

Charity number: 1100759
Company number: 04878364

Friends of the Lake District

**Trustees' report and financial statements
for the year ended 31 December 2022**

Friends of the Lake District

*The only membership organisation dedicated to protecting and
enhancing the Lake District and Cumbria's landscapes*

Legal and administrative information

Charity number 1100759

Company registration number 04878364, Registered Company in England and Wales.

Business address and registered office

Friends of the Lake District

Murley Moss

Oxenholme Road

Kendal

Cumbria

LA9 7SS

Auditors

Lamont Pridmore

136 Highgate

Kendal

Cumbria

LA9 4HW

Solicitors

Burnetts

Victoria House

Wavell Drive

Rosehill

Carlisle

Cumbria

CA1 2ST

Bankers

CAF Bank Limited

Kings Hill

West Malling

Kent

ME19 4TA

National Westminster Bank

10 Elephant Yard

Kendal,

Cumbria

LA9 4LZ

Co-operative Bank

Delf House

Skelmersdale

WN8 6WT

Investment Advisors

RBC Brewin

Dolphin 1

Mason Court

Gillan Way, Penrith 40 Business Park

Penrith, Cumbria

CA11 9GR

CCLA Investment Management Ltd

Senator House

85 Queen Victoria Street

London EC4V 4ET

Canaccord Genuity Wealth Management Ltd

Talisman House,

Boardmans Way,

Blackpool

FY4 5FY

Who we are - from January 2022 to present

President

Position Vacant

Vice President

Mr John Campbell

Emeritus President

Sir Martin Holdgate CB

Trustees

Judith Cooke (Chair to end November 2022)

David Felton (Honorary Treasurer to End November, Chair from December 2022)

Philip Cropper (Vice Chair)

Lucy Hetherington (Vice Chair from July 2022)

Robin Forrest (Treasurer from December 2022)

Malcolm Boswell (co-opted from February 2023)

Laura Doan

Sarah Hodgson-Jones

Robert McCracken (co-opted from February 2023)

Fiona Sanders (co-opted from February 2023)

Anthony Vaux

Staff (Full and Part time)

Kay Andrews (Landscape Engagement Officer)

Douglas Chalmers (Chief Executive) to July 2022

Stuart Clayton (Head of Finance and Operations) and acting Chief Executive from July 2022

Grace Cooper (Administration and Finance Officer) from October 2022

Jan Darrall (Policy Officer)

Kristina Dobie (Finance and Central Resources Manager) from June 2022

Rachel Dorrington (Fundraising Officer)

Jack Ellerby (Dark Skies Officer)

Nicola Estill (Community Engagement Officer – Westmorland Dales Landscape Partnership)

David Evans (Scheme Manager, Westmorland Dales Landscape Partnership)

Dawn Groundsell (Communications Officer)

Michael Hill (Chief Executive) from April 2023

Clare Hucknall (Company Secretary) and acting Finance Manager January-June 2022

Chris James (Communications Officer)

Jodie Lucas-Jones (Administration and Finance Officer) from September 2022

Hannah Kingsbury (Cultural Heritage Officer – Westmorland Dales Landscape Partnership)

Marianne Kitchen (Finance Officer) to January 2022

Amanda McCleery (Overhead Wires Project Officer)

Penny McMullen (Administration and Finance Officer – Westmorland Dales Landscape Partnership)

Megan Mattinson (Administration Assistant) and acting Office Administrator from January-July 2022

Ellie Morton (Membership Officer)

Jasmine O'Flaherty (Database Administrator)

Laura Partington (Policy Officer)

Vanessa Rhoden (Fundraising Manager)

Amanda Walters (Interpretation Officer – Westmorland Dales Landscape Partnership)

Kate Willshaw (Policy Officer)

Lorayne Woodend Wall (Planning Officer)

Report of the Trustees (incorporating the Directors' Report) for the year ended 31 December 2022

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The Trustees, who are also directors for the purposes of company law and who are serving at the date of this report, are set out on page 2.

Chair's Report

If a year is a long time in politics, it has seemed even longer at Friends over the past twelve months.

As the aftershocks of COVID continue to ricochet through so many areas of our lives, Friends finds itself in a time of transition.

This time last year Douglas Chalmers was CEO and my colleague Judith Cooke was Chair of Trustees. In December 2022, I took the baton from Judith, and on 11 April 2023 we welcomed our new CEO, Michael Hill. Mike comes to us from the BBC with a deep passion for the landscapes we love. One of the first tasks we are giving him is to complete a strategic review, taking in the views of members, staff, partners and trustees. This will ensure that Friends not only continues to meet the challenges of this post-pandemic world, but nearly nine decades after it was formed, also to cultivate a renewed energy and vision. I wish Mike well and extend my – and trustees' – thanks to Stuart Clayton, our Head of Finance and Operations, who stood up in Douglas' absence to steady the tiller as we recruited a new CEO.

It is something of a refrain among those of us who care for the landscapes of Lakeland and Cumbria that the need for Friends has never been greater. With ever-increasing tourist pressure, and ever-diminishing funds issued to the Park Authority as 'austerity' chips depressingly on, there would seem to be a space for us to carve out a refreshed purpose. We can act not only as a champion for these landscapes, but also as a broker of deep thinking in how collectively we might tackle some of the great landscape challenges of our age: visitor pressure; congestion; water pollution; biodiversity decline; while continuing to do what we have always done so well – responding to planning applications, fighting inappropriate development, engaging with the public, and caring for our own little pockets of Lakeland.

On the road to that renewed focus, we have had a busy year. Key activities and achievements during the year included:

- **Policy:** Friends and partners ran a Future Transport in the Lake District seminar looking at how to make transport in the National Park sustainable and accessible for all. In addition, we responded to numerous local, regional and national transport policy consultations, in each case emphasising the need for sustainable transport modes to be prioritised for local people and visitors to Cumbria.
- **Planning:** We responded to 47 planning applications; either challenging them outright or suggesting changes to reduce landscape impacts. The most high-profile included plans for a large tourist facility on Hartside Pass, a campsite in Newlands valley, a lodge development at Humphrey Head and the redevelopment of Brandlehow Cottage. Applications for telecommunications masts increased in number, including at Hartsop, Eskdale and Barbon. Of all the applications we responded to in 2022 – and for which an outcome has been reached as at 18/04/2023 – 21 were refused or have been withdrawn, and a further 9 were approved but with changes or conditions reflecting our concerns or comments. More widely, we contributed to 6 national planning consultations on topics ranging from planning reform, second homes and biodiversity net gain to communications masts and holiday lets, as well as several local and neighbourhood plan consultations.

