

# The Heart of England Forest

Annual report for the year ended  
31 March 2021

Registered Charity Number 1097110 (in England and Wales)

Company Registration Number 4309564 (in England and Wales)





Company information

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# CHAIR'S REPORT

**W**ho could have predicted how the world would change for us all in March 2020, as life as we know it was thrown into chaos? As was the case for everyone, our plans here in the Forest have had to continually adapt to the ever-changing times we have found ourselves in over the past 12 months.

Whilst 2019/20 was the year our supporters recognised the value and importance of the Forest for its role in climate change mitigation, 2020/21 was the year of understanding and appreciating the purpose and power of the Forest for people.

Understanding the important role that the Forest would play in helping people cope with the pandemic, we were determined to keep the Forest open, doing all we could to support people's physical health and mental wellbeing by spending time in the woodlands, whilst keeping them safe. The entire team was heartened by the fantastic feedback received from our visitors for which the Forest was a real lifeline during these challenging times.

The Forest also became a sanctuary for children and young people, helping them to cope with the unprecedented times they were experiencing. The close relationships our Learning and Skills Team have with local schools and parents enabled them to bring children back to the Forest from May 2020, helping them catch up on lost learning and enabling them to safely reconnect with friends after so much time apart.

Despite everything we had to contend with, the Forest continued to grow. We acquired 42 acres of land taking our total Forest to around 7,000 acres, created wetland and enhanced grassland and farmland, further adding to the rich mosaic of habitats in the Forest. We created new woodland at two sites, planting 46,255 trees in total. We have now planted 1,930,163 since the charity began,

and excitingly will plant our two millionth tree this coming winter season.

I am incredibly proud of every member of the Forest team who has shown great resilience and dedication to the charity. Our focus on strong governance within our strategic plan stood us in good stead to act swiftly as soon as the pandemic hit and respond to the ever-changing situation throughout the year, ensuring our staff, volunteers and supporters remained safe.

We have been overwhelmed by the continued support we have received, and I would like to personally thank all our supporters, individual donors, companies and trusts who have so generously helped ensure our important work can continue.

There may still be tricky times ahead, but we remain focussed on our ambitious vision to reverse centuries of woodland decline and create and conserve a magnificent 30,000 acre broadleaf forest for the benefit of the environment, wildlife, and people. With your continued support, the Forest will be a place of enduring natural beauty, protected and secured for generations to come.

*Jon Snow*  
*Chair, Heart of England Forest*



# MESSAGE FROM OUR CHIEF EXECUTIVE



**L**ittle did we know when coronavirus hit in March 2020 that the next 12 months would be unlike anything we had experienced before.

I have always known that we had a special team of people working here at the charity, but each and every staff member went above and beyond to pull together during the pandemic. Despite everyone finding themselves in very different circumstances, their dedication and passion for the Forest and our work did not falter.

The commitment of our volunteers also did not waiver during this difficult time, with them embracing new ways of giving their time to make a difference. Despite the pandemic forcing us to suspend practical volunteering for five months, our amazing volunteers gave 2,343 hours to help grow and manage the Forest in 2020/21 – the equivalent of one additional full time member of staff.

This meant that we were able to keep the Forest open throughout the pandemic, providing a much needed place for people to visit for their daily exercise, for the benefit of both their physical and mental health. Although increased numbers of visitors resulted in more incidences of antisocial behaviour, these were in the minority and the overwhelming majority of people valued the woodlands and respected the natural environment when they spent time in the Forest. We received many messages of positivity and support, which greatly heartened the team when times were tough.

Even with the difficulties of COVID-19, we remained committed to investing in the foresters of the future and expanded the Forest team. We welcomed our second Forestry Apprentice, Daisy, on a two-year programme, and three new

forestry interns on our successful year-long paid internship programme.

Thanks to the Green Recovery Challenge Fund (GRCF) grant, secured in December 2020, we were also able to welcome nine additional paid interns across the whole of the charity at the end of this reporting period. As well as four extra forestry interns, young people took up internship roles in biodiversity, conservation farming, communications, learning and skills, and community partnerships. Nationally unemployed economically active people aged 16 - 64 make up 4.5% of the population, but this rises to 13.4% for 16 - 24 year olds (ONS), a group which has particularly suffered during the pandemic, so we are especially proud to be able to offer on the job training and development opportunities to help further their careers.

I'm incredibly proud of what we have achieved together over the past year, and of the enthusiasm, resilience and ambition demonstrated by our staff, our volunteers and our supporters. Thanks to this sterling work in 2020/21, the charity is in a strong position to drive forward our ambitious plans for the coming year. I look forward to working with you all to continue delivering a positive impact for the environment, for people and for wildlife.

*BETH*

*Beth Brook  
Chief Executive, Heart of England Forest*

## The impact of COVID-19 on the Forest

When the UK Prime Minister announced a full lockdown for the UK on 23rd March 2020, the Heart of England Forest was already ahead of the curve. The charity's Senior Management Team had begun working on an emergency plan and business continuity plan at the end of 2019, with a variety of scenarios informing a short and medium term action plan to prepare for a range of eventualities. Having followed the progress of the COVID-19 virus in the media since symptoms were identified in Wuhan in late December 2019, the task group altered the agenda of its February meeting to discuss the likelihood of a pandemic and planned accordingly.



On Monday 16th March 2020, the charity implemented its own lockdown procedures. Those who could work from home did so, taking with them the necessary equipment and supplies needed to make this work. Those who normally worked alone outside, such as the farm team, were deemed low risk, and continued to do so, with additional risk mitigation in place. And those staff members who normally work outside in teams, such as the forestry team, also continued to do so, but with new risk assessments in place. Teams were broken down into twos and threes, vehicle sharing was stopped, and workplans were created which prioritised work sites away from public access areas. Regular communications to all staff commenced, and senior managers made themselves available to answer questions and deal with any concerns.

### Keeping our staff safe

From the very start, we prioritised people. Our staff were given very clear messages from the top, reiterated throughout the organisation, that they and their families were our priority and we would do what we could to support them. We recognised that homeschooling was likely to be tricky and worked individually with those staff affected to put measures in place to assist. For some this was flexibility with when hours were worked, and for others it was updating the priority of different tasks.

We identified any staff who fell into vulnerable categories and had individual conversations with them so that we could amend their work to keep them safe. For some this was supporting them to work at home whilst they shielded for 12 weeks, and for others it was amending their jobs to limit their interaction with the public. We recognised that some staff would find the pandemic difficult for all sorts of reasons, affecting mental health. We regularly sent information and advice signposting external support, the Employee Assistance Programme and health and wellbeing resources, checking in regularly with those we knew to be vulnerable.

As a charity with clear ethics, we felt strongly that the furlough scheme was in place for those organisations that had no choice. We were fortunate to be in a position where we had work for people to do, which could be carried out in a safe manner, so we designed our work programmes around this stance. Many other charities took advantage of the furlough funds. However, over the last year there have been many examples of charities unable to come back from this early decision, ultimately having to make staff redundant, which further affected their ability to deliver their charitable objects and generate income. Other organisations with furloughed staff experienced a sense of instability, as staff began to feel insecure in their roles, looking around for new opportunities.

The Heart of England Forest has continued to recruit and induct new staff throughout the pandemic and has experienced a strong talent pool allowing it to select the best of the best. There were over 500 applicants for the forestry intern position advertised in August 2020, with many applications from people wanting to change career and come and work for the Heart of England Forest.

Our overarching objective throughout the whole pandemic has been to keep people safe, and in terms of our staff, this included physical, mental and emotional wellbeing, as well as financial security, which we recognised as being a key source of unnecessary stress.

### Equipment and resources

Shortages of key supplies had been predicted before the first lockdown was announced. The charity had early discussions with its external IT team, and measures were put in place to improve security and accessibility as part of the emergency planning process. Spare laptops had already been purchased and configured ahead of the shortage caused by microprocessor plants shut down in China, and virtual communications software such as Microsoft Teams and Zoom were installed and ready to use.

Similarly, the charity was well prepared at the start of lockdown, having predicted a shortage of anti-bacterial hand gel and associated products, and had sourced and ordered supplies early. In preparation for staff being back on site, all work sites were fitted with automatic hand gel dispensers at key locations, with supplies in place to keep them topped up. Hand towel dispensers were ordered immediately and fitted across the charity's buildings, replacing towels and t-towels with disposable options. PPE was purchased, and sufficient supplies of antibacterial disinfectant bought in order to keep tools and other equipment cleaned between use.

### COVID-19 risk assessments

Each manager was responsible for producing COVID-19 risk assessments for their area and keeping abreast of industry guidance to ensure our measures remained current and appropriate. For areas such as Learning and Skills, this involved almost daily updates, keeping abreast of guidance from the Department of Education as well as the local authorities, and then the schools themselves, none of which was standardised. Different measures were established for school groups and youth provision, and the team worked hard to interpret woolly guidance which did not always fit non-mainstream provision. We also followed advice from industry bodies such as NCVO (National Council for Voluntary Organisations) for volunteering, and British Holiday Homes and Parks Association (BHHPA) for Dovecote Caravan Park.

These risk assessments needed communicating to our staff and volunteers as well as relevant stakeholders, and the sentiment behind them – to keep people safe – conveyed when some people questioned bureaucracy.

### Finance and budgeting

Having seen the stock market crashes at the end of March 2020, the Heart of England Forest tightened its belt at the start of the pandemic. Non-essential expenditure was paused, and the

Senior Management Team worked on some initial reforecasting and scenario planning to try and predict activity, and therefore income and expenditure, at various points during the year.

We expected fundraising to be particularly hard hit, as people lost their jobs and businesses were unable to operate. In reality, whilst we saw some drop off in corporate partnership income, this was the most heavily hit area of our fundraising, and individual giving actually went from strength to strength, reversing our expectations. As lockdown stretched on and on, people began to rely on their hour of daily exercise as a reason to leave the house, and more and more people discovered the Forest on their doorsteps. Similarly, our communications were refocused to take the Forest to people's homes recognising that not everyone could get out and about. Both mechanisms encouraged people to support our work by becoming Friends of the Forest.

Having just been about to recruit for a major donor fundraiser, we took the decision to pause this recruitment, as we were unsure how we would induct and onboard a member of the fundraising team. Similarly, we had just interviewed for the post of Community Partnerships Officer, a community fundraising post, at the start of March, and we took the decision to pause the start of this role for 6 months to see how the pandemic developed. Although our new Community Partnerships Officer did start with us in September, the delays to both posts due to the pandemic had a negative impact on budgeted fundraising income (as well as the corresponding expenditure).

On balance, fundraising as a whole, whilst suffering an impact, was not as badly hit as we first thought. However, industry expertise suggests that 2021 may see a bigger impact as furlough continues and unemployment rises, and people feel the pinch on their household income.

### Events

Events, too, were badly hit in 2020. Although we had undertaken some planning to allow us to



recommence events by the end of the summer, in reality we were unable to open the Garden of Heroes and Villains in 2020 as it was impossible to put safety measures in place whilst at the same time generating sufficient income to make the opening worthwhile. However, we turned the situation on its head and started to offer online virtual events.

Our first Forest and Founder virtual guided walk was well received and raised more in donations than our in person guided walks have done! It had an additional benefit – 75% of people attending this event had never visited the Forest – introducing the Forest to new and wider audiences. Whilst we remain hopeful that the pandemic will subside, the virus has been a catalyst for us to accelerate our online offering, and we are planning a full virtual events programme in 2021. Whilst we have wanted to offer talks as well as walks, we have previously been limited by the size of our buildings and how many people we can seat. A shift to a virtual world

increases our options and our audience limits.

So, whilst we look forward to welcoming people back into the Forest via our formal events, we have benefited from the opportunity to take the Forest to people's homes, extending our reach. Virtual events will continue to be a core part of our blended outreach activities in the future.

## Volunteering

The rules of the first lockdown meant that volunteering was immediately suspended. We were very aware that many of our volunteers would fall into vulnerable categories and need to shield for 12 weeks, and others live on their own. We wanted to do something to combat feelings of isolation and keep in touch with our volunteers, so we decided early on to continue with our fortnightly e-newsletter, focusing on celebrating what had been achieved through volunteering over the last year. We also launched our microvolunteering offer – small, discreet tasks

that can easily be completed at home, but which continued to make a difference to the Heart of England Forest.

Once summer arrived and measures were slightly relaxed, we extended our provision to Roving Volunteers – those volunteers happy to be outside in the Forest, working alone or with a family member, and undertaking tasks such as footpath checking or biodiversity surveys that could be done as part of their daily exercise.

Once lockdown was eased, we reinstated practical volunteering within the "groups of 6" guidance, investigating a new booking system to ensure as many volunteers who wanted to get the chance to come out to work in small groups. Our risk assessment was updated, and we shortened the length of our sessions to two hours, which meant we did not need to offer welfare facilities – a pinch point for the convergence of people. In the popular months we were able to offer three sessions a day, with a sufficient gap between to avoid groups crossing over as keen volunteers arrived early! Whilst we very much missed the camaraderie of sharing our packed lunches together, we were able to offer more sessions to a wider variety of people, and achieved a huge amount on some key sites such as woodland maintenance at Coughton Park and coppicing at Alne Wood. At the end of the summer we ran 'Summer Summary' guided walks to thank these small groups of volunteers, looking back on what had been achieved and to learn more about the history of some of our sites.

Volunteers were disappointed not to have been able to do any tree planting this year. However, we took the decision very early on that we needed to prioritise the safety of our staff team in order to ensure that the tree planting was completed. We did, however, plan additional infill tree planting in the Dorsington area, a task ringfenced for volunteers and included in the Green Recovery Challenge Fund, gapping up hedgerows, growing the new hedgerow trees of tomorrow to replace the mature ash which are under threat, and creating mini copses in field corners which will go on to provide shelter for our livestock, proving that

farming and forestry can not only coexist but be mutually beneficial.

With the second lockdown in November, we reverted to micro volunteering. Although the letter of the law meant that essential volunteering could have continued in person, we have always taken our decisions, throughout the pandemic, based on people wellbeing, and for this reason we felt it was important not only to protect our staff and volunteers, but also the wider community at large, minimising travel and social interaction. Our volunteer manager has continued to support the volunteers remotely, keeping in touch and providing encouragement. Our winter volunteer thank you event was held online this year and proved very popular. Volunteers were very engaged and had a lot of positive questions following some short talks, and the evening culminated in a lighthearted quiz.

We feel very fortunate to have such a group of committed and enthusiastic volunteers and have received a great deal of support over these difficult 12 months.

## Learning and Skills

Arguably the most complex of our activities, our learning and skills team have proven to be experts at flexibility and adaptability, and the only month we did not work directly with schools was April 2020. The team has stayed on top of the ever-changing guidance, not just from governance, but also interpreting local authority guidance, and individual school risk assessment measures.

We welcomed our first young people back in early May, with one of our schools bringing the children of key workers to the Forest for learning sessions in order to provide support physically and mentally, as well as educationally.

School programmes recommenced in June 2020 following consultation with schools on new COVID-19 secure health and safety procedures and risk assessments. Working in bubbles of 15 meant we had to redesign our sessions and facilities to facilitate two or three bubbles on site at any one time. This required a large amount of



Above: COVID-19 guidance in the Forest for visitors.



flexibility and resilience across the team. To increase capacity to meet demand for school visits during the summer term and facilitate smaller bubbles of children, we installed socially distant tree stump circles at three locations at Middle Sernal and two locations in Alne Wood. We also installed the temporary toilets at Alne Wood Park, giving five separate areas which could run educational activity concurrently.

