WATCHTREE NATURE RESERVE LIMITED

England & Wales · Charity number 1127029

Details

Status	Registered
Legal form	Charitable company
Company number	05214585
Registered	2008-12-03
Register	View on the Charity Commission register

Contact

Address	Watchtree Great Orton Carlisle CA5 6NL
Phone	01228712539
Email	wnr@watchtree.co.uk
Website	www.watchtree.co.uk

Activities

Objects: (I) TO MAINTAIN, IMPROVE OR PROVIDE PUBLIC AMENITIES;(II) TO PROMOTE FOR THE PUBLIC BENEFIT THE WATCHTREE SITE IN CUMBRIA (THE SITE, ASDEFINED BELOW) AND ITS ENVIRONS, IN PARTICULAR BY ASSOCIATING LOCAL COMMUNITYORGANISATIONS IN A COMMON EFFORT TO ADVANCE EDUCATION, TO RELIEVE POVERTY, NEEDAND HARDSHIP, TO PROVIDE FACILITIES FOR LEISURE TIME OCCUPATION IN THE INTERESTS OFSOCIAL WELFARE, AND TO CONSERVE AND IMPROVE THE ENVIRONMENT;

Activities: Maintain Watchtree Nature Reserve for visitors, school parties and groups. Develop the Wheelers facility providing cycles for use by disabled groups and individuals.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

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Geography

- **Area of benefit:** CUMBRIA
- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£575,689	£546,539	£560,724	31
2024-03-31	£419,957	£417,292	-	-
2023-03-31	£330,692	£349,086	-	-
2022-03-31	£315,181	£306,795	-	-
2021-03-31	£186,712	£211,201	-	-

Trustees

Name	Role	Appointed
Alan Graham Roberts		2023-03-06
Clive Michael TINKER		2009-06-01
FRANCIS JAMES MAWBY		
John Fell		2023-11-01
Karen Aitchison Jones		2023-11-01
Prof Alison Nordon		2023-11-01
ROBERT WILLIAM BUSHBY		
Richard Wybergh Swanney SPEIRS		2014-01-21

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WATCHTREE NATURE RESERVE LIMITED

England & Wales - Charity number 1127029

Accounts

CHARITY COMMISSION

Watchtree Nature Reserve Limited

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2025

Company registration number: 05214585
Charity registration number: 1127029



Watchtree Nature Reserve Limited

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Watchtree Nature Reserve Limited

Reference and Administrative Details

Charity name	Watchtree Nature Reserve Limited
Charity registration number	1127029
Company registration number	05214585
Principal office	Watchtree Great Orton CARLISLE CA5 6NL
Registered office	Watchtree Great Orton CARLISLE CA5 6NL
Trustees	C M Tinker B Bowe R W Bushby W Little (Resigned 30 June 2025) F J Mawby R W S Speirs N Latimer A G Roberts K A Jones J Fell A Nordon
Bankers	The Co-Operative Bank PLC 1 Ballon Street MANCHESTER M60 4EP
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Investment Advisor	David Allen Financial Services Dalmar House Barras Lane Estate Dalston CARLISLE CA5 7NY

Watchtree Nature Reserve Limited
Chairman's Report

Annual Report 2024-25

In last year's Annual Report we returned to our traditional format to let you know some of the high points of the previous 12 months. We still retain and work towards the Key Performance Indicators (KPI) within our Strategy Plan as these provide a measure our performance. The KPI information is important to inform potential funders that we work within a Strategy and that we continually monitor how we are progressing. If you are interested in our Strategy Plan you can find it on the Watchtree Website under the Resources tab at the top of the opening page.

https://watchtree.co.uk/

This introduction provides a condensed overview of the main points from 2024-25.

• **Finance:** I am pleased to report that we ended the financial year on a positive note, producing a slight profit. This was largely due to the hard work of everyone in dealing with increased visitor numbers at a time when our overhead costs continue to grow significantly.

For the 2025-26 financial year we will have to work even smarter as the changes in the October 2024 budget will hit all charities regarding the increases to Employers National Insurance and the rise in the The Real Living Wage which we pay at Watchtree rather than the National Living Wage.

We are already making plans to deal with the impact which, on an initial calculation, is likely to raise our staff costs by over £26,000. We have faced similar challenges in the past and have always managed to address them. Watchtree prides itself on being resourceful and working to tight budgets like most charities and I hope we can continue to count on your support as Members and visitors alike.

• **Team growth and volunteer support:** The Reserve's team comprises 31 staff and 52 volunteers contributing over 33,000 hours annually, with new staff welcomed and volunteer hours up 14%. Team-building events and training have strengthened connections and skills.

• **Membership and fundraising:** Membership remains steady at 1,117 members generating £32,415. Supported by donations and fundraising events like the Wildlife Calendar and community trails, we raised £10,907 in total.

• **Habitat and estates improvements:** Despite lacking a permanent base, the Habitat and Estates Team secured a donated shipping container and new ATV, enhancing our operational capacity. Ongoing maintenance includes woodland thinning, hedge laying, and managing grazing with local farmers.

• **Infrastructure projects:** Funded by the Rural England Prosperity Fund, projects included overflow parking installation, a deer fence to protect the Education Zone and elevated boardwalks to improve the footpaths in the Zone.