- **Landscape management:** We continue to manage 1,500 acres of Cumbrian countryside for everyone to enjoy. In the past year we put in 500 metres of new hedging at High Borrowdale and Dam Mire Wood, and held 45 volunteer conservation work parties to plant trees, repair walls and control gorse.
- **Landscape engagement:** A wide-reaching programme of engagement saw hundreds of people explore our land or learn more about the landscapes we care for and about. Our Landscape Leaders Training events concentrated on climate change, diversity in the outdoors, archaeology, biodiversity and path erosion, while 2 Great Cumbrian Litter Picks engaged with 600 volunteers across the county. Meanwhile on our own land, April saw the official opening, by film-maker Terry Abraham and local primary school children, of our most recent property acquisition, Dam Mire Wood, in Threlkeld. The day of celebration – the sun shone on us – included yoga sessions, pastel painting and bug hunts. Elsewhere, we bashed balsam (300 of the invasive plants removed from around Rydal Water), welcomed schoolchildren to a 'rainforest day' at Rusland, and worked with partners on our annual Fell Care Day to plant hedging whips, repair walls, check tree guards, clear scrub... and – of course – eat cake.
- **Dark Skies:** Our Dark Skies champion continues to engage locals and national policymakers, with the Cumbria Dark Skies Festival organised by Friends, partners and local businesses during 28 October–November 2022. It featured over 30 events celebrating the night-time environment, including stargazing and astrophotography, night trail running, canoeing, swimming, wildlife walks and forest bathing. It was attended by 1,500 people. On the ground, we worked with Patterdale and Sedbergh Parish Councils to secure funding to change their street lights to dark skies- and wildlife-friendly ones, while wildlife-friendly road lights were installed in Lorton – all steps towards a darker, more natural landscape.
- **Westmorland Dales:** As we reach the final year of activity in our wonderful partnership Westmorland Dales project, manager David Evans and his team have delivered 93+ events and activities, engaging 1,728 adults and 1,594 children. Highlights across the Dales included: repairing two traditional farm buildings at Pendragon Castle and on the Coast-to-Coast route at Raisbeck; a 'Digging the Past' project at Ravenstonedale that dug 26 test pits; an Asby dry-stone wall survey that identified five wall types in 37 walls; 69 traditional farm buildings surveyed as part of the scheme's ongoing survey of buildings; 5,000 Welcome to the Westmorland Dales leaflets in circulation; and six information panels installed.
- **In-person activities:** As the in-person limitations of Covid dissipated, we held three Member Meets and were delighted with a sold-out theatre at Rheged for our annual Kirby Lecture in October, where we debated the future of our uplands in a post Basic-Payments world (if you missed it you can find it online at <https://www.friendsofthelakedistrict.org.uk/news/kirby-lecture-2022-what-future-for-the-cumbrian-uplands-recording>).

Our income generation activities continued, even though in-person events were much-reduced and the Morecambe Bay walk cancelled. We were delighted to receive significant legacy income during the year of just over £850,000. In addition, we received over £160,000 in donations. The generosity of our members continues to inspire us, and, as ever, we will ensure all funds are put to good use.

The Board of Trustees (with three new co-opted trustees) continues to oversee the work of the organisation, and we were pleased to see so many members at our first in-person AGM in three years in Ulverston.

The crucial work that Friends does is not possible without the great efforts and commitment of our staff to whom as trustees we remain ever-grateful, particularly during the past unusually turbulent year. Their work and success are underpinned by a huge team of volunteers – including the Trustees – and as members we owe a debt of thanks to them all. I would like to thank them, too, for their personal support, their time and their oversight of this charity we love.

David Felton, Chair of Trustees

Annual Review 2022

2022 Highlights - A Review of our year

Policy and Planning

Policy

- Friends of the Lake District and partners ran a Future Transport in the Lake District online seminar attended by almost 100 people looking at how to make transport in the National Park sustainable and accessible for all.
- We responded to more than 10 local, regional and national transport policy consultations. In each case we emphasised the need for sustainable transport modes to be prioritised for local people and visitors to Cumbria and the Lake District in order to reduce carbon emissions and tackle congestion.
- The value of the landscape adjacent to the Lake District in South Copeland and our role in protecting it has been acknowledged by the appointment Friends of the Lake District to the South Copeland Community Partnership in order to advocate for the environment of the area during the process of the local community deciding whether or not it wants to host a geological disposal facility for nuclear waste.
- Working in Partnership with Fix the Fells to deliver a Landscape Leaders Training session and Fix the Fells volunteering event as part of the Great Landscapes Festival, attracting new Friends volunteers for the Fix the Fells scheme.
- Secured 3 more years for the Dark Skies Project.
- On the issue of protecting "Green Lanes" from recreational motor traffic, there were two meetings of the Tilberthwaite Partnership Management Group in 2022 to progress the development of a Management Plan for this route. Friends have supported this by helping to write a section for the Plan about the important things that need to be considered for the management of the route, such as landscape character and World Heritage Status. The Plan will hopefully be submitted to the Rights Of Way committee in July 2023.
- Successfully secured funding from Cumbria Action for Sustainability for an energy audit of the organisation and for support to implement recommendations to reduce energy use.
- Formed a Friends environment group to develop environmental policy and reduce the environmental impact of our activities.

Planning

- 47 planning applications responded to, whether challenging outright or suggesting changes that would reduce landscape impacts.
- Of those applications we responded to, and for which an outcome has been reached, 12 were refused or have been withdrawn and a further 8 were approved but with changes or conditions reflecting our concerns or comments.
- Contributions made to 6 national planning consultations on wider planning reform, and issues from second homes and biodiversity net gain to communications masts and holiday lets.
- Contributions made to 5 local plan consultations, 2 neighbourhood plans and 1 conservation area management plan.

Landscape Management

- 500m new hedge put in at High Borrowdale and Dam Mire Wood
- We held 45 volunteer conservation work parties on our land in 2022, activities included tree planting, dry stone walling, gorse control, woodland work, hedge planting and tree maintenance.
- Kept over 500ha of our land available for public use as open access land.
- Continued to comment on applications affecting common land and to respond to government consultations re new agri-environment schemes for landowners and farmers.

Overhead Wires

- 4 kilometres of line undergrounded – 3 schemes in the Lake District (Meathop Moss, Bampton Grange, Helton) and one in the Yorkshire Dales (Gamelands stone circle near Orton)
- Persuading OFGEM to not only reverse its decision to offer the electricity companies less than they had requested for undergrounding in the next 5-year programme (starting April 2023) but to actually offer them more overall. The companies had requested £53 million in total. OFGEM had only initially offered £47 million but this was increased to a final offer of £64 million, thanks to pressure from Friends and others. Excellent news for the visual amenity of protected landscapes across Britain.
- Publicity – we have written press releases and articles for each edition of Conserving Lakeland magazine on different schemes in order to raise awareness amongst both members and the wider public on the undergrounding of cables.

Fundraising and Membership

Membership

- 3 Member Meets, with 96 attendees across all the meetings.
- A sell-out theatre for our Kirby Lecture in October.
- Welcomed 149 new members and 1000 new contacts.

Legacies

- Exceeded the income target for the year enabling us to invest the year end surplus over the next three years.
- Judith Sugdon legacy funded the following:
 - Part time Policy Officer (3 days per week)
 - The equivalent of 4 days of Policy Officer time
 - 2 days per week of our Landscape Engagement Officer

Grants and Trusts

- Secured full funding of over £25,000 from The North Face for 2022 Fell Care Days. These were successfully delivered in the autumn.

Appeals

- Ran 3 appeals to raise funds for land management, planning and campaigning and repair work to our properties following Storm Arwen. Generated over £60,000 in income. The Storm Arwen appeal was one of the charity's most successful ever.

Morecambe Bay Walk

- Nearly 300 sponsored walkers joined us for an adventure across the shifting sands of Morecambe Bay, raising close to £10,500 for our work.

Landscape Engagement and events

Events

Rusland – rainforest day with Asby School.

Dam Mire open day

In April Filmmaker Terry Abraham and Threlkeld Primary School children opened our newest piece of land, Dam Mire Wood in Threlkeld. The day of celebration including yoga sessions, pastel painting, bug hunts, poetry sessions, oak basket making, and talks about the geology and history of the area.

Landscape Leaders Training Events

The Breaking Barriers talk in Whinlatter forest, in April, discussing how we can make outdoor

events more inclusive, was the first of seven events held for our Landscape Leaders Training events programme. Other subjects covered included *Beneath our Feet* – rare species and natural solutions to climate change, *Tackling Upland Path Erosion*, *Farming Landscape* - how farmers shape the landscape then and now, *Hidden Landscapes* - the Archaeology of Grange and Little Asby Scars, *Landscape futures?* - the different drivers of landscape change and the tensions between 'cultural' and 're-wilded' landscape visions. And *WILD FELL – Fighting for Nature* - The RSPB's Haweswater project, trialing new approaches to upland management, including river, hay meadow, bog, floodplain and woodland restoration.

Great Cumbrian Litter Picks in May and November

In 2022 we ran 2 of our Great Cumbrian Litter Pick events with 600 volunteers across Cumbria filling 170 big bin bags with litter - an incredible effort by all.