Our schools returned not just with those priority year groups who were back in school the earliest, but the forward thinking schools used the Forest to enable them to check on non-priority year groups – years three and four – who had not been in school for over 12 weeks. This was a key time, allowing staff to interact with children, check on those vulnerable young people in a safe space, and give the children time and space to rebuild their relationships and learning styles. We also worked with year 6 on transition – with residential provision cancelled across the UK, these young people were at risk of missing out on their rites of passage, and we worked hard to create similar experiences to celebrate their primary years and prepare them for a return to secondary school.

We ran WildTribe holiday club on three dates in the summer holidays, complying with the COVID-19 secure guidance on summer holiday provision from the Out of School Alliance. WildTribe sold out on all three dates and we received excellent feedback from families on how important it had been for their children to spend time in the Forest.

*“I just wanted to say a massive thank you to you and the team for managing to get WildTribe and Young Foresters up and running in these strange times. The opportunity it has given my boys is beyond measure.”*

Young Foresters sessions recommenced, complying with the COVID-19 secure guidance from the National Youth Agency. We ran two summer holiday sessions which attracted 14 young people in total and continued the provision

across the autumn until the start of lockdown 3.

We have also been creative with how we can offer limited work experience opportunities. We worked closely with local charity, Think Forward, to step in at the last minute and offer a work placement to a young person with SEND (Special Educational Needs and Disabilities) who had a placement at the Royal Shakespeare Company rescinded after COVID-19 measures meant this was unfeasible. M has been working with us on a practical placement for three days a week since July, which we have been able to provide in a Covid-19 secure manner.

We were even able to recruit our new Outdoor Teacher during the first lockdown – our first foray into virtual interviewing! This would normally have been a post where recruitment would have included practical activities with young people. However, candidates proved themselves to be versatile and adaptable, videoing learning sessions as part of their pre-interview tasks, allowing us to select an outstanding candidate who has added immense value to the team.

The success of the Learning and Skills programme has been down to the trust we have built up with our school partners, who feel reassured that we are on top of the guidance, understand their individual needs, and have put the welfare of young people first.

### Open for visitors

Despite the trend by many to close public access during the start of the pandemic, which included private and public sector organisations as well as other charities, the Heart of England Forest took the decision to remain open for visitors. Whilst this was not always popular with neighbours, we felt it was the right thing to do to promote safe access to open space for physical and mental wellbeing.

One of the far-reaching impacts of this pandemic is likely to be the negative effect on the health of the nation – physical and mental – and we encouraged people to use the Forest within government guidelines, providing a focus on

wellbeing in our communications and ensuring learning activities could be carried out in gardens or other local greenspace if people were too far to visit the Forest itself.

Initially we had a flurry of contact from a few anxious neighbours who felt we were being reckless leaving our car parks open, and who were keen to see public access stopped. However, we undertook a safety campaign, reminding people to follow the guidelines and look after their own wellbeing and that of other people, and, whilst the car parks were busy with cars, 7000 acres of Forest gives people plenty of space to socially distance.

As the weather warmed up and restrictions lifted, our car parks were at capacity. This resulted in people parking along the roadside and in local villages, which inevitably raised local concern. We were limited to what we could do about this – people were parking legally on the public highways, and other than encourage use of the car parks and provide information on alternative car park provision, the charity was unable to police this. It did, however, indicate the need for more car parking facilities across the Forest, and whilst not easy within planning restrictions, this is something we are looking out for when we purchase new sites.

In a time of unprecedented lockdown, the Forest provided a lifeline to many people, keen to enjoy its peace and tranquillity to benefit both their physical and mental health. We have received some really positive comments from supporters over this period:

*“I just wanted to drop you a note to thank you for continuing to allow access to the footpaths and car parks in the forest. During these dark times the opportunity to escape for a short time each day and watch Spring unfold is helping to make the situation bearable. We are so lucky to have this fantastic amenity available, many thanks for your continued great work!”*

*“Good evening. A quick email to say how much we appreciate you keeping the woodland walks and your car parks open during this trying time. Being able to get out for a walk in the fresh air in your woods while knowing that there is plenty of space to maintain ‘social distancing’ is a great for our physical and mental health. Thank you.”*

### Other stakeholders

Not all stakeholders were happy with the measures we took, and Dovecote Caravan Park is one area where we have had to invest significant time on stakeholder communications. Despite measures being out of our hands – the government was very clear that people should not travel to second homes, and its guidance, reiterated by industry body British Holiday Homes and Parks Association (BHHPA), was clear that caravan parks needed to close – our licence holders have been unhappy.

Despite clear communications sent to all licence holders within hours of any change in government guidance, often out of normal office hours, we have found ourselves caught in the middle of both sets of stakeholders this year, which has increased complaints, and even resulted in an anonymous threatening letter.

### Supporting local businesses

With staff dispersed and local businesses feeling the pinch, we have taken the opportunity to undertake works across charity premises, using local contractors where possible, in order to minimise disruption to our operations to support the local economy.

Since the start of the first lockdown, we have:

- Upgraded the security and fire alarm system at Colletts Farm
- Installed a new alarm and CCTV system at other sites
- Installed a new alarm and CCTV system

- at the Garden of Heroes and Villains
- Undertaken a full topographical survey at Colletts Farm
- Instructed full EICR (fixed wiring) electrical testing across all operational properties including any remedial works bringing the electrics up to standard on all operational buildings
- Worked with fencing contractors to upgrade existing pasture fencing at Dorsington and install new livestock fencing at Sheriffs Lench
- Installed new reedbed sewage filtration systems and balancing ponds / herringbone soakaway at Crabtree Farm and Coughton Park
- Upgraded track and cattle grid at Middle Spernal
- Installed new portable Shepherd Hut children toilets

All contractors were able to work in a Covid-secure manner with limited Forest staff on site, and both Ultra-Vision and Midland Survey commented that they would have had to lay staff off had it not been for our work early in the lockdown period.

## Governance

With a global pandemic and unprecedented lockdown measures, it would have been easy for robust governance to have been shunted down the priority list in the rush to shift from face to face to largely online working. Board meetings have moved from face-to-face day-long sessions in the Forest to Zoom, bringing with them changes to the way things are discussed and agreed as personal cues and subtle moods are lost across the ether. The Heart of England Forest was in a strong position to make these adjustments, having updated its Articles of Association recently, which now permit decision making via email discussion and other non-face to face channels. Despite the challenges of juggling hosting and participating in an online meeting with the practicalities of taking minutes and referring to meeting documents, all on the same laptop, clear

and accurate recording of governance procedures and decisions has remained a priority.

Whilst some charities have needed to obtain special permission from the Charity Commission to amend their governance on a temporary basis, the Heart of England Forest has retained full measures in place. The charity has also anticipated where systems may have been weakened with the rapid move to home working, for example segregation of duties within the financial systems, GDPR processes and general IT security, and took early action to ensure updated systems were implemented. Fraud risk and any change to risk levels was raised and discussed within the Finance and Audit Committee, and the recent cyber-breach experienced by a national charity which was flagged by a trustee resulted in a cyber security report to trustees highlighting measures which have been implemented.

## Delivering charitable objects

Despite the pandemic, the charity has continued to deliver its charitable objects and deliver significant public benefit. The 2020/21 tree planting season has gone well, with all tree planting at two new sites, and replanting at four sites, completed by the end of January. A new wetland creation scheme has been completed at Oak Wood, with plans well underway for wetland enhancement work at Studley Thorns.

Volunteers have been instrumental in collecting biodiversity data to build our baseline and demonstrate biodiversity benefits of the Forest, which can already be seen in butterfly populations.

Visitor numbers have risen, and we have actively engaged with a wider audience, attracting a record number of supporters in the form of Friends of the Forest take up.

Learning and skills work has provided a lifeline for many children and young people over the last year, bringing the curriculum to life and promoting opportunities for fun and friendship amidst lockdown isolation. All of this has been achieved within a robust governance framework.

## Communications

Clear communications have been vital throughout the pandemic, and we have invested a lot of time in our messaging tailored to multiple stakeholders across a variety of channels. We have worked hard to stay up to date with government guidelines, interpret them to understand the different impacts on our work, and communicate any updates to our stakeholders.

From social media posts which featured daily learning activities for children, our #15SecondForest video clips to take the sights and sound of the Forest to people at home; and a Covid-19 safety campaign; to our fortnightly volunteer e-bulletin; from tailored support messages to schools to formal letters to our caravan licence holders; and our monthly e-newsletter which aims to engage people with the Forest as widely as possible, to regular staff briefings to keep everyone up to date and supported, our communications work has increased in frequency, breadth and depth.

We have set up an internal communications group during the lockdown, which has been trialling different ideas to help staff feel engaged over this difficult period, recognising that we have a range of staff with different levels of ability to access IT and therefore our communications have needed to be varied and inclusive.

## The Forest team

The charity's staff team has been phenomenal over the last 12 months. From the speed of reaction time to switch all embedded ways of working overnight, to the willingness to help out across the charity in whichever ways are of most use, to taking on new responsibilities and new ways of working, the resilience of the team has been second to none.

Staff have coped with all challenges thrown at them, from shopping supply shortages (people shared local knowledge and picked up certain grocery items in short supply for their colleagues)



Above: Assistant Ranger Emma.



to providing practical support to colleagues whilst they were self-isolating, collecting shopping and prescriptions as needed; from juggling home schooling to sharing a home office with other household members; the team has remained positive and upbeat.

For a relatively small team, a lot has been thrown at us. More than 25% of team members have experienced the death of a parent/parent in law or sibling since the start of the pandemic, coping with the emotional trauma as well as the difficult practicalities, from delayed funeral arrangements to limits on mourners. This statistic is even higher in the Senior Management Team, with five of the seven senior managers coping with this personal loss. Younger team members who have moved away from home for the first time and live alone have been supported through feelings of isolation, and new staff have been made to feel welcome and valued as they joined the organisation during the pandemic. Whenever help is needed, no matter where or when, across the charity, a willing volunteer is always at hand, and the load has been shared right across the organisation.

Morale has remained high, and after a very small flurry of self-isolating at the start of the pandemic as people experienced especially high levels of anxiety, sickness levels have been very low. Social distancing and COVID-19 security measures have been understood and implemented without exception, and to date only two members of the team have tested positive for the virus, one with imperceptible symptoms and the other with low level symptoms, and both have made a full recovery.

After Christmas however, it was noticeable how emotional resilience levels had declined. At the start of the pandemic, the adrenaline rush of the crisis kept everyone going, and even though the pandemic stretched on into the autumn, which was longer than we had initially anticipated, the end seemed in sight. With the start of a new year, and a move into tighter lockdown levels, the capacity to function continually at high levels of performance was not sustainable. This was a

*“Whenever help is needed, no matter where or when, across the charity, a willing volunteer is always at hand, and the load has been shared right across the organisation.”*

phenomenon experienced right across the charity sector and beyond and is not unique to the Heart of England Forest. Whilst we started the pandemic with the wisdom to adjust our expectations across the charity, never was this more needed than now.

As the daylength increased and the weather improved, we started to move towards spring, a time of new life and rejuvenation in the Forest. Initiatives such as the Footsteps for the Forest challenge and our online cuppa made a noticeable difference, as people return to interacting with other people in different areas of the charity, reminding ourselves of everything we have achieved together.

I remain incredibly proud of the team, and the resourcefulness, resilience and strength each and every member has exhibited, passionate about the work we are doing to grow the country’s largest new native broadleaf forest, for the benefit for the environment, wildlife and people. Never has that been more needed than during the last 12 months.

*Beth Brook, Chief Executive,  
April 2021*

# TRUSTEES’ / DIRECTORS’ REPORT

**T**he directors are pleased to present their report together with the financial statements of the charity and group for the year ended 31 March 2021.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the 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 (FRS102)—(Charities SORP (FRS102)).

## DIRECTORS

The directors who served the company during the period were as follows:

Jon Snow (Chair)  
Anthony Burton  
Nicky Corbishley  
Asa Gurden  
Alison Hunter  
Doreen Massey  
Steve Price





# OUR PURPOSE

The charity's vision is to create 30,000 acres of contiguous forest in the Heart of England to benefit the environment, wildlife and people for hundreds of years to come. The mosaic of habitats we are creating will help mitigate climate change, enable wildlife to thrive, and provide a haven for people to visit which benefits their health, happiness and wellbeing.

Above: Aerial views of Sernal and Windmill Hill

## OBJECTIVES

The objectives of the Heart of England Forest, taken from the Articles of Association, are:

- i)** To establish, maintain and preserve, ideally a contiguous forest or else a forest eventually connected by corridor (including the acquisition of new land, woodlands and wetlands) for the benefit of the public, stretching from the ancient borders of The Forest of Arden to the edge of the Vale of Evesham (the "Heart of England"),
- ii)** To engage in the plantation, re-plantation, cultivation, conservation, protection, preservation and restoration of trees, woodlands, wetlands and plant life in the Heart of England for the purposes of maintaining this natural habitat and for ensuring that it benefits both the public and the native natural wildlife (and ensuring the survival of endangered species) that live in and around this forested area, and
- iii)** The education of the general public for both general purposes and specific scientific research relating to the promulgation of knowledge and appreciation of trees, woodlands, wetlands, and wildlife and their habitats in the Heart of England region.
- iv)** To use parts of the forest to promote:
  - (a)** recreation and leisure with the joint objectives of advancing the education of the public in the conservation, protection and improvement of the natural environment and improving the conditions of life for the benefit of the public; and
  - (b)** art (by hosting displays and events) with the joint objectives of advancing the education in the conservation, protection and improvement of the natural environment for the benefit of the public as well as in the arts.

## STRATEGIC PLAN

Our Strategic Plan provides an ambitious motivational framework to achieve our aims and has five strategic priorities:

- 1** Growing the Forest
- 2** Optimising Biodiversity
- 3** Attracting People
- 4** Learning and Skills
- 5** Strong Governance

These priorities form the pillars of the Heart of England Forest's strategy and are underpinned by four cross-cutting themes:

- A** Communications
- B** Fundraising
- C** Volunteering
- D** Farming and agroforestry

## PROGRESS MADE IN 2020/21

Thanks to our dedicated team and passionate supporters the Forest continues to grow. Read about the achievements and progress made for each pillar across the last financial year, and our plans for the year ahead.





# 1 GROWING THE FOREST

Our mission to establish tomorrow's great native woodland continues at pace. By purchasing and protecting the land we plant on we are conserving the Forest in perpetuity.

Above: Apprentice Daisy tree planting

In the areas local to the Forest in Warwickshire and Worcestershire, some local authorities have declared a climate emergency, and building natural capital and green infrastructure is advocated in Local Plans. The Heart of England Forest is the largest new native broadleaf Forest in England and is ideally positioned to scale up climate action to create a resilient green future.



## PROUDEST ACHIEVEMENTS

### 1 Achieving our tree planting targets during the pandemic.

Despite everything we had to contend with due to COVID-19, we created new woodland at two sites: Oak Wood near Tanworth in Arden and Chapel Gate Wood near Ullenhall. We planted 32,855 and 13,380 trees at each site respectively, taking the total number of trees planted to 1,930,163 since the charity began.

**“I really enjoyed tree planting, even though it is hard physical work. When your planting bag is empty and you stand back and see a field of saplings that you know will become a woodland one day, it is incredibly rewarding.”**

Daisy, our second Forestry Apprentice, joined the team in November 2020.

### 2 Cultivating homegrown talent.

**As the Forest grows, so does the need to nurture, develop and grow the team that supports and protects it.**

Through our internship and apprenticeship programmes, we have continued our commitment to investing in training budding foresters with the skills and experience needed to forge a career within the modern forestry industry. We are proud that so many of those that started their career with us as interns have remained a valued part of the forestry team, securing roles as Assistant Ranger or Forest Ranger. Excitingly our work on this can go even further in 2021/22 as

thanks to the Green Recovery Challenge Fund (GRCF) we are more than doubling the number of interns in the forestry team to a total of seven.

