to develop and showcase its aims in projects/partnerships/programmes

The principal growth area for the charity in the forthcoming period will be completing a phased capital improvements programme to the built infrastructure. The priority has been identified as the eco-retrofit of our existing accommodation building followed by the education and administration building. Planning approval has been granted for these works. Alongside this we will need to increase our capacity to raise funds from external sources.

Extending and developing services and partnerships to support well-being and nature therapy services, alongside our immersive education programmes is also prioritised.

On Behalf of the Trustees

Mr J Lane
Chair of Trustees

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Trustees responsibilities in relation to the Financial Statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On Behalf of the Trustees

Mr J Lane
Chair of Trustees

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Report of the Independent Auditors to the Trustees of Earthworks Trust Limited

Opinion

We have audited the financial statements of Earthworks Trust Limited (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022, and of its 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (IASs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the 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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the 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.

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Report of the Independent Auditors to the Trustees of Earthworks Trust Limited

Opinions 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees


As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 financial statements.

The extent to which our procedures can detect irregularities, including fraud is detailed below:

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We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined the most significant are those that relate to FRS 102 SORP, pension laws and regulations, salaries and wages laws and regulations and tax regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

- Enquiries made of management and those charged with governance as well as the service organisation in relation to payroll services
- Analytical procedures were used to identify if there were any unusual or unexpected relationships
- Discussions with management to identify any fraud risk factors of related party relationships and transactions

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

Enquiries were made of management and those charged with governance. We corroborated our enquiries through the review of Board minutes and other papers provided. There was no contradictory evidence.

We considered the risk of fraud through management override, and, in response, we incorporated testing of manual journal entries into our audit approach. We tested year end journals as well as journal entries throughout the year. There were no transactions identified outside the normal course of business.


Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We incorporated an element of unpredictability in the selection of the nature, timing, and extent of audit procedures.

Where transaction meeting risk criteria were identified, we carried out further work such as additional testing to source information.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditors-responsibilities. This description forms part of our Report of the Independent Auditors.


Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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A J Bennewith FCA,FCPA, FFA, FFTA, FIPA, DchA, FRSA (Senior Statutory Auditor)
for and on behalf of Bennewith 2018 Limited (Statutory Auditors)
3 Wey Court
Mary Road
Guildford
Surrey
GU1 4QU

Date:

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Section A Statement of Financial Activities

Recommended categories by activity	Details of own analysis	Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Income and Endowments		Note 4			
Donation and Legacies	Grants received	7,400	64,045	71,445	381,832
Charitable activities	Donations and gift aid	53,868	-	53,868	21,565
Investments	Income from trading subsidiaries and interest received	377,830		377,830	203,369
Other	Other trading income	6,767	-	6,767	10,415
Total Income		445,865	64,045	509,910	617,181
Expenditure		Notes 5 - 7			
Charitable activities	Building operating costs, depreciation and provision of services	244,567	67,564	312,131	215,436
Other	Independent inspection, other professional and financial.	9,247	-	9,247	3,726
Total Expenditure		253,814	67,564	321,378	219,162
Net income/(expenditure)		192,051	- 3,519	188,532	398,019
Gross transfers between funds		- 2,542	2,542	-	-
Movement for year		189,509	- 977	188,532	398,019
Total funds brought forward		2,473,883	261,019	2,734,902	2,336,883
Total funds carried forward		2,663,392	260,042	2,923,434	2,734,902

The net movement in funds referred to above is the net outgoing resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in the Balance Sheet on Pages 15 and 16 as required by the said statement.

All activities derive from continuing operations.


The notes on pages 18 to 30 form an integral part of these accounts.