In November we visited Ambleside C of E Primary School with 'Trash Free Trails' for a litter assembly followed by a 'Trash Mob' where pupils picked up more than 300 pieces of litter in just 20 minutes. A survey of the litter picked showed 90% of it was single use plastic.

We also carried out an expedition litter pick over Loughrigg returning via Rydal Caves collecting 700 pieces of litter including 79 dog poo bags! After a massive rise in litter after lockdown, we commissioned Keep Britain Tidy to carry out research into why people litter. Though it is a very complex issue with no single solution, the research gave us a 10-point plan of suggestions which has helped guide us and others on actions we can take to begin to address the litter issues in the landscape. We're delighted to report that some of these initiatives are now being trialled in the Lake District such as 'Last Litter Bin' signage.

Big Balsam Bash around Rydal Water July 22

30 volunteers gave 270 person hours of Himalayan balsam pulling, at our Big Balsam Bash around Rydal Water in July, pulling an estimated 300 plants out. After running this event for several years, the size of the Rydal infestation has greatly reduced.

Fell Care Day - Westmorland Fell Care Day

- 5m of dry stone wall rebuilt at Smardale. The dry stone wall is an important boundary wall as well as keeping the reserve stock-proof.
- 170 metres of hedge planted at Gaythorne Hall with volunteers joining Asby Tree Group, Woodland Trust, and Westmorland Dales apprentices.
- 200 metres of grassland ride clippings raked off by volunteers at Cumbria Wildlife Trust's Smardale Nature Reserve. Maintenance of grassland ride habitat is important for the conservation of the pollinators who use them.
- Hundreds of trees checked and cared for with Eden Rivers Trust. The trees were previously planted for Natural Flood Management purposes, helping to make the Westmorland Dales landscape more resilient.
- 200 metres of scrub clearance carried out with John Strutt Conservation Foundation along the old railway line at Hartley. The John Strutt Conservation Foundation is managing this area of land to create a range of habitats and increase biodiversity.
- 242 hours of work completed.
- 80 pieces of cake eaten!

Great Landscapes Festival

We held a Family Fun Day at the Helm, making hedgehog homes and bee hotels – one of 22 events led by us and other organisations, as part of our Great Landscapes Festival.

Projects

Dark Skies

- The *Cumbria Dark Skies Festival* organised by Friends, partners and local businesses during 28 October - November 2022 had over 30 events, attracting 1,500 people.
- Cumbria Dark Skies Festival in November: 30 events celebrating the night-time environment, including stargazing and astrophotography, night trail running, canoeing, swimming, wildlife walks and forest bathing. It was attended by 1,500 people.
- We ran the second Ambleside and Grasmere 'Big Lighting Switch Off' in February, to raise public awareness about light pollution and our collective carbon footprints. This project was developed in partnership with councils, community groups and businesses, and over 220 road lights were switched off from 8 to 12pm. In November we held a mini-Switch Off in the Kendal Market Place with local businesses supporting the event. Over 1,000 parents and children heard the local girl's Amabile Choir sing carols in the dark as part of the Mountain Festival, and saw the Xmas lights switched on.
- Patterdale and Sedbergh Parish Councils secured funding with our support to change their street lights to dark skies and wildlife friendly ones (8 in Patterdale and 26 in Sedbergh).
- New Dark Skies and wildlife friendly road lights were installed in Lorton, replacing sodium road lights with more energy efficient and dark skies friendly ones.
- We worked jointly with all 9 local planning authorities and appointed an award-winning lighting design consultant to draft a Good Lighting Guide for the whole of Cumbria.

Westmorland Dales

- Total expenditure of £825,472, drawing in £577,830 in grant from the National Lottery Heritage Fund.
- 510 days of volunteer time provided, amounting to £67,745 in additional value to the Scheme.
- Over 93 events and activities delivered, engaging 1728 adults and 1594 children.

Notable events and activities included:

- Dark Skies planetarium events at Maulds Meaburn and Kirby Stephen in early March engaging 96 adults and 525 children
- Our Annual Landscape Forum in April in Ravenstonedale engaging over 60 people in 8 morning talks and 3 afternoon walks
- A Hay Meadows exhibition in July at Bowber Head attracting over 380 visitors
- Summer wild play days in Morland and Kirkby Stephen engaging over 100 children and 50 adults
- Fell Care Day with Friends and other partners in October engaging 44 volunteers on 5 different projects

Project successes include:

- 2 traditional farm buildings repaired at Pendragon Castle and on the Coast-to-Coast at Raisbeck
- Season 2 of our Little Asby Through the Keyhole project completed with 7 trenches excavated.
- Digging the Past project completed at Ravenstonedale with 26 test pits dug.

- Dry Stone Wall survey of 37 walls completed at Asby, identifying 5 wall types
- Small-Scale Heritage Features survey completed across 9 settlements, recording 718 features.
- At least 69 Traditional Farm Buildings surveyed as part of our ongoing survey of buildings in the area.
- 14 oral history Interviews carried out as part of the Our Common Heritage project.
- 17 geology factsheets and walks leaflets added to the website and the Westmorland Dales geology added to the Dales Rocks website.
- 5,000 Welcome to the Westmorland Dales leaflets are in circulation from 22 different locations, promoting the area for both existing and new audiences.
- 6 information welcome panels about the Westmorland Dales have been installed at popular locations and arrival points
- 11 new recordings across the Westmorland Dales for 'Sounds like the Westmorland Dales' logged on the global aporee sound map
- Strong partnership established with Yorkshire Dales National Park Association through the project, for which we are very grateful
- Love Your Landscape grants paid to 9 different projects totalling £24,300

Statement Of Trustees' Responsibilities

The Trustees are responsible for preparing their Annual Report and the financial statements in accordance with applicable law and regulations. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the net income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and accounting estimates that are reasonable and prudent; and
- (iii) prepare the financial statements on the 'going concern' basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate 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 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 are responsible for the maintenance and integrity of the corporate and financial information published on the charity's website.

The Trustees understand there is no relevant audit information of which the company's auditors are unaware. The Trustees have each taken all the steps that Company's Directors need to take in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees are aware of no incidents of non-compliance with other regulatory policies and internal policies, and we have complied with all previous and current fundraising requirements. In line with Charity Commission recommendations, we are happy to report no serious incidents have come to our attention in 2022. In addition, the Trustees are confident that during the year since the AGM in July 2022, the Charity has complied with its Articles of Association, charity law requirements and other applicable laws. In 2017, legislation was introduced requiring all companies to identify and register any Persons of Significant Control. This was reviewed by the Executive in 2017, and subsequently on an annual basis most recently March 2023, and there was no one identified as being a person of significant control.

Corporate Governance

Rolling agenda items include consideration of the financial status and sustainability of the organisation and regular reviews of risk management which includes financial systems and audit procedures. We also included monitoring of COVID issues. Specifically, the Executive Board:

- maintains oversight of the development of an annual budget in line with the requirements of the proposed Business Plan;
- ensures appropriate financial systems and controls are in place, that there is effective management and monitoring of the Friends of the Lake District's finances, financial control systems and procedures, assets including properties, and all other matters relevant to the financial affairs of Friends of the Lake District in order to achieve the charitable Objects and the legal obligations of the organisation;

- ensures proper arrangements are in place to secure effective audit of the Friends of the Lake District.

During 2018 General Data Protection Regulation (GDPR) was introduced and in 2022 we reviewed our policies and procedures to meet these regulations. There has been one request for personal data erasure, which was carried out within the timeframe specified. There have been no fundraising, or other complaints. We continue to operate within the guidelines set out by the Fundraising Regulator. We take great care and caution with our fundraising practices to ensure protection of vulnerable people and other members of the public and keep all direct fundraising in-house. We have not employed any external professional fundraiser or commercial participator. Our Fundraising Manager has monitored and maintained an overview of all fundraising activities carried out by individuals within the organisation, and by the organisation as a whole, which is overseen by the Chief Executive and the Board of Trustees.