### 3 Acquiring land to grow the Forest.

Following our purchase of land at Bearley at the end of March 2020, we carried out public consultation and are preparing and planning 200 acres for planting this 2021/22 tree planting season. New land acquired at Cleeve Prior and Sambourne this year will become part of our rich and varied land bank, to be used for creating woodland and improving diverse habitats in the Forest.

## YEAR IN REVIEW

COVID-19 challenged our day to day working, but adapting our practices meant that our forestry team was able to continue working safely despite the pandemic. Working in the open has a very low risk of COVID-19 transmission and we further reduced the likelihood in our planting gangs by working in 'bubbles' of three rather than the usual groups of six, hired two welfare units and additional site portaloos, staggered any break times so that staff were not congregating together, and allocated the welfare facilities to individual teams to minimise any risk of contamination between bubbles.

We continued to grow the land holding of the Forest with purchases at Bearley and Sambourne in Warwickshire and Cleeve Prior, just over into Worcestershire. We look forward to enhancing the biodiversity of these sites over the coming years.



The exciting news that we had secured a Green Recovery Challenge Fund (GRCF) grant in the last quarter of the year, meant planning work could begin on the development of a social enterprise tree nursery and the creation of 310 acres of new woodland at Binton and Bearley. In addition to this, as part of the grant, we were able to recruit tree nursery staff and four forestry interns, reinforcing our commitment to narrowing the skills gap in forestry.

The challenges we face due to the climate crisis mean we are having to continually adapt how we grow and manage the Forest. The charity remains committed to planting a broad spectrum of native trees to create climate change resilient woodlands. We continued to conduct tree health surveys throughout the Forest and monitor our current pests and diseases to futureproof the Forest.

## CHALLENGES FACED

Adapting our working practices to ensure our forestry team stayed safe and well during the pandemic was a big challenge. All members of the team showed incredible commitment and resilience, pulling together, and adapting well to working in smaller teams around the Forest.

The wet winter of 2019/20 followed by a prolonged spring drought led to higher than usual tree mortality rates. The planting season of 2020/21 brought a generally warm and wet winter, but this quickly changed to an extremely dry spring with concerns that it may be similar to the previous year – thankfully, the rain came in April 2021.

Stressed trees are also susceptible to pests and diseases and less able cope when occurrences do happen. We shall continue to monitor our trees and if certain species are found struggling to establish, we shall look at alternative options.

We welcomed many new visitors to the Forest, which has had an impact on the ground conditions of our network of permissive paths. The mud in places was certainly a challenge for the users, but the lasting effect will be the lack of vegetation on the usually grassy paths. We will continue to monitor the hotspots but are confident that with time they will recover.

## THE YEAR AHEAD

We will establish the tree nursery and sow the first seeds ready to supply saplings in the 2022/23 planting season. The tree nursery will make us self-sufficient in the supply of trees to help grow the Forest and provide an income stream for the charity.

The tree nursery will be a social enterprise and staffed by adults with Special Educational Needs and Disabilities (SEND) along with volunteers. The scale of our ambition will, we think, make this unique in England. Being inclusive is important for us as a charity and we want to provide the means for people with SEND to build confidence and learn real life skills for future employment, whether it be with us or within the wider community.

Good quality public access will continue to be provided at key locations around the Forest. Access to green space has proved so important over the last year, and the many positive comments received, along with the gratitude shown from so many visitors, is proof that our provision of access is most definitely a worthwhile public good.



Right: Newly planted trees at Oak Wood





## 2 OPTIMISING BIODIVERSITY

The Forest continues to be an important space for nature. It is bigger, boasts a diverse array of habitats and is more connected than ever before, and this will be a consistent mantra as we strive to optimise the Forest's biodiversity potential.

Above: Purple emperor butterfly

### PROUDEST ACHIEVEMENTS

#### 1 Carrying out butterfly surveys in the Forest.

Despite the pandemic, 16 UK Butterfly Monitoring Survey (UKBMS) transects were completed in the Forest (15 in Warwickshire and 1 in Worcestershire). These transects picked up 27 species of butterfly. Two high priority species were recorded, brown hairstreak and small heath, and one medium priority species, dark green fritillary. An extra four species were recorded outside of the transects to bring the 2020/21 total up to 31 species of butterfly in the Forest. These were purple emperor (medium priority), white admiral (high priority), grizzled skipper (high priority) and clouded yellow.

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“As far as Butterfly Conservation is concerned, the way the Heart of England Forest has set up monitoring is seen as an exemplar as an organisation. You are only rivalled by the RSPB in the way you establish monitoring as soon as you obtain new land holdings.”

Mike Slater, Butterfly Conservation,  
Warwickshire Volunteer Officer

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#### 2 Supporting our native pollinators.

Our Pollinator Pathway project in partnership with Severn Trent got off to a good start with the forestry team, a local farmer and local consultant all involved. One third of these pollinator pathways were surveyed to provide a baseline of information on the plants already there. Then the forestry team undertook the mowing and removal of cuttings before wildflower seed was sown by a local farmer.

We will continue to monitor these areas to see how the seeds germinate, as well as start on enhancing the second third of these pollinator pathways in 2021.

#### 3 Creating new wetland at Oak Wood.

2020 saw the first of our new wetland projects created at Oak Wood, in Traps Green. This wetland is a complex of 4 pools and a series of channels, adding to the mosaic of habitats in the Forest,

providing more opportunities for more wildlife to colonise. The creation of this wetland involved breaking and blocking old field drains, helping to slow the flow of water into the River Alne catchment and contributing to natural flood management. Through liaising with the Environment Agency, we were also able to secure some additional funding from them towards this wetland creation project.

### YEAR IN REVIEW

In 2020/21 biodiversity work focused on grasslands and pollinators.

This was the third year of our butterfly transect surveys and we are building up an excellent picture of how butterfly populations are increasing in the Forest. We also established a new transect at Sheriffs Lench. In previous years many of these transects were completed by our dedicated volunteers, but due to COVID-19 the forestry interns and other members of staff stepped in and undertook as much survey work as possible.

Small heaths had a fantastic year in the Forest with dozens seen on multiple transects; the highest count was 111 at College Wood. We continued to have good numbers of silver-washed fritillaries in our woodlands too, although they had a relatively poor year across Warwickshire in 2020. They seem to be spreading into other woodlands too, with a new record from Stapenhill Wood. Sheriffs Lench was the stand-out new site, with two dark green fritillaries recorded on the calcareous grassland, a brown hairstreak female, as well as dozens of marbled whites.

Other butterfly records included a sighting of a male purple emperor at Bannam's Wood, two to three grizzled skippers at Sheriffs Lench, two white admirals at Coughton Park (with two seen on at least two occasions) and a clouded yellow at Dorsington. The only species previously recorded but not seen in 2020 was white-letter hairstreak (this will not be due to any sudden decline, but more likely down to it being difficult to record).



Another new survey for 2020/21 was a brown hairstreak egg search survey at Ab Lench. Finding these eggs, which are the size of a pinhead, is tricky, but we successfully recorded 11 eggs, seven of which were found all together in a small patch under an ash tree, showing Ab Lench is supporting a good colony of brown hairstreak butterflies. Two eggs were also found by Butterfly Conservation volunteers at Netherstead, and one egg at Sheriffs Lench.

2020 saw the start of a five-year programme of grassland enhancement with funding secured from Severn Trent. By sowing our grassy woodland rides with 19 different wildflower species the aim is to improve their floristic diversity, creating pollinator pathways across an area of 68ha in the Sernal area of the Forest. Species include yellow rattle, meadow crane's bill, common knapweed and birdsfoot trefoil.

Work continued with the creation of wetland in the Forest at Traps Green, Studley Thorns and Honeybourne. These projects can take at least two years to plan, develop and deliver.

With the Forest a haven for many birds of conservation concern, it is important we monitor their populations, so bird surveys continued. In 2020/21 we surveyed for breeding woodcock in Sernal Park and carried out our first ever summer bird surveys at the Lenches to build on the winter bird surveys. We continued to survey for tree sparrows and other farmland birds at Netherstead, as part of our project with the Arden Farm Wildlife Network.

### CHALLENGES FACED

The biodiversity team expanded in 2020 and recruiting and inducting two new staff members was challenging during the lockdowns. However, with Imogen and Sam both enthusiastic and committed, when possible, we made use of the Forest for meetings, and have done our very best to work together and support each other. We go into 2021/22 in a stronger position, with further expansion of the team planned to include two interns.

COVID-19 and the lockdown suspended all volunteering activities. This put the delivery of many wildlife surveys at risk. However, members of the biodiversity and forestry teams took up more surveys enabling us to deliver more wildlife surveys than we thought possible at the beginning of the pandemic.

### THE YEAR AHEAD

With our successful funding applications in the last two years, the focus for Optimising Biodiversity in 2021/22 will be to continue to deliver our Pollinator Pathway project and the biodiversity elements within the Green Recovery Challenge Fund project.

Our strategic planning also focusses on running water. To this end the Heart of England Forest is working in partnership with the Environment Agency and Warwickshire Wildlife Trust as part of the Avon Restoring Natural Processes Group. Through this partnership there is the potential to secure funding to develop and deliver some significant watercourse and wetland restoration projects.

These habitat enhancements will start off with surveys of the watercourses in the Forest and these include the Noleham Brook and Ouse Brook in the Dorsington area, and the River Arrow and tributaries of the River Alne and Arrow in the Sernal area. From these surveys we can then determine what enhancements would be beneficial, from blocking and breaking field drains, to slowing the flow of water into the catchment, to re-instating meanders in straightened watercourses.

The wetland project on the Noleham Brook in Honeybourne is also still actively being discussed. We are still hopeful this enhancement work will be realised, and we can create more diverse wetland habitats for a range of wildlife, including the water voles which are found on this part of the catchment.



## 3 ATTRACTING PEOPLE

In a year when access to green natural spaces was crucial for so many, keeping the Forest as accessible and safe as possible for everyone was paramount. We were also mindful about those who were not able to visit and enjoy the Forest, so it was important for us to enable them to experience the woodlands in new ways.

Above: Regular visitor Ed with his dog Inca



## PROUDEST ACHIEVEMENTS

### 1 Keeping the Forest open for people during the pandemic.

The Forest remained open throughout the COVID-19 pandemic, in fact, we were busier than ever as more local people discovered the beautiful Forest on their doorstep. We were proud to offer a safe haven for people who were able to use it during the lockdowns and the various tier settings that were put in place over the year. We received a large amount of positive feedback from visitors about the many benefits they gained from being able to walk in the Forest during this challenging time.

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**“The forest is an utterly and uniquely magical place – for me, my family and my dog! It’s fun, it’s energising and invigorating, and it has helped my physical and mental wellbeing both pre and during lockdowns.”**

Ed, regular Forest visitor

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### 2 Launching virtual events.

When it became apparent that not everyone could access the Forest due to Government restrictions and personal circumstances, we wanted to bring the Forest to people at home. We hosted a virtual guided Your Forest and its Founder walk, an evening presentation of our 2019/20 Impact to Friends of the Forest, a thank you event for Volunteers, and a talk on forestry apprenticeships and internships.

### 3 Increasing number of people becoming Friends of the Forest.

We saw a 30% increase in the number of people becoming Friends of the Forest in 2020/21, compared to previous years. Many of these new Friends lived locally to the Forest and had enjoyed exploring the woodlands during the lockdown period. The rollout of information boards in half of the Forest car parks during the year had assisted people in getting the most from their visit and

provided information about how they could support the charity.

## YEAR IN REVIEW

We continued to work on increasing awareness of the Heart of England Forest. Branded signage and donation posts were installed in all the car parks, with 'Donate or Display' information as well as information about the charity, its vision and how people can help us grow the Forest.

Map and interpretation boards were installed in half of the Forest car parks. The map boards feature one of two wider area maps – Dorsington or Spernal – which show all the Heart of England Forest permissive waymarked routes, permissive paths, and Public Rights of Way in the area. These enable people to extend the time they spend in the Forest by joining up Forest trails and creating longer walks. The interpretation boards feature information about the walk, things to spot en route, and the different ways to support our work.

New permissive route waymarkers were introduced around the Dorsington woodlands, linking current waymarked routes and Public Rights of Way, and offering extended walking opportunities through the Forest.

Important foundation work was started to better understand who is visiting the Forest and to identify the barriers for those that do not visit currently. Our autumn survey had 694 respondents and the winter survey had 259 respondents, giving us a good baseline to build on in the future.

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## CHALLENGES FACED

In-person events had to be cancelled or postponed due to COVID-19, and we missed the opportunities to meet with our supporters and visitors face to face. As our events are also fundraising opportunities, this also resulted in a drop in income for the charity during 2020/21.

As seen across the country, an increase of visitors during the pandemic also led to a rise in antisocial behaviour which can have a large impact on both the natural environment and the charity. To help combat this, we increased communication and messaging around The Countryside Code and the need to respect the environment and people living in and visiting the Forest. We saw incidents of verge parking, gates being blocked and visitors straying from walking routes. Such anti-social issues cause us problems for many reasons; they prevent our team accessing parts of the Forest, cause damage to habitats in the Forest, and responding to concerns from neighbours and visitors takes up valuable time of the charity team.

## THE YEAR AHEAD

In 2021/22 we will re-engage with our supporters after 12 months of no in person events. We will offer an ever expanding range of events and activities within COVID-19 guidelines, including both in-person and virtual opportunities, to engage different audiences in our work while raising funds to support it.

The launch of our new website in May 2021 will provide far clearer and more engaging information to help visitors discover and explore the Forest with confidence.

The Green Recovery Challenge Fund (GRCF) project will enable us to increase the permissive access on offer around College Wood and improve access across the Forest with improvements in signage and information available to visitors, both online and on site.

To encourage longer term visiting opportunities in the Forest, we are also very excited that our first two holiday cottages, converted from an old barn in the Forest, will be open for visitors from the summer of 2021. Sleeping three and eight respectively, the cottages can be interlinked for larger groups, and boast a ground floor disabled-friendly bedroom and wet room. With environmental technology features such as solar panels and electric vehicle charging points, the cottages will not only encourage visitors to enjoy the Forest, benefitting the local economy, but will also help the charity to diversify its income streams to generate income to help to grow the Forest and manage it in perpetuity. In addition, we will also work with established local accommodation providers and attractions on mutual promotion to visitors looking to stay in the area.





## 4 LEARNING AND SKILLS

We aim to ensure all members of the communities living and working in and around the Forest are encouraged and able to enjoy it on a regular basis to improve their quality of life.

Above: Our Lady's Roman Catholic Primary School

### PROUDEST ACHIEVEMENTS

#### 1 COVID-19 recovery programme.

Children from years 5 and 6 at Our Lady's Roman Catholic Primary School in Alcester came to learn in the Forest for six sessions in November and December of 2020. This was to support their COVID-19 recovery programme which aimed to help pupils re-engage with their learning in literacy and maths after lockdown, reconnect with each other, and learn how to collaborate with each other after a prolonged period of working alone at home.

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“The impact of weekly sessions at the Heart of England Forest has been dramatic! Our children not only learnt and experienced outdoor learning in a beautiful, unspoilt environment, but also came together as one group; supporting, caring, and respecting each other.”

Barbara Andrew, Teaching Assistant

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#### 2 New partnership with ThinkForward DFN MoveForward programme.

