

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2023
for
Earthworks Trust Limited

Bennewith 2018 Limited
t/a A J Bennewith & Co
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

Contents of the Financial Statements
for the Year Ended 31 December 2023

	Page
Report of the Trustees	1 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12 to 13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 28
Detailed Statement of Financial Activities	29 to 30

Report of the Trustees
for the Year Ended 31 December 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

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.

In pursuing this mission, we aim to be a dynamic force for change, creating enjoyable practical learning experiences for environmentally sustainable living.

We have been re-wilding part of this former Ministry of Defence base for the past 28 years, transforming it into a place where people and nature thrive. The Centre is spread across 55 acres of woodland and natural chalk downland.

We are owned by the Earthworks Trust, a charity established in 1995 to set up and operate our site.

We aim to manage our land, our charity and our businesses as working examples of authentic sustainability. We walk our talk and share what we know. We practice and promote sustainability as a process of making decisions which balance economic, social and environmental factors for positive benefit.

We welcome families and schools; professionals and special interest groups; walkers and cyclists on the South Downs Way; children and young people; and simply anyone with an interest in what we do. We hosted over 3,000 school aged young people here every year; over 3,500 adults attending our specialist courses. We have regular volunteering groups who help manage our gardens and grounds. Through our volunteering programmes we provide support to people to create positive mental health outcomes.

We have a variety of enterprise activities which support the delivery of our charitable aims and work in partnership with a number of other organisations and projects to extend the delivery of our mission.

Public benefit

The Charity manages its site, facilities, learning programmes, events, projects and assets to maximise public benefit in the delivery of its mission.

- We deliver 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 events, office and administration as well as Trustees and advisors.
- We 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.
- Our 55 acre site - a former Ministry of Defence training base continues to be managed to benefit biodiversity and people.
- Visitors are welcome to enjoy the grounds at no charge.
- We work in partnership with other organisations and projects who share our ethos, values and aims. This includes on site partnerships with SMEs and other charities.
- Our procurement policy is an enabler to support the economy of our locality working with local providers and services.

Our education and learning programmes are in greater demand since last year, with under 18s diversifying to provide a greater variety of different opportunities for small group work and special education seeing a rise in demand. Nature therapy, our outdoor volunteering programme, and adult courses continue to thrive.

Report of the Trustees
for the Year Ended 31 December 2023

ACHIEVEMENT AND PERFORMANCE

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, improve facilities and update services. We continue to invest in reducing our energy and CO2 consumption and footprint.

Key Activities

This year has seen The Sustainability Centre focus on moving from surviving to thriving. The major eco retrofit works to extend our overnight accommodation facilities was completed and fully opened to guests and groups.

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

We have reviewed our priorities and strategic plan.

Responding to Changing Times

In 2019 we launched with key components of:

- Transforming a derelict building into the South Downs Eco Lodge.
- Creating a New Learning Centre from our Administration Building.
- Expanding our services and programmes.

In 2020/2021, we succeeded in achieving the first of these steps and are delighted to have our South Downs Eco Lodge Bed and Breakfast up and running. The feedback from guests shows that we are offering something special to walkers/cyclists and people seeking a retreat from the hustle and bustle of everyday living.

The next step in our long-term plan was to create a New Learning Centre. The costs of doing this has spiralled and it looks as if we would need to raise £3.5 million to make it happen. This made us sit and think - "is this really what we should be doing?"

The experience of living through and surviving the lockdown associated with the pandemic has had a big impact on all of our lives. Many people, organisations and communities have re-examined how we live and work as well as the importance of nature and wild spaces.

There is also a growing awareness of the challenges of a rapidly changing climate and resource tipping points that are being breached. It is obvious that we need to find a better balance in harmony with nature.

A New Direction

With this broader context in mind, we have re-examined ourselves and what we can do to support this wider need for change. We recognise that being a dynamic force for change and a beacon for sustainability in the south-east of England does not necessarily entail a physical landmark of an exemplar natural building that our New Learning Centre aspired to deliver.

What we do know is that the work we do and the services that our Charity offers have the greatest potential to affect real change in people's lives.

The special qualities of our 55 acre site supports the experience of all that we do here, so finding a balance between numbers of visitors and their physical impact on our land also deserves careful consideration too.