Structure, Governance and Management

The Charity is a membership organisation governed by its Articles of Association dated 16th June 2003, updated and approved at the AGM in May 2014, and was incorporated as a company limited by guarantee on 27th August 2003. The previous, unincorporated, charity of the same name was founded in 1934.

The new Charities Act 2022 received Royal Assent in early 2022, and the first tranche of provisions came into effect at end of October 2022. There were no immediate implications for our working practices during 2022 and the Trustees remained aware of provisions being introduced in 2023 and any implications these might have. Similarly, the Trustees were aware of the anticipated changes to Companies House legislation in early 2023.

Governing Body

The Board, whose members carry the responsibilities of directors with trustee responsibilities, is the main governing body of the Charitable Company. Trustees are elected by the members at the AGM in accordance with the Articles of Association which provides for a minimum of 4 and a maximum of 18 members on the Board.

New Trustees are supported in the induction process by the Chair of the Board and Company Secretary, and are usually elected after a period of co-option. This induction process includes sessions with the staff and an introduction to the Charity. Newly inducted Trustees reported high levels of satisfaction with the induction programme.

Trustees agree a Code of Governance which is reviewed and adopted after each AGM. In compliance with the Code of Governance, a self-assessment of effectiveness and efficiency was conducted during the period, and the findings will be incorporated into revised Executive and joint working practices in 2023, as well as the development of a new Strategic Direction and strategic priorities. Given the effectiveness of hybrid meetings during the COVID pandemic, the option of remote attendance at Executive and sub-committee meetings will be maintained, as required, although face-to-face attendance is encouraged.

Strategy and governance functions of the Executive are monitored as part of the Executive meetings, with regular agenda items that include: the strategic direction of the organisation; proper arrangements relating to effective governance of the Friends of the Lake District; risk management; the nomination of candidates for appointment as Trustees; and that appropriate systems exist for the induction and training of Trustees.

Organisational Management

2022 saw fewer but somewhat significant staffing changes than the previous year. We said goodbye to Marianne Kitchen (Finance Administrator) in January 2022, and our Chief Executive Douglas Chalmers at the AGM in July (with a fond farewell on the Coniston Steam Gondola). Stuart Clayton (Head of Finance and Operations) stood in as Interim Chief Executive until April 2023, until our newly appointed Chief Executive Michael Hill could start. New members of the Finance and Administration team were welcomed in 2022: Kristina Dobie (Finance and Central Resources Manager); Finance and Office Administrators Jodie Lucas Jones and Grace Cooper. We said a temporary farewell to Megan Mattinson, who left on maternity leave in October 2022. As of early 2023, we are in the process of further recruitment for a Volunteer Officer and additional fundraising team members.

Objects, Vision and Mission

Friends of the Lake District has the following **Objects**:

- to promote and organise concerted action for the protection and conservation of the Landscape and natural beauty of the Lake District and the County of Cumbria as a whole.
- to co-operate with other bodies having similar objectives or interests.

A new 3-year Strategic Direction 2021-2023 was adopted at the start of 2021 which aims to fulfil the objects of the charity through:

Our Vision: to secure a LANDSCAPE that is:

*Beautiful, diverse, locally distinctive, tranquil and environmentally healthy.
Conserved and enhanced;
Accessible and enjoyed by all*

Our Mission: to ensure that PEOPLE:

*Are inspired by the beauty and diversity of the landscape;
Have an understanding of how the landscape has been shaped;
Care for and help look after the landscape, both for its own sake and for the benefits it brings to people's lives*

Our Principles

The special qualities and distinctiveness of Cumbria's landscapes should be conserved and enhanced.

Land use change should be sustainable, be sympathetic to the local landscape character and deliver positive long-term social, economic, cultural and biodiversity benefits. Where there is conflict between land use change and the landscape, then precedence should be given to the landscape.

Quiet enjoyment of the countryside is fundamental to people's physical and spiritual well-being and should be accessible to all.

Public understanding of the special qualities of the landscape and the value of its sustainable management should be encouraged.

2021-23 Strategic Direction

Our Strategic Direction has 4 key Strategic Aims which provide a framework for our work in the period 2021-2023:

- Protecting and enhancing the landscapes of the Lake District and Cumbria
- Promoting thriving, sustainable communities
- Inspiring and Empowering
- Securing our Future

To deliver our vision and to address the key challenges in the period, we will prioritise our activities and resources on the following four Aims and eight Objectives:

Aim 1: Protecting and enhancing the landscapes of the Lake District and Cumbria

- 1.1 We want legislation, plans and policies which better protect and enhance our landscapes and all its inhabitants
- 1.2 We want a living, working, biodiverse and culturally rich landscape
- 1.3 We want sustainably-managed upland landscapes

Aim 2 - Promoting thriving, sustainable communities

- 2.1 We want to support thriving communities and protect cultural heritage

Aim 3 - Inspiring and Empowering

- 3.1 We want an increasingly diverse range of people to be inspired by, value and understand our landscapes
- 3.2 We will use our land to showcase best practice land management and to engage, inspire and educate people of all ages and backgrounds on the value of landscapes

Strategic Aim 4 - Securing our Future

- 4.1 We will have a financial strategy that ensures our goals are funded and that we are resilient into the future
- 4.2 We will further develop the positive culture within the organisation and its engagement with others

The structure of our Strategic Direction has been aligned to our Landscape Charter, launched in 2017, and can be found on our webpage:

<https://www.friendsofthelakedistrict.org.uk/our-purpose>

Cooperation with other organisations

Throughout the year we have continued to work in co-operation with other bodies with similar aims and objectives to our own. These include the Campaign for National Parks, the Campaign to Protect Rural England [since 1978 the charity has represented CPRE in Cumbria], the National Trust, the Lake District National Park Authority, and the Yorkshire Dales National Park Authority, who work closely with us in The Westmorland Dales Landscape Partnership Scheme. We are also members of the Lake District National Park Partnership, leading on the Dark Skies and Landscape Character Assessment projects. In addition, we are represented on a number of local groups. Friends of the Lake District is a member of the Fix the Fells project Board and other organisations we have more direct involvement with include: Foundation for Common Land, and Cumbria Local Nature Partnership and the UK Dark Skies Partnership. As part of our landscape engagement activities we have worked closely with a number of partners including: John Muir Trust, Cumbria Wildlife Trust, RSPB, Eden Rivers Trust, South Cumbria Rivers Trust, John Strutt Conservation Foundation, Trash Free Trails, as well as National Trust, National Park and Fix the Fells. Our adjacent AONB's (areas of outstanding natural beauty) have similarly been involved in events such as Great Cumbrian Litter Pick and Great Landscapes Festival.

Statement Of Public Benefit

The Trustees have had regard to Charity Commission guidance in preparing this statement of public benefit. The protection and enhancement of the landscape of Cumbria and the Lake District is recognised as a charitable purpose and is regarded as producing a public good. Friends of the Lake District exists to promote and organise concerted action for the protection and conservation of the landscape and natural beauty of the Lake District and the County of Cumbria as a whole and therefore provide a clear public benefit. Examples of our charitable activities for public benefit include: our campaigning and events to raise awareness of and improve Dark Skies in the Lake District and Cumbria; our Fell Care Days and Great Cumbria Litter Picks that improve and enhance the landscape of the Lake District and Cumbria.

Financial review 2022

Generous individual giving in 2022 meant that over 70% of our income was in the form of memberships, donations and legacy giving, with legacies specifically providing over 50%. The substantial amount of legacy income in 2022 has been remarkable and humbling, including a significant legacy from Mrs Judith Sugdon, which is being used to fund additional staffing capacity to support our crucial policy and project work. Our strong membership gives us a powerful lobbying and influencing mandate; and membership income itself is vital to the charity as it provides us with a dependable funding that we can plan around, so we thank you for choosing to be a member. In 2021 we were also kindly left some land in the Will of Mr. Mark Stansfield Stephenson near Broughton in Furness, (Middle Bleanesley) and we formally took ownership of this land in early 2022.