This exciting new partnership aims to develop the work-readiness of young people with mild to moderate learning difficulties. Working together, we have been able to offer one young person a work experience programme. He attends the Forest three days a week to gain skills and experience in horticulture, forestry and working with people.

#### 3 Delivering 1528 learning days for children, despite the pandemic.

Our close relationships with our schools and parents enabled us to work with them to bring children back to the Forest safely from June 2020. Our Forest Learning programmes for schools, Young Foresters club for teenagers and WildTribe holiday club all came back as soon as restrictions allowed, helping children catch up on lost learning, lost play time and lost time with friends.

### YEAR IN REVIEW

During 2020/21 we expanded the Learning and Skills Team. Phil Stickley joined us in September 2020 as our outdoor teacher, bringing his extensive experience as a teacher and deputy head and a passion for the outdoors. Phil's knowledge of classroom practice and pedagogy is enabling us to further raise the quality of our teaching and our programmes to ensure we have even more impact on pupils' achievement, personal development, and engagement in learning.

We also commenced the recruitment process for two further posts for an Outdoor Learning Officer and Learning and Skills Intern to join the team in the new financial year.

Despite the pandemic, we were able to have considerable impact in reaching out to more diverse audiences. Students from Vale of Evesham school with complex special educational needs visited the Forest weekly throughout the autumn term for volunteering in the Forest. This had a positive impact on their physical and mental health after lockdown, as well as helping them to improve their self-esteem and make a positive contribution.

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“This continued support has made a significant difference to what the school can offer and has made a positive impact on students who otherwise would have struggled being stuck indoors at school and at home.”

Penny, Class Teacher - Vale of Evesham School

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We embarked on a new partnership with Think Forward as part of their DFN Move Forward programme, which supports young people who have mild to moderate learning disabilities into sustainable paid employment. The young person joins us for three days each week in the Forest. We have also been working closely with Think



Forward to develop and launch a year long supported internship programme for six young people to enable them to prepare for paid employment.

We were not able to continue to develop our Learning and Skills provision for adult groups or early years due to COVID-19 restrictions, however this will be a priority in 2021/22.

CHALLENGES FACED

Through our schools programme we delivered 1,491 child visits this financial year compared with 2,609 in the 2019/20 financial year. Looking across our Learning and Skills activities (Formal, Informal & Skills) the total number of adult and child visits was 1,856 compared with 3,385 in 2019/20. Inevitably, the periods of lockdown and school closures impacted on the number of people we were able to engage during the year, and some programmes such as Mini Foresters and Adult Learning programmes were not possible at all due to the restrictions.

However, these figures show that as soon as schools opened and restrictions eased, activity bounced back immediately. This is encouraging for the future. Given that elsewhere many outdoor learning activities have been unable to operate at all since the start of the pandemic, we have done a good job of retaining and even increasing our number of partner schools and strengthening relationships during a very difficult year.

THE YEAR AHEAD

We will engage more young people and adults, including those with Special Educational Needs and Disabilities (SEND), from urban areas, BAME communities and disadvantaged communities.

Forest Learning programmes for young people who experience barriers to learning at school will be developed, to help them to re-engage and develop their self esteem

We will undertake further development of our Learning and Skills provision for adult groups, including new skills workshops, training and CPD, and with early years children, with the aim of enabling these groups to benefit from time spent in the Forest.

We were successful in securing funding from the William A Cadbury Charitable Trust for children from Ark Kings Academy, a primary school in Birmingham, to attend the Forest fortnightly for a whole academic year. Their programme will commence in September 2021.

We will continue to reach out to people who would otherwise have little contact with the natural world to maximise our impact in changing hearts and minds, developing the next generation of Forest Guardians to protect and enhance the Forest.



5 STRONG GOVERNANCE

In a year dominated by a pandemic never experienced on such a scale, our focus on strong governance within our strategic plan stood us in good stead.

Above: Alicia, Community Partnerships Intern





## PROUDEST ACHIEVEMENTS

### 1 Achieving accreditation as a Living Wage Employer for the second year running.

The charity was once again accredited as a Living Wage Employer by the Living Wage Foundation. The Living Wage is the only UK rate based on actual living costs, independently calculated based on what people need to live, from the weekly shop to a surprise trip to the dentist. The Living Wage is the minimum baseline paid to all Heart of England Forest staff, regardless of age or type of contract. This means that everyone across the organisation, including our interns and our apprentices, is paid a fair wage which meets everyday needs. The Heart of England Forest is operating alongside employers such as Nationwide, Ikea and Oxfam in being accredited.

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“We are living through a biodiversity and climate crisis, so I was excited by the tangible, impactful work that the Heart of England Forest does in conservation and across the board. I have grown up in the outdoors and am passionate about protecting it and enabling others to connect with it the same way I have. As this internship pays the living wage, it gives me the opportunity to work towards achieving this and progressing my career, whilst being able to support myself financially. There are not many opportunities for entry level grades in the environmental sector, especially paid ones.”

Alicia, Community Partnerships Intern

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### 2 Committing to working towards the Charity Governance Code.

Good governance is fundamental to a charity's success. It enables and supports a charity's compliance with the law and relevant regulations, and it also promotes a culture in which everything works towards fulfilling the charity's vision. Whilst

it is not a regulatory requirement, the Heart of England Forest strives for best practice across the charity, promoting a culture where everything works towards fulfilling the charity's vision and delivering public benefit.

The framework of the Code will help the charity to focus on continual improvement. There are seven principles, and whilst the Heart of England Forest will be working across all of them, it has chosen initially to focus on the principles of Equality, Diversity and Inclusion and Leadership.

### 3 Protecting our staff, volunteers, and supporters during the pandemic.

Thanks to our emergency planning work, we were able to act quickly when the pandemic hit, giving clear leadership to ensure our staff, volunteers and supporters remained safe throughout, and that the Forest remained open to provide a lifeline to many. Read the full account of our response in the special section of this annual report on pages 7-16.

## YEAR IN REVIEW

Having already undertaken an emergency planning exercise during 2019/20, the charity was well-placed to act swiftly and decisively with the health and wellbeing of its staff, volunteers, and supporters as its top priority from the onset of the pandemic. A full account of our response to the COVID-19 pandemic is contained in a special section of this annual report – see pages 7-16.

Although already high on the charity's agenda, the importance of diversifying income streams was highlighted during the year. Initially, grant funding became more difficult to secure as trusts and foundations (quite rightly) prioritised funds to frontline support for those communities and sectors most affected by the pandemic. The stock market crash, which caused a dip in the charity's investment income set aside to contribute to land purchase decades into the future, exacerbated this pressure on income, as did the cancellation of

events and the drop in corporate support as businesses tightened their belts to protect the livelihoods of their staff.

However, the charity continued to invest in the development of the new flood-safe moorings at Forest Bank on the River Avon, and two new holiday cottages, both of which will not only help to deliver the charity's strategy, but also widen the variety of income to deliver our charitable objectives, particularly with the rise in popularity of UK holidays in 2021 and beyond.

Although the pandemic slowed progress in some areas, such as the implementation of the Charity Governance Code, mainly due to the difficulties in meeting, the Heart of England Forest remained true to its strong ethical principles throughout the year. This included retaining its commitment to accreditation as a Living Wage Foundation employer, providing a living wage to all staff regardless of their age or contract type. The charity values its committed workforce, and never had it been more important to demonstrate that, providing confidence to staff whilst all around them friends and relatives were losing their jobs or being placed on an uncertain furlough.

These steps also demonstrated to charity partners and funders that the Heart of England Forest retains its core values at its heart, despite challenging and unpredictable external circumstances.

## CHALLENGES FACED

Whilst many charities battened down the hatches and had to rely on the Government's furlough scheme, the Heart of England Forest has demonstrated strong leadership throughout the pandemic. By placing the health and wellbeing of its staff, volunteers, and supporters at the heart of its strategy, the charity expanded the team over the last year, not least of all by extending the range of paid internships available to young people, a demographic most affected by the pandemic.

The charity has faced challenges, however, and has seen a small rise in communications from neighbours concerned about the Forest remaining open and encouraging access. The pandemic has seen an increase in visitors, and whilst the vast majority of these have simply enjoyed access to the peace and tranquillity of the hundreds of miles of public and permissive Forest footpaths, there has been some antisocial behaviour. Dog fouling remains an issue, ranging from those who do not pick up after their dog at all, to those who bag the waste and hang it from the trees, conveniently at face height which is both unpleasant and dangerous for the Forest staff out mowing paths and undertaking woodland management tasks.

Our car parks have been full at popular times, usually accompanied by good weather, and whilst the charity promotes a range of parking options, some visitors have selected to park on the roadside or in gateways, which can provide difficult conditions for our neighbours.



## THE YEAR AHEAD

Ragwort remains a divisive issue, and 2020/21 was no exception. As a charity with environmental principles at its core, the Heart of England Forest recognises the important part ragwort plays in increasing biodiversity, providing a home and source of food to a large number of insect species, 30 of which rely on the plant as their sole food source and 10 of which are so rare they are on the IUCN Red List. In addition, it is a late flowering, nectar-rich wildflower and therefore very important for pollinators. One out of every three mouthfuls of our food depend on pollinators, which have suffered disastrous declines over recent years.

However, we appreciate that ragwort is an emotive issue, and we particularly understand that those with horses and grazing animals do have concerns. We recognise that common ragwort needs controlling where appropriate, and we do so in line with Defra's code of practice. We were extremely disappointed, therefore, that of the handful of ragwort concerns that have been raised with us by neighbouring landowners over the last few years, one made it into the national press this year, even though the charity had already undertaken control measures as soon as it was reported.

We value having good relationships with our neighbours and we pride ourselves on maintaining positive links with the communities in and around the Forest. In 2021/22 we will be investing in two new members of the forestry team, who will be responsible for taking more of a proactive approach to issues such as this one. Working hand in hand with our community engagement work, these new roles will identify, map, and take early action to try and ensure issues such as this are dealt with swiftly.

Our 2021/22 communications calendar will feature the promotion of the new Countryside Code, reminding people how to enjoy access to the countryside safely.



## 6 VOLUNTEERING

Our volunteering programme continues to grow, providing more ways for people to give their time and support the strategic aims of the charity, whilst gaining skills, getting fit and meeting new friends.

Above: Volunteer Leader Steve



## PROUDEST ACHIEVEMENTS

### 1 Offering a varied volunteer programme throughout the pandemic.

Despite the COVID-19 pandemic, we kept in touch with our volunteers and continued to offer ways for them to work with us. While there were periods where we had to pause practical volunteer activities, we offered micro volunteering tasks that could be completed from home. When it was safe to do so, volunteers were warmly welcomed back to the Forest. During 2020/21, we were able to continue to offer opportunities for our existing volunteers, as well as cater for new volunteers.

### 2 Expanding volunteering opportunities with new Volunteer Leaders.

The recruitment and training of four new Volunteer Leaders was a huge step forward in expanding the breadth of volunteering opportunities we can offer in the Forest and forms part of our GRCF project. They are starting to manage working parties of volunteers across the Forest and are all demonstrating great leadership skills.

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**“I have been in managerial positions in my working life, so the role suited me, and I wanted to become a bit more involved in the volunteering programme. I will not get to see the benefits of the tree planting we are doing now, but my grandchildren and future generations will.”**

Steve, Volunteer Leader

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### 3 Taking our annual thank you event online.

In a year where volunteer support has been high despite the challenges faced, we were pleased to still celebrate our volunteers and their input despite not being able to run our thank you event in the normal way. The evening was attended by almost 30 volunteers, and we received positive feedback.

## YEAR IN REVIEW

Despite the pandemic forcing us to suspend practical volunteering for five months, our amazing volunteers gave 2,343 hours to help grow and manage the Forest in 2020/21- the equivalent of one full time member of staff.



Micro volunteering provided additional support for the charity over the year and filled a significant support gap during the lockdown periods. The activities also gave opportunities to engage our volunteers, some of which were having to shield, and kept them busy during a difficult time. From April 2020 to March 2021, micro volunteers completed 117 tasks and donated 346 hours of their time to the charity.

Outside of lockdown periods, volunteering continued to support biodiversity through volunteer-led transects and surveys. We involved new volunteers and ensured continuity of data on these surveys. Work is now underway with the biodiversity team to check the feasibility of further transects, and volunteer support for these has been offered knowing good numbers of volunteers are keen to be involved.

## CHALLENGES FACED

In a year where group sizes were severely restricted due to COVID-19, we had a great deal of pressure on being able to support and deliver volunteer groups when restrictions were eased. We have continued to have considerable support from our volunteers during this time, making it all the sadder that we had this limit on what we can offer. However, the training of Volunteer Leaders at the end of the year, as well as gaining the support of an intern, is ensuring that we can offer more opportunities going forward.

## YEAR AHEAD

This year we have several targets to meet for the Green Recovery Challenge Fund (GRCF) project. This includes increasing the number of Volunteer Leaders from four to six, forming a flexible and well-established team for leading volunteer groups out in the Forest and providing further opportunities for a more diverse and inclusive volunteer community.

We are introducing an annual Volunteering Survey, to understand our volunteering base which, together with seeking their opinions and experiences of the current programme, will help inform and improve volunteering going forwards.

Volunteer taster events will be introduced, giving opportunities for new volunteers to try a wide range of activities out in the Forest. We will also be working on similar activities to help engage existing volunteers who do not yet support us on a regular basis, with the aim of involving them further with the charity's work.

Increasing the frequency of volunteering sessions and supporting multiple activities at the same time are further aims for the year ahead. By the end of the year, we would like two to three activities to be possible at the same time, in different areas of the Forest, utilising staff and Volunteer Leaders. Increasing regular volunteering group activities to

three days a week, with occasional activities on days four and five, which includes regular weekend volunteering, will bring us closer to the target of full weeks of activities.

The pandemic restrictions halted progress on running group volunteer biodiversity activities in 2020/21. In the new financial year, we will deliver group biodiversity activities including training opportunities from June onwards, led by staff and Volunteer Leaders.





## 7 FARMING AND AGROFORESTRY

Farming and agroforestry continue to be strongholds in the charity's strategy, helping us to manage the Forest mosaic land for people and wildlife.

Above: Hebridean sheep

### PROUDEST ACHIEVEMENTS

#### 1 Enlisting the first team members for the Forest's new Flying Flock.

In October 2020, we welcomed nine new Hebridean sheep and were thrilled to see how successful they were in their first season of lambing, welcoming ten new mini-Hebrideans to the flock in March 2021.

The Forest Flying Flock will be a small group of sheep which can be used in varying numbers at sites across the Forest to undertake specific grazing tasks. These will range from low density gentle grazing to maintain a short grass sward, useful to attract particular birds and insects; to mob grazing, where a group of livestock grazes a small area for a relatively short period, which not only benefits the animals, but also the health of the land.

Benefits include:

- Preventing compaction which protects the soil structure, plant resilience and extension of the season
- Drought tolerance as the plants can develop longer and more robust root structures
- An overall improvement in biodiversity with grasses and wildflowers having more chance to flower and set seed, providing food and shelter for a range of animals and birds.

Hebrideans are perfect for our conservation grazing – they are very hardy sheep, used to being outside in all weather conditions, and have a very tough palate, which means they will eat many of the dominant plant species which outcompete the more fragile grasses and flowers, giving the latter chance to flourish and grow.

#### 2 Carrying out conservation grazing trials.

We were very pleased with the first of our conservation grazing trials, using our Lleyne ewes to graze the newer plantation area in Colletts Wood. A popular area for dog walkers, we knew this would be a tricky site as the established trees would make it hard to immediately spot the

sheep, and more likely they were seen first by dogs before their owners!