• **Balfour Beatty partnership:** The local Balfour Beatty team provides much appreciated practical support and hosts an annual volunteer day, contributing to Education Zone improvements and honouring a former colleague's legacy.

• **Wildlife observations:** A wet spring and summer led to reduced insect and bird numbers, though seven new moth species were recorded. Conservation efforts continue amid challenges like deer browsing and habitat changes.

• **Education and wellbeing expansion:** The reserve hosted 1,119 children from 50 schools and 45 Kids' Club sessions. New initiatives include, Government supported Holiday Activity and Food sessions, SEND short breaks and Woodland Wellbeing programmes, all achieved through ongoing community and corporate funding support.

• **Cycle hire and maintenance growth:** Over 11,000 bikes were hired, with an expanded coaching team and increased income from workshop services and bike sales. All of which supported the upkeep of the fleet and helped to make the service more sustainable.

• **Events and marketing success:** A diverse event programme attracted participants to runs, walks, and nature talks, aided by volunteer efforts and partnerships like Cumbria Tourism's campaign. The use of social media influencers has also raised awareness of what Watchtree has on offer.

• **Grant funding and future outlook:** Significant grants supported our Tale Trails, Education Zone regeneration, ATV purchase and Wellbeing projects.

Watchtree Nature Reserve Limited
Chairman's Report

• Without the generous support of local companies and organisations together with continuing donations from local and national charities none of these improvements would have been possible. We are also grateful to our employees who have developed the skills to ensure that potential funders recognise and appreciate what a wonderful and much loved place Watchtree has become as an important community and educational resource.

We also fully recognise the value of our members who now number over 1,000 and whose subscriptions make a valuable addition to our income.

• **The Future:** Next year offers us several opportunities as well as one major challenge. That of course is remaining financially viable. The changes to Employers National Insurance rates mean that we will have to raise at least an extra £26,000 just to stand still. As a Charity that is a major hurdle but one which we are continually addressing.

During 2026 we have an opportunity to negotiate a much longer lease from Defra, who own the site. This will give us greater sustainability and, hopefully, make us more attractive to potential donors. We also aim to revise our Habitat Management Plan to ensure that we can improve the range and type of habitats so we can continue to be an important wildlife centre over the period of a longer lease.

To finish I must express the appreciation of the Directors and myself to our dedicated and enthusiastic employees and, crucially, to our ever willing volunteers whose commitment always proves invaluable in making Watchtree the wonderful place that it has become.

Richard Speirs

Chairman

These financial statements have been prepared in accordance with the accounting policies set out in the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland.

Welcome to the Watchtree Nature Reserve Annual Report for the financial year 1st April 2024 to 31st March 2025.

Back in 2022, we introduced our Strategy Plan for 2030, setting out clear objectives across all areas of our work. Since then, we've published an annual data report to track our progress against those goals. While these reports have been invaluable for analysis and measuring our growth, we've come to realise they don't quite capture the heart of what we do.

Numbers and graphs are useful—but they don't always tell the full story.

That's why, this year, we're doing things a little differently. We'll still produce our detailed data report, available on our website for anyone who wants to dive into the stats. But alongside it, we're proud to share this more narrative-driven annual report. It blends key statistics with real-life stories, moments, and memories from the past year—giving a more human view of the work happening every day at Watchtree.

Our Team

We are nothing without our people - so it feels only right to begin here. At the close of this reporting year, our team is made up of 31 dedicated staff members and 52 incredible volunteers. Together, they've contributed over 33,000 hours of service - equivalent to 17 full-time roles.

Over the past year, we've welcomed nine new staff members to the team. At the same time, we've said farewell to Billy Little, Stephanie Norman, and Samantha Heaven, who have moved on to new opportunities. We thank them warmly for their contributions to Watchtree and wish them every success in their future endeavors.

We remain deeply grateful to our amazing volunteers, whose energy, time, and passion continue to be the lifeblood of Watchtree. This year, volunteer hours have averaged 190 per week—an impressive 14% increase from the previous year.

As our team, and Watchtree, continue to grow, staying connected becomes ever more important. To support this, we now host two full team gatherings each year. In December, over 70 team members came together for our annual Christmas dinner in Carlisle, offered free of charge as a small token of thanks for their hard work and dedication. Then, in January, we enjoyed our third annual team outing, this time to the Cumbria Wildlife Trust at Gosling Syke. Our host, Adam McGinley, made us feel incredibly welcome, and the day offered a fantastic opportunity for team members to connect, share ideas, and enjoy time together away from our day-to-day roles.

Throughout the year we have invested in the development of our team through training, including offering courses in First Aid at Work, Environmental Health, Safeguarding and British Cycling Coaching.

Membership and Community Support

Providing a welcoming community hub and an accessible, green open space, along with the facilities and services offered at Watchtree, is not a profitable venture. It requires substantial financial support to sustain everything we do. Thankfully, we're fortunate to receive generous backing from our community, visitors and users, whose support plays a vital role in keeping Watchtree thriving.

Watchtree membership offers participants exclusive access to the reserve and discounts on our events and services. At the close of the reporting year, we had 1,117 members which equates to £32,415, a substantial contribution to our charity. Our membership levels have been steady for several years; we are devising plans to increase membership uptake in the coming year.