The Solution

Report of the Trustees
for the Year Ended 31 December 2023

We quickly realised that by diverting our resources to a fundraising campaign to raise £3.5m to achieve this state-of-the-art building, we would miss out on opportunities to be a dynamic force for change. So we put our creativity to work and have come up with a much better solution.

By changing the internal layout of our existing building, we can create enough space with the existing building footprint to provide the additional classroom, community spaces, exhibition and interpretation areas we need. This will reduce the cost of the building project dramatically and largely avoid the need for disruptive site works.

Governance

- Welcomed new Trustees to The Board to broaden skills and expertise available to the Charity.
- Acknowledged the valuable contribution made by Chair and Vice Chair of the Board as well as the Executive Committee.
- 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.

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.
- 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.

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.

Capital Improvement Programme

- Our planned programme of capital improvements works continues to move forward with one major building still needing a complete update and refurbishment. Major capital works to the South Downs Eco Lodge were completed in 2022. A new focus of priorities informs and guides our next phase of capital building works in line with responding to changing times.

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.

Report of the Trustees
for the Year Ended 31 December 2023

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 25s. Additional funding continues to be sought to extend this much valued programme.
 - Our programme for adult learning has been further developed 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.

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 Café - Organic, fair-trade café and caterers.
- The Greening Campaign - Communities Responding to Challenges of a Changing Climate - our role within this partnership is to lead the retrofit pillar.
- National Energy Foundation - Hampshire Redress Project - piloting Whole House Retrofit Service - our role was to guide and support a legacy service.

South Downs Natural Burials

South Downs Natural Burial Site continues to be a major contributor of funds this year with £392,773 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.

FINANCIAL REVIEW

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:

- o Grants from East Hants District Council - £100 volunteer seeds and £1,000 towards smoothie bikes.
- o Greening Campaign - £8,750 project deliverables.
- o NEF Redress Project - £5,000 project deliverables.
- o Gift Aid: £6.25.
- o Sustainability Centre Friends £3,587.
- o Legacy donation £10,000.

Report of the Trustees
for the Year Ended 31 December 2023

FINANCIAL REVIEW

Reserves policy

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:

Designated Funds

£187,500 for capital projects held in Co-op deposit account.

£86,600 for 2 months operational reserve. 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 a Triodos deposit account

Allocated Funds - £118,218

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.

FUTURE PLANS

The Charity aims to:

- o Uphold its core aims and principles going forward.
- o Integrate growth and development in a sustainable manner.
- o 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 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.

Report of the Trustees
for the Year Ended 31 December 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Earthworks Trust is Charity No. 1079866 governed by a Trust Deed. Earthworks Trust Ltd is a Company No. 3011755 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.

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.

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.

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 Group continues to meet every month to oversee operational management and in turn liaises 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.

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.

Review of Financial Position

We aim to:

- Be self-funding from our own activities.
- Undertake growth in a sustained and planned manner.

Report of the Trustees
for the Year Ended 31 December 2023

- Practice 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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03011755 (England and Wales)

Registered Charity number
1079866

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

Trustees
P A Ciniglio Chartered Environmentalist
H M Clarke Company Director
Ms C Crothers Head Of Procurement (appointed 15.6.23)
Ms K Dejong Governance Projects Advisor (appointed 15.6.23)
C R Hillyer Chartered Engineer - Retired
J D Lane Psychotherapist And Consultant
Ms S E Marshall Retired Accountant
Ms J McKenzie Reward Manager
P Cox
J R Saulet

Independent Examiner
Bennewith 2018 Limited
t/a A J Bennewith & Co
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

Report of the Trustees
for the Year Ended 31 December 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

The Co-operative Bank

PO Box 250

Skelmersdale

WN8 6WT

Senior member of staff in charge of day to day operations

Ms C M Seaward

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.