Following a communications campaign which was received positively by visitors to the Forest, and new clear signage, our woolly workforce set to work to graze the footpaths and the understory beneath the trees. Supporters commented how much they enjoyed walking through the sheep, and we were very pleased at how effective our ovine ladies were at woodland management.

#### 3 Recruiting our first conservation grazing intern.

Thanks to the Green Recovery Challenge Fund (GRCF) grant, we have been able to recruit our first ever conservation grazing intern. A paid, one-year placement, the internship has been designed to provide training and experience to someone looking to break into the industry.

### YEAR IN REVIEW

Our new Lleyne sheep performed well, with lambing overseen by local contract farmer James Walters, and we have retained 100 ewe lambs to grow our flock of Forest foragers! We also diversified our flock with the addition of eight new Hebridean ewes.

With investment in two new pure breed rams, we plan to enlarge our Hebridean and Jacob flocks to assist with the roll out of conservation grazing across the Forest. Our cattle did well, too, with new longhorn calves added to the herd, and we were proud to be successfully reaccredited with both the Red Tractor and organic standards for our livestock farming.

With another very wet winter, waterlogged fields provided a challenge for the farm team. We were unable to access the fields to cut the inside of the hedges at the appropriate time of year to avoid nesting birds, so there is an overhang of brambles and hedging – great for wildlife, but less good for the woolly sheep! The charity normally manages its hedges on a three-year rotation, cutting one



side / top each year, which improves the hedge structure and maintains good habitat for wildlife, including the brown hairstreak butterfly, which has a very particular palate, as well as hedgehogs, bats, and barn owls, all of which use hedges as feeding corridors.

**Story - Granville Stevens, local farmer**

As an integral part of growing and managing the Forest, farming not only generates additional income for the charity, but it also supports the Forest to deliver environmental, social, and economic benefits to the local area, too.

We are proud to work with a range of farmers who support our work across the 7,000 acres of Forest, and there are many ways in which local people make their living whilst benefitting the Forest with their valuable skills and expertise.

One such person is local farmer, Granville Stevens, who farms in the Sernal area of the Forest. Granville undertakes the roadside hedge cutting on behalf of the charity in the northern areas of the Forest, as well as other contracting work such as grass seeding and cultivation. Most recently, Granville has been a key partner in our tree sparrow project, helping us to establish suitable habitat to attract this key species.

Once a very common bird, tree sparrow populations suffered a 96% decline over the 25 years between 1979 and 2004, placing this species on the Red List of Birds of Conservation Concern. It is also a UK and Local Biodiversity Action Plan species. Tree sparrows are generally found on lowland arable or mixed farms with scattered trees and mature hedgerows. Records indicate that the tree sparrow has not been found within the Forest area since 2012, but with areas of suitable habitat managed appropriately we are working to encourage tree sparrows to return.



Above: Tree sparrow

**CHALLENGES FACED**

The wet weather slightly set back our plans to drill our first organic crop in our agroforestry area at Sheriffs Lench, where we will have widths of organic arable crop underneath widely interspersed fruit trees – our first example of silvopastoral agroforestry. The initial crop will be a nitrogen-fixing clover ley, which we are using to start to improve the soil and soil structure following years of intensive farming on the site. In future years we will rotate an arable crop in a twin system, producing food for our livestock whilst at the same time benefitting the environment.

Despite it sounding like a dream role, we have found it difficult to recruit a Conservation Farmer who shares our vision for developing conservation farming across the 7000 acres which make up the Forest. We know there is a movement towards regenerative agriculture in this country, and that consumers are increasingly concerned about the quality of their food and buying local. Our challenge is to find the right person who shares our commitment to high standards of animal welfare, is keen to experiment with a range of techniques such as mob grazing, and who is as excited about the prospect of agroforestry as we are.

**THE YEAR AHEAD**

We will continue our search for an enthusiastic and passionate Conservation Farmer to join our team, keen to trial different techniques for managing the mosaic of habitats across the Forest. This will involve expanding our existing flock and investing in new breeds to undertake different habitat management roles. We will also expand our partnership work with a range of local graziers to help us to manage our grassland areas across the whole of the Forest.

The start of 2021/22 will see our red clover mix sown beneath our rows of fruit trees as the start of our agri-silvicultural system – the process of growing crops between rows of trees. The red clover mix will provide an important source of nectar for our pollinators, as well as inputting nitrogen into the ground, ready for us to add crops in future years.

Our organic, free range longhorn cattle continue to do well, both in terms of managing grassland habitats and in generating an income to support the work of the charity. We have earmarked some woodland which is approaching maturity, and over the coming year we plan to install new fencing and a cattle corral to help us gather the herd for welfare checks.

Once our conservation farmer is in post, we are looking forward to opening volunteering opportunities across the farm, which will include volunteer livestock checkers to enable us to cover more areas of the Forest.





## 8 FUNDRAISING

Establishing a sustainable fundraising programme is essential if we are to achieve our vital mission. We are so grateful for the generosity and commitment of so many individuals, companies, community groups and grant giving organisations who, despite the challenges caused by the pandemic, continued to support our work.

Above: Sun shining through branches in the Forest

### PROUDEST ACHIEVEMENTS

#### 1 Securing significant support.

We were delighted to secure a grant from the government's Green Recovery Challenge Fund (GRCF) – our most significant grant to date. The fund, being delivered by the National Lottery Heritage Fund in partnership with Natural England and the Environment Agency, has been allocated to projects that benefit nature, climate, and society.

Our bold and exciting £1.7 million project enables a step-change in our output, bringing together our significant habitat creation and restoration work, commitment to developing talent within the sector, and mission to educate, inspire and connect people from all backgrounds with nature.

The scale and scope of the project is huge, and it will bring environmental, social, and economic benefits, not only for the region, but also on a national scale. Due for completion in March 2022, the project will include the creation of nature recovery networks for wildlife, establishing and developing a social enterprise tree nursery that will grow 2.5 million trees annually, the enhancement of nature-rich trails, and the creation, support, and training of 12 new members of staff.

Securing this game changing support was a true team effort. Our Development Manager (Grants & Trusts) worked with colleagues across the charity to bring together every element into a comprehensive proposal that delivered ambitious and meaningful progress for the charity.

#### 2 Celebrating milestone moments with corporate partners.

We celebrated some significant milestone moments with long term corporate partners. MCFT, a multi-award winning SME, who maintain and procure commercial kitchen equipment have supported our work for an incredible 10 years. As they have grown, so have their annual donations. It is important to them that they work with a UK based charity that allows their

stakeholders the opportunity to visit and enjoy the Forest they support.

In 2020 we celebrated carwow donating over £100,000. This amazing cumulative total has been achieved via monthly donations since we first began our partnership back in 2016. Carwow is a UK based car buying comparison site who donate as a thank you for each customer who provides a review of their site.

Our sincere thanks to both MCFT and carwow for their commitment and contribution to our ongoing work establishing and protecting a huge new Forest..

#### 3 Welcoming the charity's first Community Partnerships Officer.

The recruitment of this new role shows our commitment to forging relationships and raising awareness and support in the communities local to the Forest. Whilst we were not able to make the progress we would have liked in 2020/21 due to the pandemic, our new Community Partnerships Officer has put in place essential foundations and frameworks to help establish and grow community support going forwards..

### YEAR IN REVIEW

The pandemic brought challenges, interruptions, and delays to our fundraising plans, but the year also had some unexpected positive outcomes and encouraging progress was made too.

The pandemic resulted in more local people discovering and enjoying the Forest, a trend that was reflected up and down the country as green, natural spaces became increasingly important for our physical and mental wellbeing.

This connection and appreciation were reflected in our Friends of the Forest numbers, which grew. In the first few weeks of the pandemic, we feared that support from our Friends could suffer given



the uncertain times ahead. We are therefore incredibly grateful to our Friends, old and new, whose ongoing regular support during a difficult year has helped provide, preserve, and protect the Forest when it was so needed by so many.

We made the decision to delay launching our new corporate programme. Understandably companies' priorities changed during the pandemic and whilst we made the programme available during this period, a proper launch is planned for the new financial year. Feedback from those companies who we have shared the information and benefits with has been positive. Despite not launching the programme formally, we secured two new partners to the scheme at the end of the year. This is encouraging and we are excited to launch and really make progress on this in 2021/22 and beyond as companies can plan with more certainty.

Having held successful interviews for a new Community Partnerships Officer just ahead of lockdown, we took the decision to postpone their start date when there were so many uncertainties. After a short delay, we were thrilled to welcome the charity's first Community Partnerships Officer in September 2020. The remit of this role is to forge new relationships and raise awareness and support across local cities, towns, and villages, encouraging companies, people, and community groups to come together and be part of our vital mission. Given the restrictions, in person community awareness and engagement opportunities were not possible, but important foundation work and exciting progress was made during 2020/21. This included developing relevant website pages and fundraiser support tools and materials, developing a community awareness action plan, launching our first staff fundraising event 'Footsteps in the Forest' and a digital Christmas card campaign.

Like everyone, our plans have had to adapt and respond to the difficult and often changing times we found ourselves in over this reporting period.

Throughout it all we have been overwhelmed by the continued support of Friends, donors, companies and trusts who have so generously helped ensure our important work can continue.

## CHALLENGES FACED

Our main challenges during the year related to the pandemic. The two most significant areas this affected were corporate support and the launch and development of community fundraising. Businesses faced huge uncertainties and their priorities were understandably impacted which meant that securing new corporate partners was challenging for most of the year. The restrictions also meant that visits, tours, thank you events and corporate volunteering were unable to take place, which sadly limited our opportunities to connect and engage with supporters and prospective supporters in person and in the Forest.

## THE YEAR AHEAD

We are excited to build on the successes of 2020/21, as well as move forward some of the areas that we were not able to progress due to the pandemic.

We will be reviewing and refreshing our Individual Giving programme, looking at how we can continue to grow our Friendship base further, as well as how we can develop and improve the offerings and opportunities for our Friends of the Forest. This will be tied into a wider piece of work around individual donors and how we can build and enhance their overall supporter experience and journey. Excitingly, our new website will help drive this forward through clearer messaging and improved navigation on the site.

At the start of the new financial year, we will welcome our first Development Manager (Major Relationships) who will be responsible for establishing a major donor programme for the charity. As a charity built on philanthropy, with a strong and diverse portfolio of opportunities for

support, we are excited to launch this programme and build new relationships both locally and nationally.

Our new corporate supporter programme will be launched properly after its postponement due to the pandemic. The four-tiered corporate programme offers several benefits for partners. It is intended to run alongside our bespoke approach to partnerships as an alternative 'off the shelf' opportunity, which creates a mutually beneficial partnership and encourages more companies to work with us and promote their commitment.

And finally, we look forward to building on the foundations and frameworks that have been established for community fundraising. We will make proactive introductions and approaches across communities local to the Forest to help build awareness and interest in our mission. We will further develop several key mechanisms for support including 'Become a Forest Fundraiser', Giving in celebration, and an annual digital Christmas card campaign.





## 9 COMMUNICATIONS

Promoting the work, need, relevance and impact of the charity to raise our profile, enhance the visitor experience, and encourage support.

Above: Your Forest magazine for Friends of the Forest

### PROUDEST ACHIEVEMENTS

#### 1 A new-look magazine for our supporters.

Our supporter magazine is one of the main benefits of being a Friend of the Forest. In June 2020, we embarked on a re-design of the magazine to create a robust and improved layout to enhance the reader experience. Modernising and developing the layout to make the article contents more easily digestible, has enabled us to communicate clearly to our Friends and keep them connected with the important work they are supporting. Thanks to the help of our Forest Focus group, the magazine was also renamed 'Your Forest'.

#### 2 Communications volunteers contributed over 100 hours helping to spread the word about the charity's work.

Over the year, our new communications volunteers wrote series of social media posts, e-newsletter articles, magazine features and website fact files. Their help enabled us to continue to educate and inspire our supporters about all areas of our work, illustrating how we

are making an impact today while leaving an incredible legacy for tomorrow.

**"I give my time as I want to contribute to the important environmental work of the charity. It allows me to get out and enjoy the Forest, speak with different members of the team, and use my writing skills to help spread the word about the fantastic work being done."**

John, Communications volunteer

#### 3 Bringing the Forest to people at home during the pandemic.

From social media posts which featured learning-linked nature activities for children home schooling, to behind the scenes insights and #15SecondForest video clips, we brought the sights and sounds of the Forest to people at home when it was difficult for them to get out into their local green spaces.



Above: Signage at Giddings Wood



## YEAR IN REVIEW

During 2020/21 important foundation work continued and significant progress was made, so we are now in a strong position to build our communications to leverage greater awareness, understanding and support in the future.

In addition to redesigning our supporter magazine for Friends of the Forest, we also improved our monthly e-newsletter which is now sent to 4,500 recipients, an increase of 831 compared to March 2020. Making the design mobile-friendly, less text heavy, and including clearer call to actions, new 'behind the scenes' and 'things to look out for in the Forest' sections, have all led to an increase in both open rate (50% vs. 44%) and click through rate (14% vs. 9%).

We made the decision to invest in a new website for the charity and undertook a tender process to find the best agency to deliver this for us. We recruited Creative Concern, an agency with considerable experience working with charities, and embarked on the project at the end of March 2020. Due to be launched in May 2021, the new site will reflect our ambitious vision and vital work. It will educate and inspire people about our mission, enable visitors to better plan their visit to the Forest, and encourage people to support us.

To enhance the visitor experience and reinforce awareness of the charity, signage was produced, along with donate and display information, for all the Forest car parks. In addition, map and interpretation boards were produced for four of the car parks, helping visitors to navigate around the woodlands, extend their walks using Public Rights of Way, and know what to look out for whilst walking, assisting them to make the most of time spent in the Forest.

Our following and engagement across all our social media channels continued to grow, with Facebook, Twitter and Instagram being the focus for our communications throughout the year. These channels really came into their own,

enabling us to connect with people at a time when many were isolated. More work is planned for 2021/22 to tailor our content and maximise the effectiveness of these channels.

An impact report was produced, celebrating our achievements from 2019/20, which was sent to our Friends of the Forest to show what we had been able to accomplish with their support. It was also made available on our website. The design featured clear and eye catching infographics, along with stories to bring our work to life.

## CHALLENGES FACED

The main challenge during the year was resource, with just the Marketing and Communications Manager to cover all work in this area, although it was helpful to have the support of the new communications volunteers.

The COVID-19 pandemic meant that we had to re-prioritise our communications messages. We ran a campaign to keep our visitors safe when using the Forest, and regularly updated our guidance in line with the Government announcements and milestones. A rise in the number of visitors resulted in an increase in incidences of antisocial behaviour, so work needed to be done to educate people about respecting the natural environment, with content produced for our social media channels, e-newsletter, magazine, and website.

Getting topical and timely content from members of the team became more challenging, as we were not able to engage with each other as regularly or face to face, but this resulted in a WhatsApp group being set up which proved a very successful way for staff members out in the Forest to get photos and videos to the Marketing and Communications Manager. This will now be used on an ongoing basis.

Our programme of internal communications was negatively impacted and had to adapt due to the pandemic. We were unable to have our usual in person team builds and opportunities to get together as we were limited and restricted by numbers. Like so many others, we relied on e-communications and digital meetings to keep in touch and stay connected, but this was limiting for some parts of the charity who do not have daily access to a computer. Because of this we planned a varied programme of internal communications that included hard copy updates as well as digital. Going forwards we will continue to ensure we provide a mix of media, and we very much hope that in person opportunities can return in 2021/22.

## THE YEAR AHEAD

The new website will launch in May 2021 which will showcase the fantastic work we are doing and the impact it has both locally and nationally. Having this new site to drive people to our communications will enable us to increase the number of both supporters of and visitors to the Forest over the coming years.