	Earthworks Trust Limited			Charity No	1079866	CC17a
				Company No	03011755	
	Audited Financial Statements for the period					
	Period start	01-Jan-22	To	Period end	31-Dec-22	

Section B

Balance Sheet

		Unrestricted funds £	Restricted funds £	Total this year £	Total last year £
Fixed assets					
Tangible assets	Note 8	2,158,819	54,796	2,213,615	2,173,068
Investments	Note 9	4	91,455	91,459	45,857
Total fixed assets		2,158,823	146,251	2,305,074	2,218,925
Current assets					
Debtors	Note 10	774,587	-	774,587	541,516
Cash at bank and in hand		375,901	113,791	489,692	478,043
Total current assets		1,150,488	113,791	1,264,279	1,019,559
Creditors: amounts falling due within one year	Note 11	17,729		17,729	4,723
Net current assets/(liabilities)		1,132,759	113,791	1,246,550	1,014,837
Total assets less current liabilities		3,291,582	260,042	3,551,624	3,233,762
Creditors: amounts falling due after one year	Note 11	628,190	-	628,190	498,860
Net assets		2,663,392	260,042	2,923,434	2,734,902
Funds of the Charity					
Unrestricted funds	Note 12	2,663,392		2,663,392	2,473,883
Restricted funds	Note 13		260,042	260,042	261,019
Total Charity funds		2,663,392	260,042	2,923,434	2,734,902

	Earthworks Trust Limited			Charity No	1079866	CC17a
				Company No	03011755	
	Audited Financial Statements for the period					
	Period start	01-Jan-22	To	Period end	31-Dec-22	

Section B

Balance Sheet (Continued)

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees acknowledge their responsibilities for:

(a) ensuring that the charitable company keeps accounting records that comply with sections 386 and 387 of the Companies Act 2006, and


(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year end and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the specific provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and in accordance with FRS102 SORP.

The notes on pages 18-30 form an integral part of these accounts.

The financial statements were approved by the Board of Trustees and signed by trustees on behalf of all the trustees as follows:

Signature	Print Name	Date of approval

	Earthworks Trust Limited			Charity No	1079866	CC17a
				Company No	03011755	
	Audited Financial Statements for the period					
	Period start	01-Jan-22	To	Period end	31-Dec-22	

Section C

Statement of Cashflows

	2022 £	2021 £
Cashflow from operating activities		
Net income/(expenditure) before tax for the reporting period (as per the statement of financial activities)	188,532	398,019
Adjustments for:		
Bad debt provision		
Depreciation charges	37,216	25,787
Dividends, interest and rents from investments		
(Increase)/decrease in stock		
(Increase)/decrease in debtors	- 233,071	- 172,718
(Increase)/decrease in creditors	142,336	- 292,424
Net cash provided by/(used in) operating activities	135,013	- 41,336
Cash flow provided by/(used in) investing activities		
Payments to acquire tangible fixed assets	- 77,762	- 259,202
Dividends, interest and rates from investments	- 45,602	- 4,506
Net cash flow from investing activities	- 123,364	- 263,708
Cash flow from financing activities		
Repayment of loans		
Net cash provided by/(used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	11,649	- 305,044
Cash and cash equivalents at the beginning of the reporting period	478,043	783,087
Cash and cash equivalents at the end of the reporting period	489,692	478,043
Cash and cash equivalents consist of:		
Cash at bank and in hand	489,692	478,043
Notice deposits (less than 3 months)		
Cash and cash equivalents at the end of the reporting period	489,692	478,043

Note 1 Basis of preparation**1.1 Basis of accounting**

These accounts have been prepared on the basis of historic cost convention, with the exception of investments which are included at market value, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounting in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice, applicable Accounting Standards and the Charities Act 2011.

The particular accounting policies followed are set out below.

1.2 Exemption from preparing consolidated financial statements

The financial statements contain information about Earthworks Trust Limited as an individual charity and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

1.3 Change in basis of accounting

There have been no changes to the basis of accounting.

1.4 Changes to previous accounts

There are no adjustments to previous accounts.

Note 2 Accounting policies**ASSETS**

Tangible fixed assets for use by charity These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. They are used for charitable purposes.