Approved by order of the board of trustees on 15 July 2024 and signed on its behalf by:

J D Lane - Trustee

Independent Examiner's Report to the Trustees of
Earthworks Trust Limited

Independent examiner's report to the trustees of Earthworks Trust Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

A J Bennewith FCA, FCPA, FFA, FFTA, FIPA, DChA, FRSA

Bennewith 2018 Limited
t/a A J Bennewith & Co
Upper Ground Floor
18 Farnham Road
Guildford
Surrey
GU1 4XA

Date:

Statement of Financial Activities
for the Year Ended 31 December 2023

		Unrestricted fund £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	40,928	44,711	85,639	125,313
Other trading activities	4	8,652	-	8,652	6,767
Investment income	5	410,543	-	410,543	377,830
		<hr/>	<hr/>	<hr/>	<hr/>
Total		460,123	44,711	504,834	509,910
		<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE ON					
Charitable activities	6				
Charitable activities		368,132	40,485	408,617	312,131
Other		12,463	-	12,463	9,247
		<hr/>	<hr/>	<hr/>	<hr/>
Total		380,595	40,485	421,080	321,378
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME		79,528	4,226	83,754	188,532
RECONCILIATION OF FUNDS					
Total funds brought forward		2,663,392	260,042	2,923,434	2,734,902
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		2,742,920	264,268	3,007,188	2,923,434
		<hr/>	<hr/>	<hr/>	<hr/>

The notes form part of these financial statements

Balance Sheet
31 December 2023

	Notes	Unrestricted fund £	Restricted funds £	31.12.23 Total funds £	31.12.22 Total funds £
FIXED ASSETS					
Tangible assets	13	2,169,266	51,912	2,221,178	2,213,615
Social investments	14	10,118	91,454	101,572	91,459
		<u>2,179,384</u>	<u>143,366</u>	<u>2,322,750</u>	<u>2,305,074</u>
CURRENT ASSETS					
Debtors	15	542,127	-	542,127	774,587
Cash at bank		431,392	120,902	552,294	489,692
		<u>973,519</u>	<u>120,902</u>	<u>1,094,421</u>	<u>1,264,279</u>
CREDITORS					
Amounts falling due within one year	16	(12,729)	-	(12,729)	(17,729)
		<u>960,790</u>	<u>120,902</u>	<u>1,081,692</u>	<u>1,246,550</u>
NET CURRENT ASSETS					
		<u>960,790</u>	<u>120,902</u>	<u>1,081,692</u>	<u>1,246,550</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		3,140,174	264,268	3,404,442	3,551,624
CREDITORS					
Amounts falling due after more than one year	17	(397,254)	-	(397,254)	(628,190)
		<u>2,742,920</u>	<u>264,268</u>	<u>3,007,188</u>	<u>2,923,434</u>
NET ASSETS					
		<u>2,742,920</u>	<u>264,268</u>	<u>3,007,188</u>	<u>2,923,434</u>
FUNDS					
Unrestricted funds	18			2,742,920	2,663,392
Restricted funds				264,268	260,042
				<u>3,007,188</u>	<u>2,923,434</u>
TOTAL FUNDS					
				<u>3,007,188</u>	<u>2,923,434</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2023 in accordance with Section 476 of the Companies Act 2006.

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 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.

Balance Sheet - continued
31 December 2023

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

The financial statements were approved by the Board of Trustees and authorised for issue on 15 July 2024 and were signed on its behalf by:

J D Lane - Trustee

Cash Flow Statement
for the Year Ended 31 December 2023

	Notes	31.12.23 £	31.12.22 £
Cash flows from operating activities			
Cash generated from operations	1	107,940	133,253
Net cash provided by operating activities		<u>107,940</u>	<u>133,253</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(52,995)	(77,762)
Purchase of social investments		(10,113)	(45,602)
Interest received		17,770	1,760
Net cash used in investing activities		<u>(45,338)</u>	<u>(121,604)</u>
Change in cash and cash equivalents in the reporting period		62,602	11,649
Cash and cash equivalents at the beginning of the reporting period	2	<u>489,692</u>	<u>478,043</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>552,294</u></u>	<u><u>489,692</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.23 £	31.12.22 £
Net income for the reporting period (as per the Statement of Financial Activities)	83,754	188,532
Adjustments for:		
Depreciation charges	45,432	37,216
Interest received	(17,770)	(1,760)
Decrease/(increase) in debtors	232,460	(233,071)
(Decrease)/increase in creditors	(235,936)	142,336
	<hr/>	<hr/>
Net cash provided by operations	<u>107,940</u>	<u>133,253</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.12.23 £	31.12.22 £
Change in cash and cash equivalent in the reporting period	62,602	11,649
Cash and cash equivalents at the beginning of the reporting period	489,692	478,043
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	<u>552,294</u>	<u>489,692</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank	489,692	62,602	552,294
	<hr/>	<hr/>	<hr/>
	489,692	62,602	552,294
	<hr/>	<hr/>	<hr/>
Total	<u>489,692</u>	<u>62,602</u>	<u>552,294</u>