We will complete the roll out of map boards to all car parks in May 2021, and, thanks to the Green Recovery Challenge Fund (GRCF) grant, we will be producing seasonal interpretation boards, with the summer ones being the first to be installed.

A social media audit will be carried out which will enable us to put an effective strategy in place to maximise our reach and engagement on all channels. This will include more user-generated content, a greater use of video, vlogs, and stories, and coordinated advertising campaigns.

We will begin working on proactive PR in the new year to help raise awareness of our work in both local and national press. In addition to our large scale projects and plans, such as the GRCF project and ambition to create a 30,000 acre Forest, every day The Heart of England Forest is positively impacting the people, wildlife, and the wider environment. We will work to craft a strategy that tells our story to the right people in the right way. The time is right to progress this area of the communications strategy now, due to the foundation work that has been done.

In addition to extra resource to support our press work, thanks to the GRCF we will benefit from a Communications Intern on a one-year, paid programme, and will continue to work with and expand our team of communications volunteers, as well as use the Forest Focus Group as an invaluable sounding board.





# FINANCIAL REVIEW

# THANK YOU

Our sincerest thanks and recognition goes to our amazing supporters.

**Our volunteers**

**Donors and Friends of the Forest**

**Corporate supporters:**

- |           |                      |                     |
|-----------|----------------------|---------------------|
| • AFRY    | • Manheim            | • Trees for All     |
| • BAM     | • MCFT               | • Triton            |
| • carwow  | • Moneyhub           | • Wound Care People |
| • Daimler | • Orbit              | • Young Driver      |
| • Dennis  | • Severn Trent Water |                     |

**Grants and Trusts:**

- |  |   |  |
|--|---|--|
| • Green Recovery Challenge Fund programme funded by Defra, Environment Agency, Natural England, National Lottery Heritage Fund | • Millie’s Watch  | • Ratcliff Foundation and F R Ratcliff Charitable Settlement |
|  | • Natural Networks programme funded by European Regional Development Fund | • William A Cadbury Charitable Trust                         |



## Financial Review

The group's total income for the period decreased from £25.3m to £4.3m. This significant decrease was due to the £20.7m legacy of Mr Felix Dennis recognised in 2020. Investment income decreased by £307k, totalling £2,680k in the year (2020: £2,987k).

The trustees have designated these legacy funds for the purpose of land acquisition and strategic investment funds. They have been invested and will provide a strong foundation for the realisation of Felix Dennis' vision.

In addition to the above, general fund income amounted to £1,390k (2020: £1,578k), of which the principal sources of income were:

- Government grants total £829k (2020: £869k) for forestry creation & maintenance and farming, of which £437k (2020: £497k) supported the key objective of planting and maintaining a broadleaf forest.
- Donations to support forestry creation and maintenance (£64k (2020: £102k) from corporate partners and £110k (2020: £116k) from individuals including Friends of the Forest).
- Rental income from properties £70k (2020: £65k).

There were gains on investment assets of £28,752k in the year (2020: £(10,019)k loss).

Expenditure on general funds amounted to £2,538k (2019: £2,353k) of which £1,265k (2020: £1,101k) was on charitable activities and £1,273k (2020: £1,250k) on raising funds.

Included within raising funds is £663k (2020: £747k) of farming activity. As the charity develops, more of the farming activities will be integrated within the forestry operations to aid agroforestry. Total expenditure on charitable activities amounts to over £1,265k (2020: £1,101k) which equates to 50% (2020: 49%) of overall expenditure.

The group has recognised a deficit of £(1,148)k on general funds (2020: £(775)k deficit). The long-term goal of the group is to continue to generate additional income so that income at least covers costs on general funds. The group has transferred £1,148k from designated funds to general funds to support its strategic development.

The group's net assets have increased from £176.5m to £206.3m.

The group operates a defined contribution pension scheme and therefore there are no pension liabilities.

## Reserves

When planning and budgeting for activities; forecasts of income and costs, future opportunities, commitments and risks are considered, in arriving at the level of reserves held, so a balance can be struck between continuing development and the need for prudent management of working assets and commitments, including providing for contingencies.

The reserves policy is reviewed and agreed annually by the trustees as part of the budget process.

Largely as a result of the increase in value of investment assets, total funds increased by £29.8m to £206.3m, comprising £204.0m of designated funds with £2.0m of general funds. The charity also holds £307k of restricted reserves.

Designated funds are those funds that have been designated by Trustees for the delivery of the charity's long-term charitable objectives, and consist of:

- £159.5m for land purchases on which to plant a broadleaf forest.

- £42.7m being the historic valuation of land.
- £1.8m for a Strategic Investment Fund for funding capital expenditure, depreciation and supporting initiatives within the strategic plan in order to develop financial sustainability.

General funds are free to be used towards any purpose in furtherance of the charity's charitable objectives.

It is the Trustees' policy to maintain the Charity's general reserves at a sufficient level to enable it to continue to provide funding for approved projects and working capital requirements for future years. The charity's reserves policy is to keep general funds within a target range of £0.5m to £2.0m, representing between three months and twelve months of budgeted expenditure. This target takes into account, in particular, the current financial risks posed by the significant reliance on EU/UK government agricultural and forestry grants. UK government policy on these grants after Brexit is currently unclear.

General reserves at the end of the period totalled £2.0m, which is within the target range. As the charity invests the Felix Dennis legacy and develops its charitable activities it will re-assess these levels of general reserves.

## Going concern

The trustees consider that the Charity has adequate resources available to be able to continue to fund the activities of the charity and group for the foreseeable future. The trustees have prepared the accounts on a going concern basis and are confident that the charity and group will continue to grow and strengthen over the coming years.

## Investment policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. There are no restrictions on the charity's power to invest.

The trustees approved an Investment Policy in March 2018, which is to maintain the underlying investment wealth value of the charity, so that it can meet its objectives in the long term. The charity is sensitive to known environmental, ethical and social risk considerations, and investment assets are reasonably invested to complement the charity's aims and objects.

The charity has two core investment objectives:

- a) To sustain the charity to meet its charitable objects in perpetuity.
- b) To ensure appropriate liquid funds are available to acquire land and meet unexpected cash flow requirements.

An Investment Committee regularly meets, and is advised by Holbein Partners LLP. The benchmark against which the investments are measured is CPI plus 3.5%.

The initial stages of the COVID-19 global pandemic saw equities fall in most markets towards the end of the previous financial year. However, the recovery has been strong, and the 12 months to 31 March 2021 saw gains of £28.8m



## Risk Management

The trustees continually review the major risks, which the charity faces in relation to its operations. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

The principal risks and uncertainties facing the charity and its subsidiary undertakings, as identified by the charity trustees, include:

- Government policy

The UK's decision to leave the EU is likely to impact adversely on the charity's financial model, particularly in relation to what replaces the Common Agricultural Policy and related farming and forestry grants.

Key mitigation

- Maintaining strong relations with key stakeholders.
- Maintaining sufficient financial reserves to mitigate short term impact and enable other income streams to be identified.

- Land availability and competition

The charity needs to buy substantial amounts of land in order to realise the ultimate 30,000 acre forest.

Key mitigation

- Proactively applying land strategy to acquiring land that fits our criteria.
- Maintenance of liquid resources so that any land opportunities can be maximised.

- Investment performance

As a consequence of the large legacy the charity has significant funds invested from October 2018.

Key mitigation

- Investment Committee meets regularly with Investment Fund managers.

## Fundraising

The Heart of England Forest is fully registered with the Fundraising Regulator and compliant with the Code of Fundraising Practice. We take protecting and respecting our existing and potential donors very seriously. Our trained and experienced staff carries out all fundraising for the charity with a proactive and attentive approach to the Code of Fundraising Practice.

On occasion, we have used the services of fundraising consultants to aid our research. When these services are used, we have worked with respected and established companies. Appropriate due diligence is carried out, relevant formal contracts are put in place and we work closely with them throughout the process to ensure our charity's values are reflected in their approach.

During this financial period, we have received no fundraising complaints towards the charity and our fundraising activities.

The Heart of England Forest is committed to following the very best practice across all our fundraising initiatives and communication with supporters.

## Structure, Governance and Management

### Structure

The Heart of England Forest is a charity registered with the Charity Commission in England and Wales, number 1097110. It is a private company limited by guarantee, number 4309564, and its registered office is Colletts Farm Office, Dorsington, Stratford-upon-Avon, CV37 8AU. The charity's governing document is its Memorandum and Articles of Association incorporated on 23 October 2001 and amended on 7 February 2014. The trustees approved further amendments to its Articles of Association at their meeting of 21 September 2018 and these have been approved by the Charity Commission.

The trustees of the charity are also the members of the company (company number 4309564 in England and Wales). As members their liability is limited to £10.

The charity has four wholly owned trading subsidiaries:

- Dorsington Farms Limited —Company number 03137843 (registered in England and Wales), whose principal activities are land, farming and property development.
- Silva Green Limited (from 1 March 2018) - Company number 04274100 (registered in England and Wales), whose principal activities are property, caravan pitch rentals and mooring fee income.
- Alne Wood Park Limited (from 31 December 2017) - Company number 07646010 (registered in England and Wales), whose principal activities are the provision of burial plots and interments.
- The Heart of England Forest Trading Limited - Company number 09273956 (registered in England and Wales), which is dormant.

A summary of the trading subsidiary results appears in Note 21.

The trustees are responsible for all the charity's activities and governance. The Chief Executive works with the charity's employees and volunteers to deliver the charity's objectives and activities and those of the trading subsidiaries.

### Professional advisers

A list of the charity's main professional advisers can be found on page 2.

### Public benefit

The trustees confirm that they have complied with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

The primary public benefit delivered by the charity is the establishment and maintenance of a forest in the Heart of England. Trees and woods provide a wide range of public benefits in the form of natural capital, combating climate change, protecting soils and contributing to health and well-being, including mental health.

### Structure of the Board

The Board of trustees meets four times a year and has developed a structure of sub committees to assist it in its decision making.

The committees act in an advisory capacity under terms of reference agreed by the Board and do not have any delegated powers. All decisions rest with the trustees. The committees are:

- Nominations and Governance Committee —the committee advises the Board on issues of good governance including potential trustee appointments.



- Land Acquisition Committee —the committee advises the Board on land acquisition strategy and potential land acquisitions.
- Investment Committee —the committee advises the Board on its investments, including recommendations on Investment Fund manager appointments. The committee also ensures that the investment policy and processes are properly undertaken in a responsible manner, so as to maintain the underlying investment wealth value of the charity, in order to meet its long-term objectives.
- Finance and Audit Committee —the committee assists the Board in its duty to supervise the charity's financial affairs. It also acts as an Audit Committee.

The Board aspires to the Charity Governance Code and has further work planned in 2020-21 to move towards this standard.

Trustees are recruited to provide the skills and experience required to govern the charity. To ensure the Board has the necessary expertise, an assessment of the skills needed has been undertaken, with any skills gaps identified and appropriate vacancies advertised. Shortlisted applicants undergo a selection process with recommendations for appointment made by the Nominations and Governance Committee and subsequently approved by the Board.

Once appointed, each trustee is provided with an induction programme and trained as appropriate. Trustees are provided with regular information relevant to their role, engage in a regular programme of training including relevant external site visits to see good practice, and make visits to the charity's various sites.

The pay and remuneration of the Chief Executive is set by the Board of Trustees and takes account of performance and charity benchmarks. The charity is a Living Wage employer.

Trustees are rotated and reappointed in a three-year cycle. The trustees appointed by Felix Dennis (the founding Directors Jon Snow, Anthony Burton, Alison Hunter) do not have a maximum term of office.

#### **Trustees' emoluments**

The trustees of the company, who comprise its Board, did not receive any remuneration during the period. The charity purchases indemnity insurance (cover of £2m) to protect it and its trustees and officers from losses arising from any wrongful act by its trustees or officers and to indemnify them against their legal liability arising from any claim against them. The premium for the policy was £5,658 (2020: £6,205).

Trustees claimed out of pocket expenses of £Nil (2020: Nil) during the year.

#### **Related Party transactions**

Note 24 to the accounts contains details of transactions between trustees and the charity. As the charity continues to extricate itself from the Felix Dennis Estate, these transactions will reduce.

#### **Responsibilities of the trustees**

The trustees (who are also the directors of the Heart of England Forest for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

These give a true and fair view of the state of affairs of the company and the group as at the end of the financial year, and of the surplus or deficit of the company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;

- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable Charities (Accounts and Reports) Regulations, the provisions of the Trust Deed, and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that;

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware;
- and each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.


#### **Brexit**

We have considered the potential impact of Brexit on the Group and the Charity, and whilst there may be significant effects for the wider economy which could in turn affect the Group's and Charity's performance, we have not identified any specific risk that is material enough to require further disclosure here.

#### **Covid-19**

As this report is finalised, we are mindful of the impact that Covid-19 has had, and will have for an unknown period of time. In considering the potential impact of Covid-19 on the Group, and whilst there may be significant effects for the wider economy which could in turn affect the Group's performance, we have not identified any specific risk that is material enough to require further disclosure here.

This report was approved by the board of directors on 15 October 2021 and signed on behalf of the board by:



Jon Snow

Chair

15 October 2021



## Independent auditor's report to the Trustees of The Heart of England Forest

### Opinion

We have audited the financial statements of The Heart of England Forest (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows, 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31st March 2021 and of the group's 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) (ISAs (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 charity 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 trustee's 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 group's and the parent charity'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 directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### 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 Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 parent charity 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.

### Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 58 & 59, the trustees (who are also the directors of the parent charity 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 group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, and money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, inappropriately shifting the timing and basis of revenue recognition, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to fund accounting, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit report

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Ian Holder (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

Date: 8 December 2021



Consolidated Statement of Financial Activities (incorporating the income and expenditure account) for the year ended 31 March 2021

		Unrestricted		Restricted	Total	Total
		General Funds	Designated Funds	Funds	Funds	Funds
	Notes	2021 £000	2021 £000	2021 £000	2021 £000	2020 £000
<b>Income</b>						
<b>Income from generated funds</b>						
Donations and legacies	2	177	-	354	531	21,103
Other trading activities	3	657	-	-	657	650
Investment income	4	84	2,596	-	2,680	2,987
Other		23	-	-	23	67
<b>Income from charitable activities</b>	5	449	-	-	449	528
<b>Total Income</b>		<b>1,390</b>	<b>2,596</b>	<b>354</b>	<b>4,340</b>	<b>25,335</b>
<b>Expenditure</b>						
Raising funds	6	1,273	670	-	1,943	1,963
Charitable activities	6	1,265	-	100	1,365	1,217
<b>Total Expenditure</b>		<b>2,538</b>	<b>670</b>	<b>100</b>	<b>3,308</b>	<b>3,180</b>
<b>Gains/(losses) on investment assets</b>						
Realised	12	-	1,530	-	1,530	(944)
Unrealised	12	-	27,222	-	27,222	(9,075)
<b>Net income/(expenditure)</b>		<b>(1,148)</b>	<b>30,678</b>	<b>254</b>	<b>29,784</b>	<b>12,136</b>
Transfers between funds	18	1,148	(1,148)	-	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>29,530</b>	<b>254</b>	<b>29,784</b>	<b>12,136</b>
Fund Balance brought forward 1 April 2020		2,000	174,474	53	176,527	164,391
<b>Fund Balance carried forward 31 March 2021</b>		<b>2,000</b>	<b>204,004</b>	<b>307</b>	<b>206,311</b>	<b>176,527</b>

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

All income and expenditure derived from continuing activities.