Consolidated financial figures from the 2022 Accounts:

Total income £1,581,793

- Voluntary Income – (Legacies, Donations and Subscriptions) £1,134,996
- Charitable Activities £241,248
- Trading Activities £29,524
- Investments £66,025
- Land donated £110,000

Total expenditure £997,860

- Generating Voluntary Income (Inc. Membership) £134,329
- Charitable Activities £793,220
- Trading Activities £61,092
- Investment Management Costs £9,218

Total Funds/Net Assets at 31 December 2022 Total £5,645,890

- Tangible Fixed Assets (including properties) £1,618,976
- Investments £2,686,528
- Net Current Assets £1,340,386

Funds by restriction

- Unrestricted £2,252,416
- Designated (including Tangible fixed assets) £2,809,976
- Restricted £159,106
- Permanent Endowment £424,392

Given ongoing concerns regarding the wider economic environment and wishing to seek to secure a more sustainable organisation, it is important that Friends of the Lake District maintains sufficient funding to support its vital work. As such during 2022 we invested any surplus income in line with the following Reserves Policy:

Reserves Policy

The Charity needs reserves in order that:

- it can provide working capital when funding is paid in arrears;
- it can meet the costs of new campaigns, unforeseen emergencies and/or other unexpected needs for funds, including employing temporary staff to cover long-term sick absence;
- it protects against unpredictable legacy income, in order to provide a stable and quality service to fulfil its objectives;
- it can acquire strategic land holdings, should they become available; and
- it can meet contractual obligations should the charity have to close.

In 2022, the Board maintained reserves for the following purposes:

- a designated fund for working capital;
- a designated fund for contingencies –including provision to address the ongoing financial impacts of COVID and inflationary pressures;
- a designated fund to support the Trustees' plan to restore Friends of the Lake District to financial self-sufficiency by the beginning of 2023, whilst fulfilling the activities of the 3-year 2021-2023 Strategic Direction;
- a designated fund to allow Friends of the Lake District to make further investments in strategic land holdings in Cumbria, and developments to existing properties held for charitable purposes.

From early 2023, a new Reserves Policy was introduced, which covered working capital only. Designated funds allocations were reviewed and updated as part of the Audit process (see Note 14 to the Accounts). For 2023, designated funds have been agreed as the following:

- **Working Capital** - a designated fund to cover between 6 and 9 months operating costs to maintain essential services which includes all risks associated with the unplanned closure of the charity's business model, spending commitments, potential liabilities and financial forecasts. £600,000.
- **Sustainability and Growth** - Trustees have committed to invest in the development of operational and income generation activities over a three-year period to ensure the charity can respond to ever increasing demands and develop long term financial sustainability - £316,000 (deficit over 3 years).
- **Digital Evolution** - As Friends of the Lake District embraced digital acceleration in 2020 and 2021, adjusting to the demands of the moment Trustees recognise that a 'new normal' has emerged from the pandemic years. Therefore, a designated fund of £100,000 has been identified to help consolidate existing digital activities and assist digital evolution to help increase fundraising efforts, enhance our marketing and communications, engage with our members and supporters and support the day-to-day in-house operations.
- **Development** - A designated fund of £100,000 has been agreed to support unforeseen campaigns and promote innovation outside of the agreed budget.
- **Capital Expenditure** - A designated capital expenditure fund of £75,000 has been agreed to support capital initiatives in the year including our commitment to reducing our carbon footprint.

Investment Policy

The Articles of Association of the charitable company permit the Board wide powers of investment. The investment policy for the charity has been to maintain capital growth and take advantage of the income which it generates. In 2022 Trustees made the decision to move away from the preference of capital growth and increased focus on generating income from the investment portfolio to support rising operational costs. As a result, income from Investments was materially higher in 2022 compared to 2021. We anticipate a continuation of this trend in 2023.

Performance of our investments continued to be reviewed during 2022 by the Finance and Investment Committee, led by Philip Cropper, and involving the whole Executive. Global investment fluctuations arising from the COVID pandemic, war in Ukraine, the emerging energy crisis and other global financial pressures meant that performance of our Investments, in particular the endowment funds, was significantly below previous years and recorded a net loss in the period. The accounts reflect year end valuations (at 31.12.22), and whilst concern to Trustees, valuations and performance have begun to improve again in the first quarter of 2023. The investment performance continues to be monitored closely and alternative investment options are being considered.

In 2022 we continued our review of our Investment Strategy and Policy, including an ongoing review of ethical investments, culminating in early 2022, with a new Investment Policy.

As a landscape charity, we are committed to ensuring our investment portfolio is one that does not contribute to global carbon emissions and takes into account any investments that might have a detrimental impact on climate change, or any factors that contribute to the damage of the landscape we aim to protect.

Endowment funds: Our Endowment funds are managed separately from the other assets of the charity by Brewin Dolphin. The 2 **Kirby Endowment Funds** are: 1) **Amenity Fund**, the income from which is restricted for use in our charitable activities and policy work; and 2) **General Fund**, income from which is unrestricted but used for our Environmental Improvement Grants (which became Landscape Grants Scheme in 2019) and the annual Kirby Lecture. Towards the end of 2015 we were notified of a new endowment legacy – the **Margaret Taylor Memorial Fund**, the first part of this endowment income was received towards the end of 2018. The income from the Margaret Taylor Memorial fund is not restricted and is used to support our wider work.

Property Assets

The charity owns a portfolio of properties, which are maintained by the charity in furtherance of its charitable objects. In 2022 Jan Darrall, one of our Policy Officers, was seconded as Policy Officer (Land and Property) for the Friends, with direct responsibility for all our Property assets. This is a new way of managing our properties and is overseen by the work of the Property Working Group and the wider Executive. Updated property management plans and associated use to engage the public have been developed, which will be fed into a full Property Review, planned as part of the Strategic Direction development later in 2023.

We were notified of bequeathed land near Broughton in Furness, (Middle Bleansley) from Mr Mark Stansfield Stephenson, in the early part of 2021 and which we formally took ownership of in early 2022. Details of all our properties can be found on our website:

<https://www.friendsofthelakedistrict.org.uk/Listing/Category/our-land>

The Executive Board in 2017 agreed to adopt the change to accounting procedures relating to valuation of property assets, as offered by the transition arrangements switching from FRSE to FRS102. As such, property asset values will be set at 2012 amounts as deemed cost.

Thank you

Thank you to our members, partners and friends for your wonderful support in 2022. From generous donations to the dedication of our volunteers, we're very grateful for the many contributions we've received to protect and enhance Cumbrian landscapes. We also wish to express our sincere gratitude to those who've left a gift to Friends of the Lake District in their Will. If you'd like to know more about leaving a legacy to help care for the landscapes of the Lake District and Cumbria, please contact Vanessa Rhoden on 01539 720788 or email vanessa-rhoden@fld.org.uk.