Investments Investments in securities are valued at closing realisable prices at the balance sheet date. The difference between opening and closing valuation of securities is realised as a gain or loss in the income and expenditure account.

Capital Grants Gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity are credited to a relevant restricted fixed asset fund designated for this purpose. The related fixed asset is shown on the balance sheet at the full cost of acquisition and depreciated over the useful life in accordance with the depreciation policy (below). The restricted fund is transferred to general funds on acquisition of the related assets and is not amortised over the life of the assets. Any specific restrictions imposed by the grant making body, beyond use by the charity for the purposes of its normal charitable activities, on use of the assets, is disclosed in the Fixed Assets notes.

Depreciation Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a reducing balance method over their expected useful economic lives as follows:

Freehold property and refurbishments at varying rates on cost

Plant and machinery at varying rates on cost

Outdoor construction at varying rates on cost

INCOME AND ENDOWMENTS

Recognition of incoming resources Income from grants, legacies, donations, appeals, fundraising and investments is recognised in the Statement of Financial Activities (SOFA) on receipt providing there are no conditions that would withhold payment outside of the chairites control including receipts which are subject to restrictions because potential withholding is in control of the charity.

Incoming resources with related expenditure Where incoming resources have significant related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SOFA. Rental income is reported net of collection charges on a receivable basis.

Grants and donations Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax reclaims on donations and gifts Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Contractual income and performance related grants This is only included in the SOFA once the related goods or services have been delivered.

Gifts in kind Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.

Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity.

Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

Donated services and facilities These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Volunteer help The value of any voluntary help received is not included in the accounts and is described in the Trustees Annual Report.

Note 2 Accounting policies (continued)**EXPENDITURE AND LIABILITIES**

Liability recognition	Liabilities are recognised in the SOFA on an accruals basis as soon as there is a legal or constructive obligation committing the charity to pay out resources.
VAT	VAT which cannot be recovered is included with the expense to which it relates.
Taxation	As a registered charity, the company is exempt from income and corporation tax to the extent that income and grants are applicable to charitable purposes only.
Governance costs	Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and costs of any legal advice to trustees on governance or constitutional matters.
Resource allocation	Resources expended are allocated to particular activities where the cost relates directly to that activity.
Grants with performance conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.
Grants payable without performance conditions	These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.
Support Costs	Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.
Funds held by the charity	<p>Funds held are either:</p> <p>Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees</p> <p>Designated/restricted funds – these are funds which can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by a donor or when funds are solicited on the explicit understanding that they will be applied to particular restricted purposes.</p>

Note 3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the remaining accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Note 4 Analysis of Income and Endowments

		Unrestricted funds	Restricted income funds	Total This year	Total Last year
Analysis		£	£	£	£
Donations and Legacies	Capital grants	-	64,045	64,045	364,388
	Revenue grants	7,400	-	7,400	17,444
	Total	7,400	64,045	71,445	381,832
Charitable Activities	Donations received	53,762	-	53,762	20,881
	Gift aid	106	-	106	684
	Total	53,868	-	53,868	21,565
Investment income	Income from trading subsidiaries	376,070	-	376,070	200,678
	Gain on Investment (Restricted Fund)		-	-	2,106
	Bank interest	1,760	-	1,760	584
	Total	377,830	-	377,830	203,369
Other incoming resources	Rental income	6,767	-	6,767	7,200
	CJRS (Furlough) grant income	-	-	-	3,215
	Total	6,767	-	6,767	10,415
Total Income (See SOFA)		445,865	64,045	509,910	617,181