Donations are received through various channels, including collection boxes in our car park, on-site sales outlets, and supportive local businesses. One of our key fundraising initiatives is the *Watchtree Wildlife Calendar*, which is generously sponsored by 48 local businesses, covering all production costs. The calendar is then offered to the public for a suggested donation of £5. We also hosted some fundraising events including community trails at Easter and Halloween, our annual Watchtree Christmas weekend, and 'Zing!' Choir Christmas Concert with pie and peas supper at Kirkbampton Village Hall.

Thanks to these efforts, we raised £10,907 in donations over the reporting year - an incredible testament to the work of our team and generosity of our community.

Habitat and Estates

The Watchtree reserve is cared for, enhanced, and brought to life by our brilliant Habitat and Estates Team, led by David Hall. This hardworking crew, our very own band of merry men *and* women, never fail to impress with their skill, creativity, and relentless work ethic, come rain, shine, or sideways Cumbrian wind.

In recent years, the team has faced some tough challenges. After being evicted from their long-standing workspace within a Defra building, they've been operating without a permanent base - a situation we won't be able to resolve until 2026, when we hope to secure a new long-term lease that will allow for a more flexible and functional development.

Despite these setbacks, 2024 brought a welcome twist of good fortune. In the spring, we were approached by Cumberland Council with a generous offer: the potential donation of a 40-foot shipping container, which could serve as much-needed storage and workspace for the team. Around the same time, we applied for funding to replace our aging All-Terrain Vehicle (ATV), which had become increasingly unreliable and costly to maintain.

As luck would have it, both opportunities came through simultaneously.

Keeping the new ATV under wraps, the Watchtree management team staged a little surprise. When the shipping container arrived, the team gathered for what they thought was simply a new bit of kit—and were delighted when the doors opened to reveal the shiny new ATV inside! It was a small but meaningful way to show appreciation for a team that gives so much.

While we celebrate these wins, we're still looking ahead to a future where our Habitat and Estates Team can operate from a purpose-built workshop and storage facility—something they truly deserve.

Work Completed 2024/25

Practical habitat maintenance continued throughout the year including woodland thinning, hedge laying, coppicing works in the wetlands and much more. Some of this work contributes to our Sustainable Farming Incentive objectives and allows us to claim vital funds from the UK Government which supports our work. We sub-let some land to 3 local farmers to maintain our flower meadows, they each cut, bale and remove hay in July and then graze through the winter aftermath. 2024 was a challenging year for hay making as the summer season was so wet, although all 3 farmers managed to find reasonable weather windows late in July.

Within the year we were awarded funding through the Rural England Prosperity Fund (REPF), the funding covered the material costs for three projects which are detailed below. Our team completed the physical labour element of all 3 tasks.

- In a one-acre field adjacent to our current car park, we've installed a plastic mesh reinforcement system over the grass. This allows the area to be used for overflow parking during dry weather, while still remaining wildlife-friendly and suitable for grazing sheep when not in use.
- A deer fence has been erected around the perimeter of our Education Zone creating a 1-hectare exclusion zone. By excluding Roe Deer from the area, we expect that the understory of the woodland will improve considerably. The fence has the added benefit of keeping children in the area and reducing the likelihood of ticks.
- Education zone boardwalks – with the increased use of the education zone the ground was becoming well-trodden in some places and a boggy mess in others. We have constructed a network of elevated trails which allow participants to explore without having a physical impact on the ground.

Balfour Beatty

We are incredibly fortunate to have the ongoing support of our local Balfour Beatty team based in Dalston. Throughout the year, they generously assist us in a variety of ways – from pothole repairs and the loan of cones and barriers, to providing free meeting space and even offering a helping hand (or machine!) when digging on site becomes a challenge.

In addition to this invaluable year-round support, we are proud to host an annual **Balfour Beatty Day** at Watchtree. This special event sees the Dalston team joined by colleagues from across the region for a full day of volunteering – a real 'DIY SOS'-style transformation!

This year's event focused on our Education Zone. The team worked tirelessly to assist with the construction of our new boardwalk, created a new pond, and built what we can only describe as the most fantastic mud kitchen we've ever seen! To show our appreciation, the Watchtree Café team served up a well-deserved BBQ for all involved.

This event holds particular significance. Beyond the practical improvements made to the reserve, it is also an opportunity for the Balfour Beatty team to honour the memory of a much-missed former colleague, Grant Taylor, who played a key role in establishing the meaningful relationship we now share.

We are deeply grateful for the continued generosity, energy, and spirit that Balfour Beatty brings to Watchtree. Their contribution makes a real difference – and we look forward to many more collaborations in the years ahead.

Wildlife

Spring and early summer were cool with unusually high rainfall, following a very wet winter and a damp previous summer. One clear result was the low number of insects—especially Bumblebees, Hoverflies, Butterflies, and Dragonflies. Almost all species saw reduced spring numbers, including the rare Dingy Skipper and the Wall butterfly, noted by surveyor Liz Still.

On a brighter note, Liz recorded seven new moth species, bringing the Reserve's list to 589. These included two notable macro-moths, Blackneck and Oak Hook-tip, both near the northern edge of their range and expanding quickly. A particularly rare micro-moth, *Heliozela hammoniella*, whose larvae mine birch leaves, was also found. It was a first for VC70 and just the fourth Cumbrian record.