Notes to the Financial Statements
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Earthworks Trust Limited as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Changes in accounting policies

There have been no changes to the basis of accounting.

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 charities 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 volunteer help received is not included in the accounts and is described in the Trustees Annual Report.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. 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.

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.

Depreciation

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

Freehold property and refurbishments at various rates on cost

Plant and machinery at various rates on cost

Outdoor construction at various rates on cost

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.

Funds held by the charity

Funds held are either:

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES - continued

Funds held by the charity

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

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.

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 mentioned above. 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.

2. 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.

3. DONATIONS AND LEGACIES

	31.12.23	31.12.22
	£	£
Gifts and Donations	42,842	53,762
Gift aid	6	106
Grants	42,791	71,445
	<u>85,639</u>	<u>125,313</u>

Grants received, included in the above, are as follows:

	31.12.23	31.12.22
	£	£
Capital grants	37,600	64,045
Revenue grants	5,191	7,400
	<u>42,791</u>	<u>71,445</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

4. OTHER TRADING ACTIVITIES

	31.12.23	31.12.22
	£	£
Fundraising events	35	-
Rent Income	8,617	6,767
	<u>8,652</u>	<u>6,767</u>

5. INVESTMENT INCOME

	31.12.23	31.12.22
	£	£
From trading subsidiaries	392,773	376,070
Deposit account interest	9,657	1,760
Gain or loss on investment	8,113	-
	<u>410,543</u>	<u>377,830</u>

6. CHARITABLE ACTIVITIES COSTS

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.

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.12.23	31.12.22
	£	£
Staff costs	33,808	22,682
Rates and water	5,103	3,860
Insurance	17,391	15,152
Sundries	106	107
Subscriptions	35	80
Repairs and renewals	82,377	150
Fundraising activities	42	665
Legal and Professional Fees	16,285	2,952
Depreciation	45,434	37,216
	<u>200,581</u>	<u>82,864</u>

8. GRANTS PAYABLE

	31.12.23	31.12.22
	£	£
Charitable activities	<u>208,036</u>	<u>229,267</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.23	31.12.22
	£	£
Depreciation - owned assets	45,432	37,216
	<u> </u>	<u> </u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2023 or 31 December 2022.

Trustees' expenses

There were no trustees' expenses for the period ended 31 December 2023 or 31 December 2022.

11. STAFF COSTS

	31.12.23	31.12.22
	£	£
Salaries	31,700	32,150
Social Securities	1,291	2,048
Pensions	817	984
	<u> </u>	<u> </u>
Total staff costs	33,808	35,182
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

	31.12.23	31.12.22
	1	1
Charitable activities	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000 (2022: None).

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 £33,808, one employee (2022: £35,182, one employee).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	61,268	64,045	125,313
Other trading activities	6,767	-	6,767
Investment income	377,830	-	377,830
Total	445,865	64,045	509,910
EXPENDITURE ON			
Charitable activities			
Charitable activities	244,567	67,564	312,131
Other	9,247	-	9,247
Total	253,814	67,564	321,378
NET INCOME/(EXPENDITURE)	192,051	(3,519)	188,532
Transfers between funds	(2,542)	2,542	-
Net movement in funds	189,509	(977)	188,532
RECONCILIATION OF FUNDS			
Total funds brought forward	2,473,883	261,019	2,734,902
TOTAL FUNDS CARRIED FORWARD	2,663,392	260,042	2,923,434