Note 5 Analysis of Expenditure

Analysis		Unrestricted funds	Restricted income funds	Total This year	Total Last year
		£	£	£	£
Charitable activities	Rates, water and service charges	3,860	-	3,860	4,649
	Insurance	15,152	-	15,152	13,932
	Office Salaries/Payroll	22,682		22,682	26,488
	Fundraising activities	665	-	665	-
	Equipment repairs and renewals	150	-	150	1,450
	Sundry outgoings	107	-	107	120
	Subscriptions	80	-	80	85
	Depreciation of tangible fixed assets	34,332	2,884	37,216	25,786
	Legal and Professional Fees	2,952	-	2,952	1,016
	Grant Expenditure	-	64,680	64,680	19,643
	Grants payable to subsidiaries	164,587	-	164,587	122,265
	Total	244,567	67,564	312,131	215,436
Other	Independent Accountant's inspection / Audit	6,750	-	6,750	750
	Accountancy and book keeping costs	2,364	-	2,364	1,840
	Bank charges	133	-	133	1,136
	Total	9,247	-	9,247	3,726
Total Expenditure (see SOFA)		253,814	67,564	321,378	219,162

The charity has no divisible charitable activities, as its sole charitable activity is the maintenance of the grounds. Therefore, reallocation of support and governance costs are not possible

Note 6 Trustee remuneration

There were no trustees' remuneration or other benefits for the period ended 31 December 2022 or 31 December 2021.

Note 7 Details of certain items of expenditure (included in expenditure)

Analysis		This year £	Last year £
Trustee expenses	Number of trustees who were paid expenses	zero	zero
	Nature of the expenses	-	-
	Total	-	-

The above expense were waived and gifted back to the Trust and treated as donations.

Analysis		This year £	Last year £
Auditors fees	Auditors fees	6,000	-
	Total	6,000	-

Analysis		This year £	Last year £
Fees for examination and other accountancy fees	Independent examiner's fees	750	750
	Other fees (for example: advice, consultancy, accountancy services) paid to the independent examiner or auditor	2,364	1,840
	Total	3,114	2,590

Key Management Personnel

The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the charity was £35,181.89 for one employee (2021: £26,488.42, one employee)

Staff Costs

Salaries and
Social security
Pension costs
Other employee
Total staff costs

This year £	Last year £
32,150	24,676
2,048	1,177
984	636
-	-
35,182	26,488

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

Average head count in the year

The parts of the charity in which the employees work

Fundraising
Charitable Activities
Governance
Other
Total

This year Number	Last year Number
1	1
1	1

Section D**Notes to the Accounts (continued)****Note 8 Tangible fixed assets****8.1 Cost or valuation**

	Freehold property	Plant and machinery	Outdoor construction	Total
	£	£	£	£
Balance brought forward	2,459,287	178,388	72,188	2,709,863
Transfers	-	-	-	-
Additions	77,339	-	423	77,762
Revaluations	-	-	-	-
Disposals	-	-	-	-
Balance carried forward	2,536,626	178,388	72,611	2,787,625

8.2 Accumulated depreciation and impairment provisions

	Freehold property	Plant and machinery	Outdoor construction	Total
	£	£	£	£
Balance brought forward	292,417	177,523	66,854	536,794
Depreciation charge for year	35,364	278	1,574	37,216
Impairment provisions	-	-	-	-
Revaluations	-	-	-	-
Disposals	-	-	-	-
Balance carried forward	327,781	177,801	68,428	574,010

8.3 Net book value

Brought forward	2,166,870	865	5,334	2,173,068
Carried forward	2,208,845	587	4,183	2,213,615

Section D**Notes to the Accounts (continued)****Note 9 Investments****9.1 Cost or market valuation**

	Shares in group undertakings £	Investments £	Total £
At 1 January 2022	2	45,855	45,857
Revaluations	-	4,801	4,801
Additions	2	50,400	50,402
Disposals	-	-	-
Balance carried forward	4	91,455	91,459

Share Capital has been recognised in the current year for Wood4Heat Limited, a dormant company

9.2 Net book value

Brought forward	2	45,855	45,857
Carried forward	4	91,455	91,459

Note 10 Debtors and prepayments**Analysis of debtors**

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year £	Last year £	This year £	Last year £
Trade debtors	-	-	-	-
Amounts owed by group undertakings			759,506	541,436
Other debtors	15,081	80	-	-
Total	15,081	80	759,506	541,436