Note 22 illustrates prior year figures for the various funds.

The notes on pages 67 to 88 form part of these accounts.

Consolidated and Company Balance Sheets as at 31 March 2021

	Notes	Group		Company	
		2021	2020	2021	2020
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Intangible Assets	10	276	261	26	11
Tangible Assets	11	46,253	45,563	39,125	38,388
Investments	12	148,478	117,716	151,228	120,466
<b>Total fixed assets</b>		<b>195,007</b>	<b>163,540</b>	<b>190,379</b>	<b>158,865</b>
<b>Current Assets</b>					
Stock	13	197	203	-	-
Debtors	14	6,108	6,901	7,786	8,876
Cash at bank and in hand		8,907	9,747	8,682	9,217
<b>Total current assets</b>		<b>15,212</b>	<b>16,851</b>	<b>16,468</b>	<b>18,093</b>
<b>Creditors</b>					
Amounts falling due within one year	15	(851)	(646)	(362)	(411)
<b>Net Current Assets</b>		<b>14,361</b>	<b>16,205</b>	<b>16,106</b>	<b>17,682</b>
<b>Creditors</b>					
Amounts falling due after one year	16	(2,890)	(3,032)	-	-
<b>Provisions</b>	17	(167)	(186)	(73)	(41)
<b>Net Assets</b>		<b>206,311</b>	<b>176,527</b>	<b>206,412</b>	<b>176,506</b>
<b>Funds</b>					
Unrestricted funds					
General funds		2,000	2,000	2,438	2,316
Designated funds		204,004	174,474	203,667	174,137
Restricted funds		307	53	307	53
		<b>206,311</b>	<b>176,527</b>	<b>206,412</b>	<b>176,506</b>

The notes on pages 67 to 88 form part of these accounts.

The surplus of the parent charity was £12,098k in the year (2020: £14,020k).

These financial statements were approved by the board of directors/trustees and authorised for issue and are signed on its behalf by:



Jon Snow

Chair

Date 15 October 2021

Registered Charity Number 1097110  
Company Registration Number 4309564



## Consolidated Statement of Cash Flows for the year ended 31 March 2021

	2021 £000	2020 £000
<b>Reconciliation of net movement in funds to cash flows from operating activities:</b>		
Net incoming resources	29,784	12,136
Adjustments for:		
Depreciation	190	156
Investment income	(2,680)	(2,987)
(Gains)/Losses on investments	(28,752)	10,019
Investment fees	586	627
Trade and other receivables	793	(5,618)
Inventories	6	(6)
Trade and other payables	44	32
<b>Cash generated from operations</b>	<b>(29)</b>	<b>14,359</b>
<b>Cash Flow Statement</b>		
Cash generated from operations	(29)	14,359
Cash flows from investing activities		
Purchase of land	(780)	(6,332)
Purchase of property, plant and equipment	(100)	(206)
Purchase of intangible fixed assets	(15)	(18)
Net Purchase of fixed asset investments	-	(865)
Sale of fixed assets	-	10
Interest received	14	37
Rental income received	70	65
<b>(Decrease)/increase in cash in the year</b>	<b>(840)</b>	<b>7,050</b>
Net (decrease)/increase in cash in the year	(840)	7,050
Change in net funds arising from cashflows	(840)	7,050
Cash at 1 April 2020	9,747	2,697
(Decrease)/increase in cash	(840)	7,050
<b>Cash at 31 March 2021</b>	<b>8,907</b>	<b>9,747</b>

## Notes to the accounts

### 1 Accounting Policies

#### a) Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of certain assets which are included at valuation.

The Heart of England Forest meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in accordance with the Companies Act 2006 and comply with FRS 102 and the 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).

The company is a registered charity and does not seek to make a profit, nor can its achievements be measured by normal commercial criteria. To ensure that a true and fair view is given in these financial statements the directors have set out in the Statement of Financial Activities a format other than the standard formats prescribed in the Companies Act 2006. In the opinion of the directors, the format adopted provides greater clarity on the nature of the company's activities.

The financial statements are prepared in sterling, which is the functional currency of the group and parent company. Any foreign currency transactions are initially recorded in sterling by applying the spot exchange rate as at the date of the transaction. Any monetary assets and liabilities at the reporting date which are denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the resources expended. Monetary amounts in these financial statements are rounded to the nearest £000s.

#### b) Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties regarding the group's or parent company's ability to continue as a going concern and therefore the assessment of the trustees is that the charity is a going concern.

#### c) Estimates and Judgements

The investment properties and other investments in Note 12 are the Management's best estimates of fair values. There are a number of estimates and judgements on legacies, based on Management's best estimates. Also, there are some estimates used to value the provisions as described in Note 17.

#### d) Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiaries Alne Wood Park Limited, Dorsington Farms Limited, Silva Green Limited and The Heart of England Forest Trading Limited. A separate Statement of Financial Activities and Income and Expenditure for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The outgoing resources of the parent charity for the year were £2,142k (2020: £2,006k). The income of the parent charity for the year was £3,280k (2020: £24,188k). The investment gains for the parent charity in the year were £28,752k (2020: £(10,084)k loss). The surplus of the parent charity was £29,890k (2020: £12,098k).



## General Funds

General funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

## Designated funds

These are funds that have been set aside out of unrestricted funds, by the trustees, for a specific charitable purpose, whether they be for land acquisition and planting, or Strategic Investment Funds for the strategic development of the charity.

Both designated funds and general funds are unrestricted funds.

## Restricted funds

These funds have been given to the charity for a particular purpose to be used in accordance with the wishes of the donor.

## f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to items of the income have been met, it is probable that the income will be received and the amount can be measured reliably.

## Friends of the Forest

Friends of the Forest donations are received as monthly direct debits or an annual payment. They are both included in full in the period they are received. An estimate of the gift aid reclaimable at the period end is included in these accounts.

## Donations

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised and the Trustees' Annual Report gives more information about their contribution.

## Legacies

Legacies are included in income when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset.

## Grants

Government grants received from the Forestry Commission under the English Woodland Grant Scheme are included in income on an accruals basis in line with the completion of planting. Government grants received from the Rural Payment Agency under the Farm Woodland Premium Scheme, Basic Payment Scheme and Higher Level Stewardship are accrued for as the income is earned.

The full amount of the grant is recognised in income unless there are any unfulfilled conditions and contingencies attaching to the grant, in which case it is recognised on their

fulfilment.

## Trading & other income

Income from sales is recognised over the period in which services are provided or when the risk and reward of ownership have been transferred, exclusive of Value Added Tax.

## Investment income

Investment income is recorded in the period in which it is earned.

## g) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party for goods and services, and where it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributable to particular headings, they have been allocated to activities on a basis consistent with use of the resources. Depending on the nature of the related expenditure unrecoverable Value Added Tax is either charged to the appropriate expenditure heading or is capitalised.

The Consolidated Statement of Financial Activities defines costs in two specific categories:

- Raising funds, which includes fundraising costs incurred in seeking voluntary contributions, the cost of commercial trading, the investment management costs and their associated support costs.
- Charitable activities, which includes expenditure related to the direct furtherance of the charity's charitable objectives including the planting and maintenance of broadleaf forests, enhancing biodiversity, education activities together with governance costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance and office costs.

Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. Support costs are allocated to costs of raising funds and charitable activities on the basis of the direct expenditure incurred by each activity.

## h) Intangible assets

Grant entitlements are initially recorded at cost and are subsequently revalued to the fair value at the date of revaluation, as determined by reference to an active market. Changes as a result of a revaluation are recognised in other recognised gains or losses as appropriate.

## Amortisation

Grant entitlements - No amortization

## i) Tangible fixed assets

Tangible fixed assets are initially recorded at cost or market value at the date of bequest, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Fixed assets with a cost of more than £250 are capitalised and depreciated.



An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains or losses.

## Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Land	-	No depreciation
Structures	-	Straight line over 20 years
Fixtures & fittings	-	Straight line over 10 years
Tools & equipment	-	Straight line over 3 to 10 years
Motor vehicles	-	Straight line over 3 to 6 years

## j) Investments

### Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure, or market value at the date of bequest. Investment property is valued to its fair value at each reporting date and any changes in fair value are recognised in the Statement of Financial Activities. The last valuation was carried out by Fisher German LLP in March 2020.

### Other investments

Other investments, comprising the Garden of Heroes and Villains are valued at cost, or the market value at the date of bequest. It is valued to its fair value at each reporting date and any changes in fair value are recognised in the Statement of Financial Activities. The last valuation was carried out by Bigwood Fine Art Auctioneers in March 2020.

### Subsidiary companies

Subsidiary companies are initially valued at cost, or the market value at the date of bequest.

Subsidiary companies are subsequently revalued to the fair value at the date of revaluation, as determined by reference to net assets plus goodwill.

### Impairment of fixed assets and investments

Fixed assets and investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the Statement of Financial Activities in the period in which it occurs.

## k) Stock

Stocks are stated at the lower of cost and net realisable value or market value as appropriate:

Raw materials and feedstuffs	-	purchased cost
Crops in store	-	market value
Livestock	-	market value

## l) Employee benefits

The charity operates a defined contribution pension scheme. The cost of providing pensions is charged to expenditure in the period in which contributions relate.

The costs of short-term employee benefits are recognised as a liability and an expense unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

## m) Financial Instruments

Basic financial instruments are recognised at amortised cost, with changes recognised in the Statement of Financial Activities. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in the Statement of Financial Activities.

### Debtors

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

### Cash at bank and in hand

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

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## n) Significant areas of estimation and judgement

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities income and expenditure. The nature of estimation and judgement means that actual outcomes could differ from expectation.

Management has applied judgement in the following material areas:

- Land valuations
- Sculptures
- Legacies



## 2 Donations and Legacies

	Unrestricted		Restricted	Total	Total
	General Funds	Designated Funds	Funds	Funds	Funds
	2021	2021	2021	2021	2020
	£000	£000	£000	£000	£000
<b>Donations</b>					
Individual	110	-	-	110	116
Corporates & trusts	64	-	354	418	252
<b>Legacies</b>					
Other	3	-	-	3	20,735
	<b>177</b>	<b>-</b>	<b>354</b>	<b>531</b>	<b>21,103</b>

## 3 Income from Other Trading Activities

	Unrestricted		Restricted	Total	Total
	General Funds	Designated Funds	Funds	Funds	Funds
	2021	2021	2021	2021	2020
	£000	£000	£000	£000	£000
Farming	502	-	-	502	495
Leisure and other	155	-	-	155	155
	<b>657</b>	<b>-</b>	<b>-</b>	<b>657</b>	<b>650</b>

See Note 21 for further details of trading activities.

## 4 Investment Income

	Unrestricted		Restricted	Total	Total
	General Funds	Designated Funds	Funds	Funds	Funds
	2021	2021	2021	2021	2020
	£000	£000	£000	£000	£000
Rental income received	70	-	-	70	65
Dividends received	-	2,596	-	2,596	2,885
Other income	14	-	-	14	37
	<b>84</b>	<b>2,596</b>	<b>-</b>	<b>2,680</b>	<b>2,987</b>

## 5 Income from Charitable Activities

	Unrestricted		Restricted	Total	Total
	General Funds	Designated Funds	Funds	Funds	Funds
	2021	2021	2021	2021	2020
	£000	£000	£000	£000	£000
Woodland Creation	104	-	-	104	182
Woodland Premium	333	-	-	333	315
Education	8	-	-	8	18
Other	4	-	-	4	13
	<b>449</b>	<b>-</b>	<b>-</b>	<b>449</b>	<b>528</b>

The charity's primary purpose is the planting and maintenance of broadleaf woodlands. Tree felling is not a primary purpose of the charity, and only occurs in limited circumstances; for example, when existing coniferous trees are felled in order to plant more broadleaf trees. This felling activity will generate limited income.

## 6 Expenditure

	Direct Costs	Support Costs	Total	Total
	2021	2021	2021	2020
	£000	£000	£000	£000
<b>Cost of raising funds</b>				
Fundraising	373	-	373	302
Trading expenses				
Farming	663	-	663	747
Leisure and other	157	-	157	143
Investment Management	-	80	80	60
Investment fees	-	670	670	711
	<b>1,193</b>	<b>750</b>	<b>1,943</b>	<b>1,963</b>

### Charitable activities

Forestry and biodiversity				
Other	516	-	516	406
Education and communications	71	-	71	52
Governance	241	320	561	526
Finance Costs	-	117	117	117
Restricted	100	-	100	116
	<b>928</b>	<b>437</b>	<b>1,365</b>	<b>1,217</b>

Finance costs represent the interest costs paid on the long-term bank loan. The loan was used to finance the purchase of 484 acres of agricultural land that will eventually be planted with trees.



## 7 Net (Income)/Expenditure for the year

This is stated after charging:	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Depreciation of fixed assets	190	156
Auditors remuneration - audit services	21	20
Auditors remuneration - non-audit services	10	6

## 8 Employees

	2021	2020
	No.	No.
<i>The average number of employees during the year was:</i>		
Growing the Forest	14	13
Optimising Biodiversity	2	1
Attracting People	2	3
Learning & Skills	2	1
Strong Governance	8	6
Communications	1	1
Fundraising	2	2
Volunteering	2	1
Farming and Agroforestry	2	2
	<b>35</b>	<b>30</b>

### *The average number of full time equivalent employees during the*

Growing the Forest	14	13
Optimising Biodiversity	1	1
Attracting People	2	3
Learning & Skills	2	1
Strong Governance	8	6
Communications	1	1
Fundraising	2	2
Volunteering	2	1
Farming and Agroforestry	2	2
	<b>34</b>	<b>30</b>

## 8 Employees (cont)

	2021	2020
	£000	£000
Total staff costs were as follows:		
Wages and salaries	1,080	916
Employer's National Insurance	96	86
Pension Contributions	57	47
	<b>1,233</b>	<b>1,049</b>

The number of employees whose emoluments (excluding pension contributions, employer's social security costs, but including benefits in kind) fell within the following bands:

	2021	2020
£60,001 to £70,000	2	-
£90,001 to £100,000	1	1
	<b>3</b>	<b>1</b>

The employees referred to above are members of a defined contribution pensions scheme. Contributions paid in respect of these employees were £11,072 (2020: £5,400)

The key management personnel of the charity comprise the Trustees, Chief Executive Officer, Finance Director, Partnerships Director, Head Forester, Biodiversity Manager, Community Engagement Manager and Head of Learning & Skills. The total emoluments of these were £438k (2020: £423k)

## 9 Trustees and Directors' Remuneration

None of the company directors received any remuneration from the company during the year except as disclosed in Note 23, and no expenses (2020: Nil) were reimbursed to Board members for travel and subsistence.

The charity purchases indemnity insurance (cover of £2m) to protect it and its trustees and officers from losses arising from any wrongful act by its trustees or officers and to indemnify them against their legal liability arising from any claim against them. The premium for the policy was £5,658 (2020: £6,205).