Birdlife also suffered. Most Skylarks had disappeared by late July, abandoning attempts to re-nest after flooding destroyed early broods. Nest boxes mostly held Great and Blue Tits, along with two Nuthatch pairs, all of which fledged full broods. However, ringing showed few juveniles, despite good adult survival. Willow Warblers struggled too, with the lowest ringing total on record. Weather improved after mid-June, benefiting later migrants like Blackcap, Garden Warbler, and Sedge Warbler. Chiffchaffs bucked the trend, with one of our highest ringing totals.

Nationwide patterns echoed ours. A Sparrowhawk nest was found and four chicks ringed—three females and a male. The Woodcock survey again recorded just one displaying bird, with no breeding confirmed. A Barn Owl regularly hunted over grasslands through autumn and winter. After two failed attempts, the Lake's Mute Swans raised four cygnets, while the Wetlands pair did not nest.

We continued thinning plantation woodland to let in light and encourage ground flora. However, Roe Deer are heavily browsing bramble, which impacts breeding warblers. Trial enclosures highlighted the effect of grazing. Only two Tree Sparrow pairs bred, each producing a single brood. The ongoing colony decline remains unexplained.

Our efforts to establish wildflower hay meadows are succeeding in places, but soft rush is taking over many fields. Normally, fertility and drainage control it, but we cannot alter site drainage. Although no fertilizer has been used in 24 years, the persistent rush may thrive in these low-fertility conditions, it might take another century to shift. Watchtree continues to pose challenges—but also offers valuable opportunities to experiment.

Education and Wellbeing

Watchtree is now firmly established as a key education provider in our local area. Throughout the year, we host both regular and one-off school visits, with a strong focus on nature-based learning and forest school activities. Our beautiful reserve also serves as a springboard for subjects such as history, art, and cross-curricular learning.

During school holidays, our ever-popular **Kids' Clubs** now run multiple sessions each week and continue to see strong attendance.

In the 2024 reporting year:

- **1,119 children** visited from **50 different schools**

- We delivered **45 Kids' Club sessions**, engaging **499 children**

Expanding Our Services – Led by Leanne Fisher

2024 has seen significant growth in our education and wellbeing offer, thanks to the dedication and vision of **Leanne Fisher**, our Education and Wellbeing Team Leader. Leanne has successfully developed and implemented a range of new, inclusive initiatives that respond directly to community needs:

- **HAF (Holiday Activity and Food)**As part of the government-funded programme supporting children eligible for free school meals during holidays, we hosted **17 sessions**, providing enriching activities and a hot meal to **136 children**.

- **Targeted Short Breaks (TSB)**These council-funded sessions support children and young people with SEND (Special Educational Needs and Disabilities), giving families and carers valuable respite. We hosted **8 sessions** attended by **39 individuals**.

- **Woodland Wellbeing & Mini Explorers**In partnership with the NHS, we hosted **5 Woodland Wellbeing sessions**, alongside **6 Mini Explorers sessions** for under-5s and their parents. While NHS support for this work has now ended due to sustainability concerns, we remain committed to continuing socially prescribed wellbeing sessions. Plans are underway to self-deliver these, with the support of third-party funders.

Keeping with the theme of wellbeing, nature connectedness and education, we were delighted to once again secure the financial support of our friends at Bimsons Haulage, who sponsored £2000.00 for the second year running as the corporate sponsor for our ongoing Tale Trails project.

This story trail project uses a unique story about Watchtree's wonderful history, wildlife and nature, and illustrated map of the nature reserve to connect our visitors with our beautiful natural surroundings, our wildlife, connect them to our history and to our future as well. The story maps are free for visitors to collect from our Visitor Centre and online, they are supported by a number of illustrated story boards on the trails, for families to find. The Tale Trail project was also supported by grant funding from the Coop Community Fund, for which we were incredibly grateful.

The ongoing sponsorship from Bimsons and funding from the Coop allowed us to further develop the project to begin to include pieces of art and sculpture along the trails. The first of these installations was a living willow dome in our elemental garden, and the second saw us commission a brilliantly talented Cumbrian chainsaw artist, Tom Smith of Greensmith Carving, to carve a large piece of storm-felled oak into the story's title character, Flash, a Great Crested Newt. When Tom has completed the work, the sculpture will be placed permanently in the Elemental Garden alongside the Willow dome, for the engagement and enjoyment of everyone.

Looking ahead into the next financial year, we are hoping to secure additional funding to commission Tom to create another chainsaw sculpture, and to engage other local artists to produce sculptures and sensory engaging art pieces to bring the story tale to life. In doing so, we hope to showcase the artistic talent within Cumbria and to encourage our visitors, young and old, to engage with our natural spaces in new and exciting ways.

The Watchtree Wheelers

Over the past year, we've hired out more than 11,000 bikes! This includes riders of all kinds - individuals, families, groups, newcomers to cycling, and people with disabilities. While cycle hire remains a key part of what we do, it's now just one aspect of the wider work of Watchtree Wheelers.

The Wheelers Team has grown significantly over the past year, with Wendy Loveday, Peter Edwards, and David Wise all promoted to Assistant Team Leader roles—each taking on specific areas of responsibility within the Wheelers setup.