Note 11 Creditors and accruals**Analysis of creditors**

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year £	Last year £	This year £	Last year £
Bank loans and overdrafts	-	-	-	-
Deferred Income	8,750	-	-	-
Trade creditors	5	799	-	-
Amounts owed to group undertakings	-	-	628,190	498,860
Other creditors	8,974	3,924	-	-
Total	17,729	4,723	628,190	498,860

Section D**Notes to the Accounts (continued)****Note 12 Unrestricted Funds**

		This year £	Last year £
General funds	Analysis		
	Balance brought forward	2,473,883	2,220,220
	Net incoming resources	192,051	50,297
	Transfer to restricted funds	- 2,542	203,366
	Balance carried forward	2,663,392	2,473,883
Represented by :	Fixed assets	2,158,823	2,275,249
	Net current assets	1,132,759	198,633
	Long term liabilities	- 628,190	-
	Balance carried forward	2,663,392	2,473,883
Total Funds		2,663,392	2,473,883

Note 13 Restricted Funds**Movements of major funds****Restricted funds:
2022**

	Fund balances brought forward £	Transfers to restricted funds £	Income £	Expenditure £	Fund balances carried forward £
Burial Site	56,930	40,400		5,875	91,455
SDNPA Covid 19 Recovery	12,500	-		12,500	-
Restricted - Various	45,000	-	1,645	46,305	340
South Downs National Park Grant	-		62,400	2,884	59,516
Capital Improvements	146,589	- 37,858			108,731
Total Restricted Funds	261,019	2,542	64,045	67,564	260,042

Section D**Notes to the Accounts (continued)****Note 13 Restricted Funds Cont.****Unrestricted
Funds: 2022**

	Fund balances brought forward	Transfers between funds	Income	Expenditure	Fund balances carried forward
<u>Designated Funds</u>					
General Reserves	61,374	10,626	-	-	72,000
General Funds set aside for operational and/or capital costs	-	112,180	1,075		113,254
Major Donor Gift Aid	187,500		-	-	187,500
<u>General Funds</u>	2,225,009	- 125,348	444,791	253,814	2,290,638
Total Unrestricted Funds	2,473,883	- 2,542	445,866	253,814	2,663,392
Total Funds	2,734,902	-	509,911	321,378	2,923,434

Funds: 2022

The 'Burial Site' fund is all excess funds from South Downs Natural Burial Site Limited that are donated to Earthworks Trust Limited to support the charitable objectives.

The 'SNDPA Covid 19 Recovery' fund was a grant received to provide organisational financial support costs whilst operating under Covid Restrictions and compensate for loss of income. Core costs.

The 'Restricted – Various' funds are grants and donations from various sources with restrictions such as the Young Natural Ambassador Programme and the Education Programme. Each donation is spent according to the donors wishes.

The 'South Downs National Park Grant' is a grant towards the Ready Steady Grow programme to provide some new triple glazed windows and a new roof to the Learning Hub.

The 'Capital Improvements' fund is for capital works to buildings and site Infrastructure improvements.

Transfers between funds

	Reason for transfer	Amount (£)
Between unrestricted and restricted funds	This sum was transferred to an investment fund - allocated to site management in the longterm	40,400

Designated funds

	Purpose of the designation	Amount
General Reserves	These funds are held in accordance with our policy to hold 2 months operational costs in reserve to ensure financial and operational stability.	72,000
General Funds set aside for operational and/or capital costs	This sum was the introduction of a new COIF deposit fund	102,180
Major Donor Gift Aid	These funds are held following a decision by the trustees to ensure any exceptional items can be met. The funds arose from a gift aid claim on a large donation in respect of the new learning centre	187,500