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Outdoor Construction £	Totals £
COST				
At 1 January 2023	2,536,626	178,388	72,611	2,787,625
Additions	50,996	1,999	-	52,995
Disposals	-	(66,738)	-	(66,738)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2023	2,587,622	113,649	72,611	2,773,882
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 January 2023	327,781	177,801	68,428	574,010
Charge for year	43,511	277	1,644	45,432
Eliminated on disposal	-	(66,738)	-	(66,738)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2023	371,292	111,340	70,072	552,704
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 December 2023	2,216,330	2,309	2,539	2,221,178
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	2,208,845	587	4,183	2,213,615
	<hr/>	<hr/>	<hr/>	<hr/>

14. SOCIAL INVESTMENTS

	Shares in group undertakings £	Investments £	Total £
Opening balance	4	91,455	91,459
Additions	-	10,113	10,113
	<hr/>	<hr/>	<hr/>
Closing balance	4	101,568	101,572
	<hr/>	<hr/>	<hr/>
Net book value			
Brought forward	4	91,455	91,459
	<hr/>	<hr/>	<hr/>
Carried forward	4	101,568	101,572
	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

15.	DEBTORS	31.12.23	31.12.22
		£	£
	Amounts falling due within one year:		
	Other debtors	51	51
	VAT	7,792	543
	Prepayments	1,666	14,487
		<u>9,509</u>	<u>15,081</u>
	Amounts falling due after more than one year:		
	Amounts owed by group undertakings	532,618	759,506
		<u>542,127</u>	<u>774,587</u>
	Aggregate amounts	<u>542,127</u>	<u>774,587</u>
16.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.12.23	31.12.22
		£	£
	Trade creditors	6,255	5
	Social security and other taxes	573	572
	Pensions Payable	144	144
	Other creditors	-	8,258
	Accruals and deferred income	5,757	8,750
		<u>12,729</u>	<u>17,729</u>
17.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	31.12.23	31.12.22
		£	£
	Amounts owed to group undertakings	<u>397,254</u>	<u>628,190</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

18. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	2,663,392	79,528	-	2,742,920
Restricted funds				
Burial Site	91,455	-	-	91,455
South Downs National Park Grant - roof replacement	59,516	(2,885)	(4,716)	51,915
Capital Improvements	108,731	-	-	108,731
Restricted - Various	340	3,096	-	3,436
Diocese of Portsmouth	-	4,015	-	4,015
South Downs National Park Grant - cash	-	-	4,716	4,716
	<u>260,042</u>	<u>4,226</u>	<u>-</u>	<u>264,268</u>
TOTAL FUNDS	<u>2,923,434</u>	<u>83,754</u>	<u>-</u>	<u>3,007,188</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	460,123	(380,595)	79,528
Restricted funds			
South Downs National Park Grant - roof replacement	-	(2,885)	(2,885)
Restricted - Various	3,096	-	3,096
Diocese of Portsmouth	4,015	-	4,015
SDNP-CIL Fund	37,600	(37,600)	-
	<u>44,711</u>	<u>(40,485)</u>	<u>4,226</u>
TOTAL FUNDS	<u>504,834</u>	<u>(421,080)</u>	<u>83,754</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	2,473,883	192,051	(2,542)	2,663,392
Restricted funds				
Burial Site	56,930	(5,875)	40,400	91,455
South Downs National Park Grant - roof replacement	-	59,516	-	59,516
Capital Improvements	146,589	-	(37,858)	108,731
Restricted - Various	45,000	(44,660)	-	340
SDNPA Covid 19 Recovery	12,500	(12,500)	-	-
	<u>261,019</u>	<u>(3,519)</u>	<u>2,542</u>	<u>260,042</u>
TOTAL FUNDS	<u>2,734,902</u>	<u>188,532</u>	<u>-</u>	<u>2,923,434</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	445,865	(253,814)	192,051
Restricted funds			
Burial Site	-	(5,875)	(5,875)
South Downs National Park Grant - roof replacement	62,400	(2,884)	59,516
Restricted - Various	1,645	(46,305)	(44,660)
SDNPA Covid 19 Recovery	-	(12,500)	(12,500)
	<u>64,045</u>	<u>(67,564)</u>	<u>(3,519)</u>
TOTAL FUNDS	<u>509,910</u>	<u>(321,378)</u>	<u>188,532</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	2,473,883	271,579	(2,542)	2,742,920
Restricted funds				
Burial Site	56,930	(5,875)	40,400	91,455
South Downs National Park Grant - roof replacement	-	56,631	(4,716)	51,915
Capital Improvements	146,589	-	(37,858)	108,731
Restricted - Various	45,000	(41,564)	-	3,436
Diocese of Portsmouth	-	4,015	-	4,015
SDNPA Covid 19 Recovery	12,500	(12,500)	-	-
South Downs National Park Grant - cash	-	-	4,716	4,716
	<u>261,019</u>	<u>707</u>	<u>2,542</u>	<u>264,268</u>
TOTAL FUNDS	<u>2,734,902</u>	<u>272,286</u>	<u>-</u>	<u>3,007,188</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	905,988	(634,409)	271,579
Restricted funds			
Burial Site	-	(5,875)	(5,875)
South Downs National Park Grant - roof replacement	62,400	(5,769)	56,631
Restricted - Various	4,741	(46,305)	(41,564)
Diocese of Portsmouth	4,015	-	4,015
SDNP-CIL Fund	37,600	(37,600)	-
SDNPA Covid 19 Recovery	-	(12,500)	(12,500)
	<u>108,756</u>	<u>(108,049)</u>	<u>707</u>
TOTAL FUNDS	<u>1,014,744</u>	<u>(742,458)</u>	<u>272,286</u>