Wendy now leads our training and coaching services. These sessions cover everything from learning to ride, building confidence and developing specific cycling skills.

Our coaching team is stronger than ever, featuring experienced coaches Barbara Stanton and Chris Pattinson. Wendy recently completed her British Cycling Multi-Disciplinary Skills Coach Qualification and is now working towards her Bikeability Instructor qualifications.

David and Peter share responsibility for fleet maintenance and workshop services, supported by our dedicated team of volunteer cycle mechanics. Thanks to their hard work, the fleet remains in excellent condition—though some of our most well-used bikes are starting to show their age and are becoming familiar faces in the workshop!

During the reporting year, our workshop services generated £6,309 in income from cycle parts and labour, highlighting a growing enterprise that supports our wider mission. In addition, our refurbished bike sales, made possible through generous donations, raised over £19,000—a fantastic contribution to our cause.

All other activities are shared responsibilities across the team, including customer service, facilitating hires, and managing the ongoing sale of our standard fleet bikes. This approach ensures our fleet remains fresh and nearly new, fleet bike sales generated £10,151 in the reporting year - all of which is reinvested back into maintaining and upgrading our bikes.

Marketing and Events

As mentioned in the *Membership and Community Support* section, we've highlighted some of our key fundraising events, but that's only part of the story. Throughout the year, we host a wide range of events, including 5k, 10k, and half marathon runs, a charity walk, a 24-hour running/walking challenge, and a programme of nature walks and talks focused on our local environment.

In addition, we offer regular weekly activities such as the *Sunday Morning Trail Run*, *Monday Walking Group*, and *Tuesday Parents' Walk*.

Led by Senga Grave, the success and growth of the events programme is also thanks to the support of a strong team of volunteers who work together to make sure that there is a broad range of well organized and enjoyable series of events throughout the year.

These events and activities play an important role in our community, encouraging social connection, promoting physical activity, and supporting overall wellbeing. Events are also an important marketing tool for the reserve as they attract new and returning visitors who then provide an income, and they keep our presence and achievements in the spotlight.

Our growing reputation and popularity have opened exciting new opportunities this year, including a partnership with Cumbria Tourism, who invited us to take part in their countywide publicity campaigns promoting Cumbria as an accessible destination. We were proud to be featured in their *'Adventure for Everyone'* initiative, which includes a dedicated webpage and short films highlighting inclusive locations across the region. Watchtree features prominently throughout the campaign, which you can view here: Adventure for Everyone – Cumbria Tourism.

This collaboration also marked our first step into the world of social influencers. We were thrilled to welcome Jenny Berry, a disabled traveler and content creator whose Instagram account, *@wheelie_good_life*, has over 98,000 followers. Jenny shared a blog post about her visit to Cumbria, including a glowing review of her experience at Watchtree. Since then, we've already seen new visitors discovering us through Jenny's account, further expanding our reach and community impact.

Below are some event statistics from the reporting year. These are derived from our online booking system, so they do not include any 'on the day' entries. This is full events data for events which took place in the reporting year. Note that some of the income may have been received outside of the reporting year.

(H4) Watchtree 5k Run 2025	199	£2,826.00
(H4) Watchtree Half Marathon 2025	126	£3,030.00
(H4) Watchtree 10k Run 2024	110	£1,944.00
(H4) WINDY 500 2024	84	£635.20
(H4) Watchtree Running Community Halloween Run	61	£610.00
(H4) Watchtree 5k Charity Walk	41	£205.00
(H3) Watchtree Kids Pumpkin Carving	16	£160.00
(H2) 'Discovering Hadrian's Wall' Local History Talk	16	£136.50
(H2) Cumbrian Dialect Night, with Lakeland Dialect Society	10	£45.00
(H2) Pond Discovery Walk May with Steve Routledge 2024	10	£50.00
(H2) Birdsong Walk 2024	10	£56.40
(H2) Pond Discovery Walk August with Steve Routledge 2024	6	£26.00

(H2) Dragonfly, Damselfly and Bumblebee Walk 2024	1	£4.80
Christmas at Watchtree 2024	70	£690.00

Christmas at Watchtree 2024 (a special mention)

Our annual *Christmas at Watchtree* event is always a seasonal highlight, featuring a charming nativity trail generously set up and staffed by the Pattinson family and friends from the local Methodist churches, a magical woodland Santa's Grotto, and a festive elf trail. Visitors also enjoy all the usual Watchtree activities, including cycle hire and the welcoming on-site café.

However, in 2024, the event faced an unexpected challenge. Just 24 hours before launch, Storm Darragh threatened the safety of the entire setup. As a team, we came together to evaluate the situation and unanimously agreed: while we couldn't risk the full event outdoors, we *had* to make sure some parts went ahead—especially Santa's Grotto, which might have been some children's only opportunity to meet Santa that year.

In record time, we pivoted. With enormous effort and community spirit, we relocated the entire event to Kirkbampton Village Hall. Santa's Grotto was recreated in the meeting room, nativity trail crafts were hosted in the main hall, and the café team set up shop in the kitchen. It was a mammoth undertaking, and we owe special thanks to Senga and Leanne, who worked incredibly hard late into the night to ensure everything was ready.