Section D**Notes to the Accounts (continued)****Note 13 Restricted Funds Cont.****Movements of major funds****Restricted funds:
2021**

	Fund balances brought forward	Transfers to restricted funds	Income	Expenditure	Fund balances carried forward
	£	£	£	£	£
Burial Site	52,434	2,400	2,096	-	56,930
EHDC-Improvement	4,240	-	-	4,240	-
SDNPA Covid 19 Recovery	23,500	-	-	11,000	12,500
Restricted - Various	3,532	-	45,000	3,532	45,000
Capital Improvements (New Learning Centre)	32,957	- 205,756	319,388	-	146,589
Total Restricted Funds	116,663	- 203,356	366,484	18,772	261,019

**Unrestricted
Funds: 2021**

	Fund balances brought forward	Transfers between funds	Income	Expenditure	Fund balances carried forward
<u>Designated Funds</u>					
General Reserves	57,024	4,350	-	-	61,374
Major Donor Gift Aid	187,500		-	-	187,500
<u>General Funds</u>	1,975,697	199,015	250,687	200,390	2,225,009
Total Unrestricted Funds	2,220,221	203,365	250,687	200,390	2,473,883
Total Funds	2,336,884	-	617,171	219,162	2,734,902

Note 13 Restricted Funds Cont.**Funds: 2021**

The 'Burial Site' fund is all excess funds from South Downs Natural Burial Site Limited that are donated to Earthworks Trust Limited to support the charitable objectives.

The EHDC Improvement Grant is for landscaping improvements to the frontage and car park

The 'SNDPA Covid 19 Recovery' fund was a grant received to provide organisational financial support costs whilst operating under Covid Restrictions and compensate for loss of income. Core costs.

The 'Restricted – Various' funds are grants and donations from various sources with restrictions such as the Young Natural Ambassador Programme and the Education Programme. Each donation is spent according to the donors wishes.

The 'Capital Improvements' fund is for capital works to buildings and site Infrastructure improvements.

Transfers between funds

	Reason for transfer	Amount (£)
Between unrestricted and restricted funds	This fund was kept as an investment fund. Not all income was required for the site management and burial commitments	2,400
Between restricted and unrestricted funds	In line with the accounting policy for Assets; Capital Grants a one off transfer was made from restricted to unrestricted funds on capitalisation of expenditure in relation to WetherDown Lodge 2 (New Learning Centre)	205,756
Between unrestricted and designated funds	Operational Costs have increased, therefore the 2 months reserves have also increased.	4,350

Designated funds

	Purpose of the designation	Amount
General Reserves	These funds are held in accordance with our policy to hold 2 months operational costs in reserve to ensure financial and operational stability.	61,374
Major Donor Gift Aid	These funds are held following a decision by the trustees to ensure any exceptional items can be met. The funds arose from a gift aid claim on a large donation in respect of the new learning centre	187,500

Note 14 Related Party Transactions

Balance outstanding to Earthworks Foundation Limited:

	£
Opening balance (01/01/22)	498,860
Plus: Committed Donations to Foundation in year	164,587
Less: Cash Transferred During the Year	-35,257
Closing Balance (31/12/22)	628,190

Balance outstanding from South Downs Natural Burial Limited:

	£
Opening balance (01/01/22)	540,591
Donations from SDNB Limited in year	376,070
Less: Cash Transferred During the Year	-158,000
Closing Balance (31/12/22)	758,661

Balances outstanding from Wood4Heat Limited:

	£
Opening balance (01/01/22)	845
Donations in year	-
Closing Balance (31/12/22)	845

Earthworks Foundation Limited is a connected company limited by guarantee.
South Downs Natural Burial Site Limited and Wood4Heat Limited are wholly owned subsidiaries of Earthworks Trust Limited.

Note 15 Ultimate Controlling Party

The charity was under the control of the trustees throughout the year.

Note 16 Future Commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	1,391	-
Between two and five years	3478	-
	4,869	-