## 10 Intangible Fixed Assets

Group	Grant Entitlements £000	Software £000	Total £000
<b>Fair Value</b>			
At 1 April 2020	250	11	<b>261</b>
Additions	-	15	<b>15</b>
<b>At 31 March 2021</b>	<b>250</b>	<b>26</b>	<b>276</b>
<b>Amortisation</b>			
At 1 April 2020	-	-	-
<b>At 31 March 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Book Value</b>			
<b>At 31 March 2021</b>	<b>250</b>	<b>26</b>	<b>276</b>
At 31 March 2020	250	11	261

## 11 Tangible Fixed Assets

### Group

	Land and Buildings £000	Fixtures and fittings £000	Tools and equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>					
At 1 April 2020	45,288	182	328	308	<b>46,106</b>
Additions	780	41	15	44	<b>880</b>
<b>At 31 March 2021</b>	<b>46,068</b>	<b>223</b>	<b>343</b>	<b>352</b>	<b>46,986</b>
<b>Depreciation or impairment</b>					
At 1 April 2020	191	79	104	169	<b>543</b>
Depreciation charge for the period	89	25	27	49	<b>190</b>
<b>At 31 March 2021</b>	<b>280</b>	<b>104</b>	<b>131</b>	<b>218</b>	<b>733</b>
<b>Net Book Value</b>					
<b>At 31 March 2021</b>	<b>45,788</b>	<b>119</b>	<b>212</b>	<b>134</b>	<b>46,253</b>
At 31 March 2020	45,097	103	224	139	45,563

### Company

	Land and Buildings £000	Fixtures and fittings £000	Tools and equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>					
At 1 April 2020	38,361	126	6	-	<b>38,493</b>
Additions	748	41	-	15	<b>804</b>
<b>At 31 March 2021</b>	<b>39,109</b>	<b>167</b>	<b>6</b>	<b>15</b>	<b>39,297</b>
<b>Depreciation or impairment</b>					
At 1 April 2020	75	24	6	-	<b>105</b>
Depreciation charge for the period	42	25	-	-	<b>67</b>
<b>At 31 March 2021</b>	<b>117</b>	<b>49</b>	<b>6</b>	<b>-</b>	<b>172</b>
<b>Net Book Value</b>					
<b>At 31 March 2021</b>	<b>38,992</b>	<b>118</b>	<b>-</b>	<b>15</b>	<b>39,125</b>
At 31 March 2020	38,286	102	-	-	38,388



## 12 Investments

Group	Investment Fund £000	Investment Property £000	Other Investments £000	Total £000
<b>Cost</b>				
At 1 April 2020	111,727	3,432	2,557	117,716
Realised gains	1,530	-	-	1,530
Unrealised gains	27,220	-	2	27,222
Dividend income	2,596	-	-	2,596
Management fees	(586)	-	-	(586)
<b>At 31 March 2021</b>	<b>142,487</b>	<b>3,432</b>	<b>2,559</b>	<b>148,478</b>
<b>Impairment</b>				
<b>At 31 March 2021</b>	-	-	-	-
<b>Net Book Value</b>				
<b>At 31 March 2021</b>	<b>142,487</b>	<b>3,432</b>	<b>2,559</b>	<b>148,478</b>
At 31 March 2020	111,727	3,432	2,557	117,716
<b>Historical Cost</b>	<b>116,000</b>	<b>3,432</b>	<b>2,557</b>	<b>121,989</b>

Company	Subsidiary £000	Investment Fund £000	Investment Property £000	Other Investments £000	Total £000
<b>Cost</b>					
At 1 April 2020	3,792	111,727	2,390	2,557	120,466
Realised gains	-	1,530	-	-	1,530
Unrealised gains	-	27,220	-	2	27,222
Dividend income	-	2,596	-	-	2,596
Management fees	-	(586)	-	-	(586)
<b>At 31 March 2021</b>	<b>3,792</b>	<b>142,487</b>	<b>2,390</b>	<b>2,559</b>	<b>151,228</b>
<b>Impairment</b>					
<b>At 31 March 2021</b>	-	-	-	-	-
<b>Net Book Value</b>					
<b>At 31 March 2021</b>	<b>3,792</b>	<b>142,487</b>	<b>2,390</b>	<b>2,559</b>	<b>151,228</b>
At 31 March 2020	3,792	111,727	2,390	2,557	120,466

The charity holds the entire share capital of Dorsington Farms Ltd (company number 3137843), Silva Green Ltd (company number 4274100) and Alne Wood Park Ltd (company number 07646010). It also holds the entire share capital of The Heart of England Forest Trading Ltd (company number 09273956), which was not active in the year. All companies are registered in England and Wales.

The summary financial performances can be found in Note 21.

## 12 Investments (cont)

The allocation of the investment fund at 31 March 2021 was as follows:

<b>Equities</b>	
US	33%
UK	21%
Europe ex UK	16%
Japan	2%
Asia ex Japan	3%
EM	4%
Other	0%
<b>Total Equities</b>	<b>79%</b>
<b>Credit</b>	
Investment Grade	5%
High Yield	0%
<b>Sovereign Debt</b>	
Developed Markets	1%
Emerging Markets	1%
Other Fixed Income	2%
<b>Total Fixed Income</b>	<b>9%</b>
<b>Commodities</b>	1%
<b>Property</b>	3%
<b>Other</b>	6%
<b>Cash</b>	2%
<b>Total</b>	<b>100%</b>

There were no investment holdings greater than 5% of the total holdings.



**13 Stock**

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Farming stocks	195	201	-	-
Other	2	2	-	-
	<b>197</b>	<b>203</b>	<b>-</b>	<b>-</b>

**14 Debtors**

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trade debtors	66	39	31	4
Amounts due from subsidiary undertakings	-	-	2,323	2,839
Prepayments and accrued income	5,971	6,754	5,381	5,967
Other debtors	71	108	51	66
	<b>6,108</b>	<b>6,901</b>	<b>7,786</b>	<b>8,876</b>

**15 Creditors: amounts falling due within one year**

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Bank loan	193	51	-	-
Trade creditors	182	188	125	103
Amounts owed to subsidiary undertakings	-	-	13	119
Accruals and deferred income	405	355	176	160
Taxation and Social Security	48	34	41	26
Other creditors	23	18	7	3
	<b>851</b>	<b>646</b>	<b>362</b>	<b>411</b>

**Deferred Income**

Brought forward 1 April 2020	97
Deferred during the year	112
Released during the year	(97)
<b>Carried forward 31 March 2021</b>	<b>112</b>

**16 Creditors: amounts falling after more than one year**

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Bank loans and overdrafts	<b>2,890</b>	<b>3,032</b>	<b>-</b>	<b>-</b>

Included in the above is an amount of £2,056k (2020: £2,262k) in respect of liabilities payable or repayable by instalments which fall due for payment after more than 5 years from the reporting date.

The loan was drawn in January 2016 with the first 5 years being interest only repayments. From January 2021 the loan is repayable over 15 years. The interest rate is 3.76% for the duration of the loan.

Coughton Fields Farm is charged to AMC plc as security against this loan.

**17 Provisions**

Provisions at the Balance sheet date amount to £167k (2020: £186k). These provisions relate to environmental costs on some of the properties.

Brought forward 1 April 2020	186
Provided for during the year	92
Utilised during the year	(111)
<b>Carried forward 31 March 2021</b>	<b>167</b>

**18 Designated Funds**

The Designated fund of £204.0m (2020: £174.5m) represents the balance of the Land Reserve, Valuation Reserve and the Strategic Investment Fund.

	Funds at 2020 £000	Income £000	Expenditure £000	Gains £000	Transfers £000	Funds at 2020 £000
Land	130,298	2,596	(670)	28,752	(1,500)	<b>159,476</b>
Valuation Reserve	42,718	-	-	-	-	<b>42,718</b>
Strategic Investment Fund	1,458	-	-	-	352	<b>1,810</b>
	<b>174,474</b>	<b>2,596</b>	<b>(670)</b>	<b>28,752</b>	<b>(1,148)</b>	<b>204,004</b>



## 19 Restricted Funds

	Funds at 2020 £000	Income £000	Expenditure £000	Funds at 2021 £000
Volunteer Hub	10	-	-	10
D'Oyly Carte Charitable Trust	2	-	-	2
Ernest Cook Trust (for Education activities)	4	-	(4)	-
RDPE - Growing Tourism in HoEF	(2)	-	(4)	(6)
Millie's Watch - Education Facilities	26	-	(7)	19
The Environment Agency - Noleham Brook	10	-	-	10
The Addison Charitable Trust	3	-	-	3
Severn Trent - Pollinator Pathways project	-	54	(12)	42
Oak Wood wetland project	-	19	(16)	3
William A Cadbury Charitable Trust	-	8	-	8
EU Undertrees	-	22	-	22
Heritage Fund - Green Recovery in the HoEF	-	250	(56)	194
Other	-	1	(1)	-
	<b>53</b>	<b>354</b>	<b>(100)</b>	<b>307</b>

- a) Volunteer Hub – This is to facilitate improved facilities at the volunteer hub, and is expected to be spent in 2021/22.
- b) D'Oyly Carte Charitable Trust contributed towards a water vole habitat at Noleham Brook. This is expected to be spent in 2021/22.
- c) RDPE – this is a grant received to help grow and promote tourism in The Heart of England Forest. The outstanding balance is the depreciation balance.
- d) Millie's Watch – this is for equipment for education facilities, and the balance is expected to be spent in 2021/22.
- e) The Environment Agency – this is for work at Noleham Brook, and is expected to be spent in 2021/22.
- f) The Addison Charitable Trust – this is for carrying out a pond survey, and is expected to be spent in 2021/22.
- g) Severn Trent (Pollinator Pathways) – this project will increase biodiversity through creation or enhancement of habitats, by creating pollinator pathways across 68 ha of the Heart of England Forest. It is an ongoing project, expected to last 5 years until 2025.
- h) EU Undertrees – a project to understand ecosystem services of agroforestry systems.
- i) Heritage Fund Green Recovery in HoEF – a project to create a tree nursery as a sustainable social enterprise; to help create a native woodland of 125ha, with enhancements to hedgerows and grassland resulting in large scale nature recovery networks; and a community woodland of 28ha planting over 115,000 trees. The project runs until the end of 2021/22.

## 20 Analysis of Net Assets by Fund

	Unrestricted General Funds £000	Designated Funds £000	Restricted Funds £000	Total £000
Intangible Fixed Assets	276	-	-	276
Tangible Fixed Assets	372	45,788	93	46,253
Fixed Asset Investments	-	148,478	-	148,478
Current Assets	2,177	12,821	214	15,212
Current Liabilities	(851)	(3,083)	-	(3,934)
Provisions	(167)	-	-	(167)
	<b>1,807</b>	<b>204,004</b>	<b>307</b>	<b>206,118</b>



## 21 Trading Activities of Subsidiary Undertakings

A summary of Dorsington Farms Ltd (Registered number 3137843 in England and Wales) trading results are shown below.  
Audited accounts are filed with the Registrar of Companies.

	2021 £000	2020 £000
<b>Profit and Loss Account</b>		
Turnover	939	992
Cost of Sales	(746)	(751)
<b>Gross Profit</b>	<b>193</b>	<b>241</b>
Administration	(180)	(182)
Interest payable	(117)	(117)
Taxation	-	19
Unrealised gain	-	65
Gift Aid	-	(5)
<b>Operating Profit</b>	<b>(104)</b>	<b>21</b>
<b>Balance Sheet</b>		
<b>Fixed Assets</b>		
Intangible Assets	250	250
Tangible Assets	5,451	5,507
Investments	1,041	1,041
	<b>6,742</b>	<b>6,798</b>
Stock	195	201
Debtors	589	894
Cash at bank	72	364
	<b>856</b>	<b>1,459</b>
Creditors: amounts falling due within one year	(2,649)	(3,011)
Creditors: amounts falling due after more than one year	(2,890)	(3,032)
Provisions	(94)	(145)
<b>Net Assets</b>	<b>1,965</b>	<b>2,069</b>
<b>Capital and reserves</b>		
Share capital	1,080	1,080

## 21 Trading Activities of Subsidiary Undertakings (cont)

A summary of Silva Green Ltd (Registered number 4274100 in England and Wales) trading results are shown below.  
Audited accounts are filed with the Registrar of Companies.

	2021 £000	2020 £000
<b>Profit and Loss Account</b>		
Turnover	150	149
Cost of Sales	(108)	(107)
<b>Gross Profit</b>	<b>42</b>	<b>42</b>
Administration	(42)	(32)
Taxation	(2)	-
Gift Aid	-	(8)
<b>Operating Profit</b>	<b>(2)</b>	<b>2</b>
<b>Balance Sheet</b>		
<b>Fixed Assets</b>		
Tangible Assets	1,355	1,346
	<b>1,355</b>	<b>1,346</b>
Stock	2	2
Debtors	67	83
Cash at bank	106	125
	<b>175</b>	<b>210</b>
Creditors: amounts falling due within one year	(173)	(199)
<b>Net Assets</b>	<b>1,357</b>	<b>1,357</b>
<b>Capital and reserves</b>		
Share capital	1,253	1,253
Retained earnings at the end of the year	104	104
<b>Shareholders funds</b>	<b>1,357</b>	<b>1,357</b>



## 21 Trading Activities of Subsidiary Undertakings (cont)

A summary of Aine Wood Park Ltd (Registered number 7646010 in England and Wales) trading results are shown below.

Audited accounts are filed with the Registrar of Companies.

	2021 £000	2020 £000
<b>Profit and Loss Account</b>		
Turnover	5	6
Administration	(5)	(4)
Gift Aid	-	(1)
<b>Operating Profit</b>	<b>-</b>	<b>1</b>
<b>Balance Sheet</b>		
<b>Fixed Assets</b>		
Tangible Assets	346	346
	<b>346</b>	<b>346</b>
Stock		
Debtors	-	6
Cash at bank	47	40
	<b>47</b>	<b>46</b>
Creditors: amounts falling due within one year	(8)	(7)
<b>Net Assets</b>	<b>385</b>	<b>385</b>
<b>Capital and reserves</b>		
Share capital	386	386
Retained earnings at the end of the year	(1)	(1)
<b>Shareholders funds</b>	<b>385</b>	<b>385</b>

## 22 Consolidated Statement of Financial Activities for the year ended 31 March 2020

		Unrestricted General Funds	Designated Funds	Restricted Funds	Total Funds
	Notes	2020 £000	2020 £000	2020 £000	2020 £000
Income					
Income from generated funds					
Donations and legacies	2	231	20,722	150	21,103
Other trading activities	3	650	-	-	650
Investment income	4	102	2,885	-	2,987
Other		67	-	-	67
Income from charitable activities	5	528	-	-	528
Total Income		1,578	23,607	150	25,335
Expenditure					
Raising funds	6	1,252	711	-	1,963
Charitable activities	6	1,101	-	116	1,217
Total Expenditure		2,353	711	116	3,180
Gains/(losses) on investment assets					
Realised	13	-	(944)	-	(944)
Unrealised	13	-	(9,075)	-	(9,075)
Exceptional items	8	-	-	-	-
Net income/(expenditure)		(775)	12,877	34	12,136
Transfers between funds	19	775	(775)	-	-
Net movement in funds		-	12,102	34	12,136
Fund Balance brought forward 1 April 2019		2,000	162,372	19	164,391
Fund Balance carried forward 31 March 2020		2,000	174,474	53	176,527

## 23 Related Party Transactions

Felix Dennis was a Trustee until he sadly passed away on 22 June 2014. Since then I G H Leggett and D M L Bliss have been amongst 6 Executors who administer the Felix Dennis Estate. During the period the following transactions have occurred between the charity and the Felix Dennis Estate.

- The residual value of the Felix Dennis Estate is due to the Charity. There were receipts of £584k in the year (2020: £14.8m). £5.3m was accrued at year end (2020: £5.9m).

Simons Muirhead and Burton is a firm of solicitors in which Anthony Burton is a partner. During the period, the charity paid professional fees of £15,318 (2020: £35,083) to the firm. There was Nil balance at year end (2020: Nil).

**24 Company Limited by Guarantee**

Each member of the charity has agreed to contribute to a maximum of £10 in the event of an insolvent liquidation.

**25 Control**

The charity is controlled by the trustees.




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*Planting tomorrow's great native woodland*