This experience has led us to reconsider the format of future events. For 2025, we are planning a hybrid Christmas celebration, with elements both on the Watchtree Reserve and at Kirkbampton Village Hall—combining the magic of the outdoors with the flexibility of an indoor venue, ensuring a memorable and weatherproof Christmas for all.

Grant Funding and Sponsorship

Throughout the year we have received financial support from a range of funders. The projects and outcomes of these funds are included in the relevant areas of the report above. However, it would be remiss not to acknowledge those funders generosity and our gratitude for their support.

Tale Trails	Coop	£4,670.58
Tale Trails	Bimsons	£3,000
Education Zone regeneration	UK Shared Prosperity Fund	£36,578
Education Zone regeneration	Community Investment Fund	£10,000
New ATV	Rural Enterprise Prosperity Fund	£20,000
Woodland wellbeing	The Nineveh Charitable Trust	£5,800
Wellbeing Trail and Events	David Allen	£2,600

A final Note...

Watchtree continues to thrive despite the many challenges we have faced. Born out of disaster, we have grown and flourished through difficult times thanks to the passion and dedication of our team. The commitment of our volunteers, staff, and trustees cannot be overstated — their contributions are deeply valued by everyone in our community.

Our ongoing success means we have now outgrown many of our current facilities. We are eager to improve and expand; however, progress is currently limited by the terms and duration of our lease with Defra. We are hopeful that these constraints can be addressed in 2026, unlocking exciting opportunities for new developments across the reserve.

We have also reached a key moment in our environmental stewardship. Our original Land Management Plans have come to an end, and in 2025 we look forward to reassessing species diversity and exploring innovative ways to manage our land — both for nature and for people.

Structure, Governance and Management

Governing Document

The company was incorporated on 25 August 2004 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The company was registered with the Charity Commission on 3 December 2008 (Charity number 1127029) and has a registered office at Watchtree, Great Orton, Carlisle. Cumbria. CA5 6NL.

The Trustees are appointed by the members at the AGM. The Chair of the board is responsible for the induction of any new trustees.

Objectives and Activities

The objectives of the charity are to:

- Maintain, improve or provide public amenities,
- Promote for the public benefit the Watchtree site in Cumbria and its environs, in particular by associating local community organisations in a common effort to advance education, to relieve poverty, need and hardship, to provide facilities for leisure time occupation in the interests of social welfare and to conserve and improve the environment.

The charity maintains Watchtree Nature Reserve for visitors, school parties and groups and continues to develop the wheelers facility providing cycles for use by disabled groups and individuals.

In setting the objectives of the charity, the trustees have paid due regard to the Charity Commission guidance on public benefit.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Finance review

There has been a surplus this year of £29,150 compared to a surplus last year of £2,665, before gains on investments and transfers. Income has increased from £419,957 last year to £575,689 this year, due to a number of large grants received in the year.

Reserves

The Watchtree Nature Reserve reserves policy was reviewed and updated during August 2024.

The trustees have set a level equivalent to six months of operating costs for the organisation as a desired level of reserve. This fund is a contingency in the event of a sudden reduction in income, in order to protect the future operation of the organisation from the effects of any unseen variations in its income and expenditure. It also provides a cash flow for grants and contracts that are paid in arrears.

The trustees have designated reserves where there are planned commitments that cannot be met by anticipated future income alone. These reserves are broken down into a number of funds that relate to:

- The organisation's responsibilities as an employer to hold sufficient funds to provide proper notice and redundancy costs in the event of closure
- The organisation's responsibilities as a leaseholder to maintain and improve the Nature Reserve for public benefit.

The reserves policy and the levels of reserves required are reviewed yearly as part of the annual budgetary process.

Free reserves at the year-end are £125,587 (excluding fixed asset investments) and therefore sufficient to meet these costs.

Fundraising standards information

The charity does not hold any agreements with professional fundraisers or commercial participators.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 9 September 2025 and signed on its behalf by:

C M Tinker
Trustee

R W S Speirs
Trustee

Watchtree Nature Reserve Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Watchtree Nature Reserve Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable 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 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of

Watchtree Nature Reserve Limited

I report on the accounts of the company for the year ended 31 March 2025, which are set out on pages 14 to 30.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....

Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

9 September 2025

Watchtree Nature Reserve Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income					
Donations and legacies	2	42,816	109,373	152,189	75,331
Other trading activities	3	38,552	-	38,552	25,541
Investment income	4	11,902	-	11,902	9,050
Charitable activities	5	373,046	-	373,046	310,035
Total income		466,316	109,373	575,689	419,957
Expenditure					
Charitable activities		515,732	30,807	546,539	417,292
Total expenditure		515,732	30,807	546,539	417,292
Transfers					
Transfers between funds		51,841	(51,841)	-	-
Gains/(losses) on investment assets		278	-	278	31,248
Net income/(expenditure)		2,703	26,725	29,428	33,913
Reconciliation of funds					
Total funds brought forward		487,814	43,482	531,296	497,383
Total funds carried forward		490,517	70,207	560,724	531,296

All of the Charity's activities derive from continuing operations during the above periods.