Leaving a legacy is a wonderful way to ensure future generations can continue to enjoy the tranquility, beauty and inspiration of this special place. In 2022, the following members and supporters left a lasting legacy:

Edith Marjorie Yeo
Margaret Joan Whitely
James Fordyce Lumsden
Audrey Letitia Heckels
Michael Drew Stevens
Judith Sugdon
David Smith
Margaret Joan Gradwell
Bryan Percival Austin
Cyril Sanders

Margaret Whiteley
Mark Stansfield Stephenson
Patricia Joan Crompton
Donald Margerison
Paul Edwards Langley
Gillian Featonby
Sheila Mary Brandon
Cedric Hugh Briscoe
Eileen Barton
Christine Marion Huggins

In addition, generous donations were made in memory of:

Ann Highton
Ann Hinton
Anne Prasad
Ashley Pugh
Bill MacFarlane
Colin L Rushton
David Cutforth

Dennis Fox
Eric Stuffsins
James Lea Steele
Jeanne Smith
Joan Willacy
Joanne Heron Wates
John 'Eric' Pearson

John Neville Whitehorn
Mary Ohlson
Patricia May Moss
Peter Williams
Richard Evans

And donations made in celebration of: Prof Laura Doan

We would also like to thank our generous benefactors for their support in 2022:

John Berry, James Brockbank and Louise Ronane, John Campbell, Richard Coates, Philip Cropper, Margaret Haigh, John Harris, Peter Hughes QC, John and Margaret Jackson, Brian Leigh-Bramwell, Rosamund Macfarlane, Jim and Sue Martin, Diana Matthews, Angela Monkman-Brushett, David Pennefather CB OBE, Elizabeth Reddaway, David Salter, Mr and Mrs Eric Thomas.

Looking ahead – our priorities in 2023

Our work continues in line with our 2021-2023 Strategic Direction. During the course of 2023 a new Strategic Direction for 2024 onwards will be developed with the arrival of our new Chief Executive. Some of our main objectives for 2023 are:

- We will review our current strategic plan to ensure that we remain true to our charitable objectives and relevant in a post pandemic environment
- We will review our land and property portfolio to ensure that we are clear about our intentions
- We will review how we campaign, and as part of the strategic review, identify headline campaigning initiatives
- We will review our income generation activities to continue diversifying our income streams
- We will continue to raise our profile and showcase the work of our organisation
- We will celebrate the successes and learning from the Westmorland Dales Landscape Partnership
- We will continue with our commitment to the Lake District National Park Partnership
- We will begin a digital evolution process to enhance all aspects of our organisation

Statement of Going Concern

In line with the Charities SORP (FRS 102) and the Charities Acts of 2006 and 2011, as a result of our evidence assessment and levels of reserves, as laid out in this Annual Report, the Trustees conclude the charity is a going concern and there are no material uncertainties relating to its going concern status. The financial statements have been prepared on a 'going concern' basis.

Approved by the Board of Trustees on 18th May 2023 and signed on its behalf by:

David Felton, Chair of Trustees



Friends Of The Lake District
A Company Limited by Guarantee

Independent Auditor's Report to the Members of Friends of the Lake District
Year Ended 31 December 2022

Opinion

We have audited the financial statements of Friends of the Lake District (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes, 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Friends Of The Lake District
A Company Limited by Guarantee

Independent Auditor's Report to the Members of Friends of the Lake District
(continued)

Year Ended 31 December 2022

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 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 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 the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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.

Friends Of The Lake District
A Company Limited by Guarantee

Independent Auditor's Report to the Members of Friends of the Lake District
(continued)

Year Ended 31 December 2022

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We examined supporting documents for all material balances, transactions and disclosures.
- We applied analytical procedures to identify any unusual or unexpected relationships.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Friends Of The Lake District
A Company Limited by Guarantee

Independent Auditor's Report to the Members of Friends of the Lake District
(continued)

Year Ended 31 December 2022

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Friends Of The Lake District
A Company Limited by Guarantee

Independent Auditor's Report to the Members of Friends of the Lake District
(continued)

Year Ended 31 December 2022

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Lamont BSc FCA
Senior Statutory Auditor



For and on behalf of:

Lamont Pridmore
Chartered Accountants & Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

Dated: 18.05.2023

Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Friends of the Lake District meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going concern

The current economic conditions as a result of the Covid-19 pandemic continue to create uncertainty over the incoming resources available for the charity's activities. The charity's forecasts and projections, taking account of reasonably possible changes in performance, show that the charity should be able to operate within its current level of reserves. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Fund accounting

General funds are unrestricted funds that are available for use by the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

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

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds has restrictions which are described in note 14. Any capital gains or losses arising on the endowment fund investments form part of the endowment fund.

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

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies and bequests, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Subscriptions are accounted for on a cash basis. Income from investment is included when it becomes payable. Grant income is included when receivable, as long as any conditions attaching to the grant are within the Charity's control.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. No amounts are included in the financial statements for services donated by volunteers.

Resources expended

All expenditure is 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 attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources (see note 4).

Costs of generating funds comprise the costs associated with attracting voluntary income, the costs involved with other activities for generating funds, and the costs of managing the Charity's investments.

Charitable expenditure comprises those costs incurred by the Charity in the furtherance of its charitable objects.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

Grants payable

Grants payable are included once they have been approved.

Fixed assets

Fixed assets are stated at cost or valuation less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost or valuation over the anticipated useful life of the assets concerned.

The principal rates are as follows:

Freehold land	0%
Freehold property	2% straight line
Equipment	25% reducing balance
Motor vehicle	20% reducing balance

Investments

Investments are stated at market value at the balance sheet date. Market value is based on the mid-market price of quoted investments at the balance sheet date. Surpluses or deficits on revaluation and sales of investments are credited or charged in the Statement of Financial Activities.

Stocks

Stocks consist of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value.

Operating leases

Rentals applicable to operating leases are charged in the Statement of Financial Activities over the period in which the cost is incurred.

Pension costs

The Charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are charged in the Statement of Financial Activities in the year for which they are payable.

Taxation

Friends of the Lake District has charitable status and is thus potentially exempt from taxation of its income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No taxation has been charged in the accounts.

FRIENDS OF THE LAKE DISTRICT
(A Company Limited by Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31 DECEMBER 2022
(including Income and Expenditure account)

	Note	General Funds Unrestricted £	General Funds Designated £	General Funds Restricted £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
Income and Endowments From:							
Donations		102,556	-	59,635	-	162,191	163,988
Legacies		850,329	-	-	-	850,329	1,036,821
Membership Subscriptions		122,476	-	-	-	122,476	118,874
Charitable Activities							
Grants	1	32,488	-	196,166	-	228,654	187,580
Properties		1,840	-	-	-	1,840	2,080
Event & Other Income		9,919	-	835	-	10,754	6,466
Other Trading Activities							
Sale of Merchandise		21,889	-	7,635	-	29,524	36,827
Investments	2	74,525	-	(8,500)	-	66,025	28,204
Other	3						
Land Sales		-	-	-	-	-	-
Land Donated		110,000	-	-	-	110,000	15,000
Total Income		1,326,022	-	255,771	-	1,581,793	1,595,840
Expenditure On:							
Raising Funds							
Costs of Generating Voluntary Income		134,329	-	-	-	134,329	113,465
Cost of Sale of Merchandise		61,092	-	-	-	61,092	54,992
Investment Management Costs		9,218	-	-	-	9,218	12,989
Charitable Activities							
Protect Your Lake District		242,710	-	-	-	242,710	233,976
Train & Inspire		245,254	-	243,299	-	488,552	447,845
Grants - Amenity and Conservation		61,958	-	-	-	61,958	38,650
Total Expenditure	4,5	754,561	-	243,299	-	997,860	901,917
Net Income/(Expenditure) before Gains/(Losses) on Investments		571,461	-	12,472	-	583,933	693,922
Other Recognised Gains/(Losses)							
Unrealised Gains/(Losses) on Investment Assets		(311,765)	-	-	(96,298)	(408,063)	262,435
Net Movement in Funds		259,696	-	12,472	(96,298)	175,870	956,357
Reconciliation of Funds							
Fund Balances Brought Forward		808,804	4,015,214	125,312	520,690	5,470,020	4,513,663
Transfers		1,183,916	(1,205,238)	21,322	-	-	-
Fund Balances Carried Forward		2,252,416	2,809,976	159,106	424,392	5,645,890	5,470,020

All activities of the charity are classed as continuing. The charity has no recognised gains or losses other than those in the Statement of Financial Activities. There is no material difference between the reported results and the historical results of the charitable company. The Balance Sheet, Cash Flow and Notes on subsequent pages form part of these financial statements.