Included in unrestricted funds are the following designated funds:

	31.12.23 £	31.12.22 £
General reserves	86,600	72,000
General funds set aside for operational and/or capital costs	118,218	113,254
Major Donor Gift Aid	187,500	187,500

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

18. MOVEMENT IN FUNDS - continued

392,318	372,754
---------	---------

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 '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.

19. RELATED PARTY DISCLOSURES

Amounts owed to group undertakings	31.12.23	31.12.22
	£	£
Earthworks Foundation Limited		
Opening balance	628,190	498,860
Committed donations to Foundation in year	208,036	164,587
Less: Cash transferred during the year	(438,972)	(35,257)
Closing balance	397,254	628,190
Amounts owed by group undertakings	31.12.23	31.12.22
	£	£
South Downs Natural Burial Ltd		
Opening balance	758,661	540,591
Donations from SDNB	392,733	376,070
Less: Cash transferred during the year	(619,621)	(158,000)
Closing balance	531,773	758,661
Wood4Heat Ltd	845	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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

20. ULTIMATE CONTROLLING PARTY

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

21. FUTURE COMMITMENTS

	31.12.23	31.12.22
	£	£
Within one year	1,391	1,391
Between one and five years	2,087	3,478
	<hr/>	<hr/>
	3,478	4,869
	<hr/> <hr/>	<hr/> <hr/>

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	31.12.23 £	31.12.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts and Donations	42,842	53,762
Gift aid	6	106
Grants	42,791	71,445
	<hr/> 85,639	<hr/> 125,313
Other trading activities		
Fundraising events	35	-
Rent Income	8,617	6,767
	<hr/> 8,652	<hr/> 6,767
Investment income		
From trading subsidiaries	392,773	376,070
Deposit account interest	9,657	1,760
Gain or loss on investment	8,113	-
	<hr/> 410,543	<hr/> 377,830
Total incoming resources	504,834	509,910
EXPENDITURE		
Charitable activities		
Wages	31,700	19,650
Social security	1,291	2,048
Pensions	817	984
Rates and water	5,103	3,860
Insurance	17,391	15,152
Sundries	106	107
Subscriptions	35	80
Repairs and renewals	82,377	150
Fundraising activities	42	665
Legal and Professional Fees	16,285	2,952
Freehold property	45,157	36,938
Plant and machinery	277	278
Grants payable to subsidiaries	208,036	164,587
Grant expenditure	-	64,680
	<hr/> 408,617	<hr/> 312,131
Other		
Bank charges	82	133
Carried forward	82	133

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	31.12.23 £	31.12.22 £
Other		
Brought forward	82	133
Accountancy fees	12,331	9,114
Governance costs	50	-
	<hr/>	<hr/>
	12,463	9,247
	<hr/>	<hr/>
Total resources expended	421,080	321,378
	<hr/>	<hr/>
Net income	83,754	188,532
	<hr/> <hr/>	<hr/> <hr/>