Watchtree Nature Reserve Limited

Company registration number: 05214585

Balance Sheet as at 31 March 2025

	Note	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	11		113,922		77,498
Investments	12		251,008		243,586
			364,930		321,084
Current assets					
Stocks and work in progress		17,512		1,996	
Debtors	13	14,072		12,352	
Cash at bank and in hand		216,412		240,156	
		247,996		254,504	
Creditors: Amounts falling due within one year	14	(52,202)		(44,292)	
Net current assets			195,794		210,212
Net assets			560,724		531,296
The funds of the charity:					
Restricted funds			70,207		43,482
Unrestricted funds					
Unrestricted income funds			490,517		487,814
Total charity funds			560,724		531,296

For the financial year ended 31 March 2025, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 9 September 2025 and signed on its behalf by:

R W S Speirs
Trustee

The notes on pages 17 to 30 form an integral part of these financial statements.

Watchtree Nature Reserve Limited

Cash Flow Statement for the Year Ended 31 March 2025

	2025 £	2024 £
Net cash provided by (used by) operating activities		
Net income for the period	29,428	33,913
Depreciation charges	24,298	22,394
Gains on investments	(278)	(31,248)
Loss on the sale of fixed assets	7,129	-
Increase in stocks	(15,516)	(496)
Increase in debtors	(1,720)	(7,045)
Increase in creditors	7,910	19,312
	51,251	36,830
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(67,851)	(29,295)
Proceeds from sale of investments	7	50,127
Purchase of investments	(7,151)	-
	(74,995)	20,832
(Decrease)/increase in cash	(23,744)	57,662

The notes on pages 17 to 30 form an integral part of these financial statements.

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 18.

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Income and endowments

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

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

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

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Cafe income and income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Support costs

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

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

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Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Property improvements	10/20 years straight line basis
Plant and machinery	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis
Computer equipment	25% reducing balance basis

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

..... *continued*

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

..... *continued*

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Donations and legacies				
Appeals and donations	33,076	2,995	36,071	17,570
Sponsorship	6,335	-	6,335	4,165
Calendar donations	3,405	-	3,405	7,269
	42,816	2,995	45,811	29,004
Grants				
Cumbria Community Foundation	-	20,000	20,000	-
RPA	-	-	-	12,885
Other agencies	-	-	-	13,442
Ernest Cook	-	20,000	20,000	20,000
Bimson Haulage	-	2,000	2,000	-
Royal Countryside Fund	-	15,000	15,000	-
Cumberland Council	-	43,578	43,578	-
Nineveh Trust	-	5,800	5,800	-
	-	106,378	106,378	46,327
	42,816	109,373	152,189	75,331

Of the donations and legacies income in 2024, £27,004 related to unrestricted funds and £48,327 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Sale of bikes and parts	38,552	-	38,552	25,541

All of the other trading activities income in 2024 related to unrestricted funds.

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Dividends and interest received	7,464	-	7,464	4,934
Bank interest	4,438	-	4,438	4,116
	11,902	-	11,902	9,050

All of the investment income in 2024 related to unrestricted funds.

..... *continued*

5 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Membership	28,654	-	28,654	25,328
Cycle income	73,386	-	73,386	61,837
Cafe Sales	233,577	-	233,577	184,629
Grazing income	2,908	-	2,908	3,520
Education and events income	31,080	-	31,080	15,152
Other income	3,441	-	3,441	19,569
	373,046	-	373,046	310,035

All of the income from charitable activities in 2024 related to unrestricted funds.

..... *continued*

6 Expenditure

	Nature reserve activities	Investment managem - ent	Total 2025	Total 2024
	£	£	£	£
Direct costs				
Purchases	127,915	-	127,915	91,972
Wages and salaries	289,804	-	289,804	239,717
Staff NIC (Employers)	10,632	-	10,632	7,006
Staff pensions	11,670	-	11,670	8,751
Land maintenance	1,750	-	1,750	1,604
Portfolio management costs	-	3,385	3,385	2,567
Insurance	6,672	-	6,672	5,308
Repairs and maintenance	17,847	-	17,847	4,551
Hire of plant and machinery	2,321	-	2,321	2,168
Depreciation	24,297	-	24,297	22,393
	492,908	3,385	496,293	386,037
Support costs				
Staff training	3,902	-	3,902	765
Volunteer expenses	1,976	-	1,976	1,677
Telephone and fax	693	-	693	1,078
Computer software and maintenance costs	1,843	-	1,843	2,987
Printing, postage and stationery	2,931	-	2,931	2,676
Sundry expenses	668	-	668	1,312
Advertising	3,800	-	3,800	2,081
Accountancy fees	11,097	-	11,097	5,562
Independent examiner's fee	500	-	500	500
Legal and professional fees	9,461	-	9,461	7,036
Bank charges	8,946	-	8,946	5,581
(Profit)/loss on sale of tangible fixed assets held for charity's own use	4,429	-	4,429	-
	50,246	-	50,246	31,255
	543,154	3,385	546,539	417,292

Of the expenditure in 2024, £3384,836 related to unrestricted funds and £32,456 related to restricted funds.

..... *continued*

7 Governance costs

	2025	2024
	£	£
Accountancy and PAYE fees	6,512	5,562
Independent examiner's fee	500	500
Accountancy package support	4,585	-
Legal and professional fees	9,461	7,036
Portfolio management fees	3,385	2,567
	24,443	15,665

8 Trustees' remuneration and expenses

During the year no trustees were reimbursed expenses (2024: £nil). No trustees received any remuneration during the year.