FRIENDS OF THE LAKE DISTRICT
(A Company Limited by Guarantee)
BALANCE SHEET AS AT 31 DECEMBER 2022

Registration Number: 04878364

	Note	2022 £	2021 £
Fixed Assets			
Tangible Assets	6,7	1,618,976	1,508,214
Investments at Market Value	8	2,686,528	2,594,591
		<u>4,305,504</u>	<u>4,102,805</u>
Current Assets			
Stock		3,243	3,173
Debtors and Accrued Income	9	489,855	214,194
Cash at Bank and in Hand		917,581	1,200,570
		<u>1,410,679</u>	<u>1,417,937</u>
Current Liabilities			
Creditors falling due within one year	10	70,293	50,722
Net Current Assets		1,340,386	1,367,215
Total Assets less Current Liabilities		5,645,890	5,470,020
Net Assets		<u>5,645,890</u>	<u>5,470,020</u>
Represented by Accumulated Funds	14		
Unrestricted funds		2,252,416	808,804
Designated funds		2,809,976	4,015,214
Restricted funds		159,106	125,312
Permanent endowment funds		424,392	520,690
		<u>5,645,890</u>	<u>5,470,020</u>

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The accounts were approved by the Board and authorised for issue on 18th May 2023 and signed on their behalf by:



Dave Felton, Chair of Trustees

FRIENDS OF THE LAKE DISTRICT
(A Company Limited by Guarantee)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2022

Registration Number: 04878364

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	21	166,997	789,009
Cash flows from investing activities:			
Dividends, interest and rents from investments	2	66,025	28,204
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(16,011)	(7,958)
Proceeds from sale of investments		-	-
Purchase of investments		(500,000)	(216,327)
Net cash provided by (used in) investing activities		(449,986)	(196,081)
Cash flows from financing activities:			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
Receipt of endowment		-	-
Net cash provided by (used in) financing activities		-	-
Change in cash and cash equivalents in the reporting period		(282,989)	592,928
Cash and cash equivalents at the beginning of the reporting period		1,200,570	607,642
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the reporting period	22	917,581	1,200,570

FRIENDS OF THE LAKE DISTRICT (A Company Limited by Guarantee) NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

1. Grants Receivable	Unrestricted £	Restricted £	Totals 2022 £	Totals 2021 £
Rural Payments Agency Grants				
Properties	32,487	-	32,487	22,144
Natural England Grants				
Landscape Character Assessment	-	-	-	-
Other Grants				
Westmorland Dales Landscape Partnership	-	184,347	184,347	151,876
Dark Skies	-	1,500	1,500	500
Landscape Engagement	-	10,319	10,319	9,205
Coronavirus Job Retention Scheme	-	-	-	855
South Lake District Discretionary Grant	-	-	-	3,000
	32,487	196,166	228,653	187,580

2. Investment Income	2022	2021
General Investments		
Brewin Dolphin General Fund	22,740	2,744
CCLA COIF Charity Fund (Accumulation)	13,964	1,838
CCLA COIF Charity Ethical Fund (Accumulation)	10,502	2,824
Canaccord G. W. Ltd (Hargreave Hale) Investment Fund	1,298	1,567
Canaccord G. W. Ltd (Hargreave Hale) Ethical Investment Fund	3,281	207
Interest on Short Term Deposits	5,691	86
	57,477	9,266
Permanent Endowment Funds		
Kirby & Taylor Funds		
UK Fixed Interest Bonds	-	1,783
Brewin Dolphin Endowment Fund	8,547	17,155
Interest on Short Term Deposits	-	-
	8,547	18,938
	66,025	28,204

3. Other Income	2022	2021
Land Donated - Little Bleansley, Broughton-In-Furness	110,000	-
Land Donated at Underknott, Threlkeld (Dam Mire Wood)	-	15,000
	110,000	15,000
Land with value		

4. Analysis of Total Resources Expended	Direct Staff costs £	Support Staff costs £	Direct expenses £	Overheads £	Governance costs £	Totals 2022 £	Totals 2021 £
Basis of Allocation	Staff time	Staff time	Direct	Staff time	Staff time		
Voluntary Income Generation	53,239	27,152	30,883	16,583	6,472	134,329	113,465
Costs of Sale of Merchandise	26,619	13,576	9,369	8,291	3,236	61,092	54,992
Investment Management Costs	-	-	9,218	-	-	9,218	12,989
Protect Your Lake District	113,133	58,829	19,176	35,930	15,642	242,710	233,976
Train & Inspire	206,301	108,607	79,264	66,332	28,047	488,552	447,845
Landscape Grants	6,655	18,101	25,608	11,055	539	61,958	38,650
Totals	405,947	226,266	173,518	138,191	53,937	997,859	901,917

FRIENDS OF THE LAKE DISTRICT (A Company Limited by Guarantee) NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

5. Employee Information

The number of employees working in the following areas were:

	2022		2021	
	Actual	Full Time Equivalent	Actual	Full Time Equivalent
Generating funds	3	2	3	2
Charitable activities	12	9	12	9
Governance	1	1	1	1
Support	9	7	7	6
Total	25	19	23	18

The average monthly head count for employees was 25 (2021: 23)

Employee costs were as follows:

	£	£
Salaries	544,909	516,092
National insurance	45,091	39,997
Pension costs	75,487	72,983
	665,487	629,073

One employee received benefits in excess of £60,000 (2021: 1)

6. Tangible Fixed Assets

	Freehold property	Office equipment	Motor vehicle	Total
	£	£	£	£
Deemed cost				
At 1 January 2022	1,509,436	95,524	18,134	1,623,094
Additions	110,000	16,011	-	126,011
Disposals	-	-	-	-
Revaluations	-	-	-	-
At 31 December 2022	1,619,436	111,535	18,134	1,749,105
Accumulated depreciation				
At 1 January 2022	33,455	70,719	10,706	114,880
Charge for year	3,431	10,332	1,486	15,249
Disposals	-	-	-	-
Revaluations	-	-	-	-
At 31 December 2022	36,886	81,051	12,192	130,129
Net book value				
At 31 December 2022	1,582,550	30,484	5,942	1,618,976
Net book value				
At 31 December 2021	1,475,981	24,805	7,428	1,508,214

Details of the freehold property are given in note 7.

7. Freehold Property at deemed Cost

	2022	2021
	£	£
Used in the Operation of the Charity		
Kendal Office	266,600	266,600
Held for Environmental Purposes		
Farmland, High Borrowdale	234,000	234,000
Common Land Grazing Rights, Ulpha, Little Asby, Roundthwaite, Whelpside	64,800	64,800
Hows Wood, Eskdale	11,806	11,806
The Helm	318,155	318,155
Common Land, Little Asby	198,000	198,000
Land at Mazonwath, Little Asby	152,452	152,452
Woodland at Staveley	60,623	60,623
Greenbank Wood	18,000	18,000
Bull Coppice & Resp Haw Woodland, Rusland	100,000	100,000
Land Underknott, Threlkeld	15,000	15,000
Littlerigg, Sweden Wood, Ambleside	70,000	70,000
Little Bleansley, Broughton-In-Furness	110,000	-
	1,619,436	1,509,436

Legacy of land at Broughton-in-Furness, Little Bleansley left to the charity in 2021, by Mr Mark Stansfield Stephenson amounting to £110,000 came under control of the charity in 2022.

FRIENDS OF THE LAKE DISTRICT
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 December 2022

8. Fixed Assets - Investments	2022 Market value £	2021 Market value £
General Unrestricted Funds		
Brewin Dolphin General Fund	492,143	469,049
CCLA COIF Charity Fund (Accumulation)	467,747	369,298
CCLA COIF Charity Ethical Fund (Accumulation)	595,258	627,344
Canaccord G.W. Ltd (Hargreave Hale) Ethical Investment Fund	221,810	206,146
Canaccord G. W. Ltd (Hargreave Hale) Investment Fund	469,073	385,959
Total	2,246,031	2,057,796
Permanent Endowment Funds		
Kirby Fund	348,004	407,754
Taylor Fund	92,493	129,041
Total	440,497	536,795
Total Fixed Asset Investments	2,686,528	2,594,591

Movement of Investments	Brewin Dolphin 2022 General Unrestricted Funds £	CCLA 2022 General Unrestricted Funds £	CCLA Ethical 2022 General Unrestricted Funds £	Canaccord 2022 General Unrestricted Funds £	Canaccord 2022 General Unrestricted Funds £	Total 2022 General Unrestricted Funds £	Brewin Dolphin 2022 Endowment Funds £
Market value at 1 January 2022	469,049	369,298	627,344	206,146	385,959	2,057,796	536,795
Additions	100,000	150,000	50,000	50,000	150,000	500,000	-
Disposals at carrying value	-	-	-	-	-	-	-
Net gains/ (losses) on revaluation	(76,906)	(51,551)	(82,086)	(34,336)	(66,886)	(311,765)	(96,298)
Market value at 31 December 2022	492,143	467,747	595,258	221,810	469,073	2,246,031	440,497
Historical cost at 31 December 2022	427,214	448,538	570,438	250,000	404,195	2,100,385	496,588

9. Debtors and Accrued Income	2022 £	2021 £
Accrued Legacy Income	434,171	192,563
Other Debtors	52,094	18,043
Prepayments and Accrued Income	3,589	3,589
	489,855	214,195

10. Creditors: Amounts Falling Due Within One Year	2022 £	2021 £
Accruals and Deferred Income	26,990	25,229
Taxation and Social Security	12,337	12,026
Other Creditors	30,966	13,467
	70,293	50,722

11. Trustees

The Trustees received no remuneration.

Amounts of £1,090 (2021: £636) were reimbursed to cover part of the travel and subsistence expenses incurred on behalf of the charity by three trustees (2021: one trustee).

FRIENDS OF THE LAKE DISTRICT
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

12. Auditors' Remuneration

	2022	2021
	£	£
Audit	7,885	6,180
	<u>7,885</u>	<u>6,180</u>

13. Legal Status of the Charity

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £1 (One Pound).

14. Movement in Funds

	At 1 January 2022 £	Surplus/ (Excess) of Expenditure over Income £	Transfers £	Other Recognised Gains and Losses £	At 31 December 2022 £
Unrestricted Funds					
Designated Funds					
Tangible Fixed Assets	1,508,214	-	110,762	-	1,618,976
Specific Designated Funds	2,507,000	-	(1,316,000)	-	1,191,000
Total Designated Funds	4,015,214	-	(1,205,238)	-	2,809,976
General Funds	808,804	571,461	1,183,916	(311,765)	2,252,416
Total Unrestricted Funds	4,824,018	571,461	(21,322)	(311,765)	5,062,392
Restricted Funds					
Fell Care Days	19,669	(2,226)	-	-	17,443
Wellbeing Work (Sanctuary Project)	29,225	-	-	-	29,225
Troutbeck Churchyard For Upkeep	1,871	-	-	-	1,871
Properties	1,994	(1,621)	-	-	373
Our Green Space (formerly Greens for Life)	1,668	-	-	-	1,668
Landscape Grants (WDLPS Love Your Landscape)	(7,470)	-	7,470	-	-
Dark Skies Project	(16,044)	2,880	13,164	-	-
Virtual Gifts	15,069	(2,063)	-	-	13,006
Donations Paths	-	8,746	-	-	8,746
Land management appeal	-	(10,717)	18,165	-	7,447
Policy and planning (restricted)	-	15,025	-	-	15,025
Climate Change Project	30,404	-	(18,165)	-	12,239
Conquer the Lakes	989	(450)	-	-	539
Storm Arwen appeal	-	2,152	-	-	2,152
WDLPS	29,043	12,592	(7,470)	-	34,164
Kirby Amenity Fund	342	(8,500)	8,158	-	-
Championing Upland Hill Farming	15,105	-	-	-	15,105
Property Purchase - J Kent	3,448	(3,345)	-	-	103
Total Restricted Funds	125,312	12,472	21,322	-	159,106
Permanent Endowment Funds					
Kirby General Fund	357,425	-	-	(66,104)	291,321
Kirby Amenity Fund	45,959	-	-	(8,500)	37,459
Margaret Taylor Memorial Fund	117,306	-	-	(21,694)	95,612
Total Permanent Funds	520,690	-	-	(96,298)	424,392
Total Funds	<u>5,470,020</u>	<u>583,933</u>	<u>-</u>	<u>(408,063)</u>	<u>5,645,890</u>

Purpose of Designated Funds

The trustees continue to designate funds deployed in tangible fixed assets.

In addition to this the trustees have designated £1,191,000 (2021: £2,507,000) out of general unrestricted funds into the following funds:

Working Capital	600,000
Sustainability and Growth	316,000
Digital transformation	100,000
Development fund	100,000
Capital expenditure	75,000
	<u>1,191,000</u>

Permanent Endowment Fund

The permanent endowment fund represents the two Kirby Funds and the Margaret Taylor Memorial Fund. The capital of the Kirby & Taylor Funds is invested. The income arising from the Kirby Amenity Fund may only be used for special conservation activities and is included in restricted funds.

The income from the Kirby General and Margaret Taylor Memorial Fund is for the general purposes of the Charity.

FRIENDS OF THE LAKE DISTRICT
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

15. Analysis of Net Assets between Funds

	Unrestricted General	Designated	Restricted	Permanent Endowment	Total 2022
	£	£	£	£	£
Tangible Fixed Assets	-	1,618,976	-	-	1,618,976
Investments	2,246,031	-	-	440,497	2,686,528
Net Current Assets	6,385	1,191,000	159,106	(16,105)	1,340,386
	<u>2,252,416</u>	<u>2,809,976</u>	<u>159,106</u>	<u>424,392</u>	<u>5,645,890</u>

16. Commitments

Operating leases

As at 31 December 2022, the Charity had total commitments under non-cancellable operating leases as below:

	2022 £	2021 £
Operating leases which expire:		
Within 1 to 2 years	4,894	1,152
Within 2 to 5 years and after 5 years	7,920	6,817
	<u>12,814</u>	<u>7,969</u>

17. Pension costs

Defined contribution schemes

The charity operates defined contribution pension schemes. Contributions are charged in the statement of financial activities as they accrue. The charity generally contributes 6% of pensionable salary matched by members. Most members have chosen to match the company contribution and to do so by salary sacrifice. Contribution costs for the year amounted to £75,487 (2021: £72,983).

18. Ultimate controlling party

There is no ultimate controlling party.

19. Related party disclosures

There were no connected charities or branches during the year ended 31 December 2022.

There were no material transactions with Trustees or other connected persons during the year ended 31 December 2022.

20. Contingent assets - legacy income

As at the year end, the charity had been notified of residuary legacies where the value of these estates was uncertain as the executors had not yet compiled the estate accounts and probate had not yet been granted. Therefore, no amount has been accrued in respect of these legacies which are estimated to be in excess of £186,000 (2021: £320,000)

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	175,870	956,357
Adjustments for:		
Donated/bequeathed land	(110,000)	(15,000)
Depreciation charges	15,249	14,239
(Gains)/losses on investments	408,063	(262,435)
Dividends, interest and rents from investments	(66,025)	(28,204)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	(70)	(2,310)
(Increase)/decrease in debtors	(275,661)	137,462
Increase/(decrease) in creditors	19,571	(11,100)
Net cash provided by (used in) operating activities	<u>166,997</u>	<u>789,009</u>

22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	917,581	1,200,569
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	<u>917,581</u>	<u>1,200,569</u>