9 Net income

Net income is stated after charging:

	2025	2024
	£	£
Loss/(profit) on disposal of tangible fixed assets	4,429	-
Depreciation of tangible fixed assets	24,297	22,393

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2025	2024
	No.	No.
Charitable activities	25	27

The aggregate payroll costs of these persons were as follows:

	2025	2024
	£	£
Wages and salaries	289,804	239,717
Social security	10,632	7,006
Other pension costs	11,670	8,751
	312,106	255,474

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees and reserve manager. The total employee benefits of the key management personnel of the Charity were £40,060 (2024 - £37,226).

..... *continued*

11 Tangible fixed assets

	Property improvements £	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost				
As at 1 April 2024	-	102,669	110,737	213,406
Additions	30,841	32,518	4,492	67,851
Disposals	-	(10,568)	-	(10,568)
As at 31 March 2025	30,841	124,619	115,229	270,689
Depreciation				
As at 1 April 2024	-	58,156	77,752	135,908
Eliminated on disposals	-	(3,439)	-	(3,439)
Charge for the year	1,510	13,807	8,981	24,298
As at 31 March 2025	1,510	68,524	86,733	156,767
Net book value				
As at 31 March 2025	29,331	56,095	28,496	113,922
As at 31 March 2024	-	44,513	32,985	77,498

12 Investments held as fixed assets

	Listed investments £
Market value	
As at 1 April 2024	243,586
Revaluation	278
Additions	7,151
Disposals	(7)
As at 31 March 2025	251,008
Net book value	
As at 31 March 2025	251,008
As at 31 March 2024	243,586

All investment assets were held in the UK.

Listed investments

Investments having a net book value of £251,008 (2024 - £243,586) are listed on a recognised stock exchange and had a market value of £251,008 at the end of the year (2024 - £243,586).

..... *continued*

13 Debtors

	2025	2024
	£	£
Trade debtors	8,017	2,215
Prepayments and accrued income	6,055	10,137
	14,072	12,352

14 Creditors: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	8,123	9,587
Taxation and social security	16,589	13,074
Accruals and deferred income	27,490	21,631
	52,202	44,292

Creditors amounts falling due within one year includes deferred income:

	2025	2024
	£	£
As at 1 April 2024	10,955	10,622
Amount deferred in the year	2,969	333
As at 31 March 2025	13,924	10,955

15 Members' liability

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

16 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £11,670 (2024 - £8,751).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

..... *continued*

17 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

18 Analysis of funds

	At 1 April 2024	Incoming resources	Resources expended	Transfers	Other recognised gains/ losses	At 31 March 2025
	£	£	£	£	£	£
Designated Funds						
General purpose reserve fund	200,000	-	-	-	-	200,000
Designated reserve fund	200,000	-	-	-	-	200,000
	400,000	-	-	-	-	400,000
General Funds						
General unrestricted funds	87,814	466,316	(515,732)	51,841	278	90,517
Restricted Funds						
Trail Project	18,812	4,995	(6,044)	-	-	17,763
CCF Tools & equipment	913	-	(913)	-	-	-
Jubilee Wood	3,757	-	-	-	-	3,757
Education Fund	20,000	25,800	(14,156)	(1,000)	-	30,644
ATV Purchase	-	20,000	-	(20,000)	-	-
Habitat and Estates	-	15,000	(822)	-	-	14,178
Education zone and car park expansion	-	43,578	(8,872)	(30,841)	-	3,865
	43,482	109,373	(30,807)	(51,841)	-	70,207
	531,296	575,689	(546,539)	-	278	560,724

General purpose reserve fund: Funds to provide six months salaries and employers' NI contributions. Redundancy liabilities (and required notice period) based on statutory minimum payments for all staff.

Designated reserve fund: Funds to maintain, repair and improve premises and facilities owned and held on lease. Sums to contribute to external grant funding for specific developments as per Strategy Plan Objective.

..... *continued*

Trail Project: The fund is being used to re-surface existing multi-use trails to improve the recreation Watchtree Nature Reserve offers to the community making it accessible to all.

CCF Tools and Equipment: A grant received for the acquisition of tools necessary for ongoing charitable operations.

Jubliee Wood: A grant received towards planting trees within the nature reserve.

Education Fund: A 3 year fund through Ernest Cook to contribute towards an education officer salary.

ATV Purchase: A grant received for the purchase of a new ATV.

Habitat & Estates: A grant through the Royal Countryside Fund to cover the salary for a new habitat and estates officer.

Education zone and car park extension: Grants received for the conservation and regeneration of the education zone and the expansion of the car park.

..... *continued*

Prior period

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Other recognised gains/ losses	At 31 March 2024
	£	£	£	£	£	£
Designated funds						
General purpose reserve fund	-	-	-	200,000	-	200,000
Designated reserve fund	-	-	-	200,000	-	200,000
	-	-	-	400,000	-	400,000
General Funds						
General unrestricted funds	479,073	371,630	(384,836)	(409,301)	31,248	87,814
Restricted Funds						
Trail Project	18,900	3,400	(3,488)	-	-	18,812
Education People's Project	-	20,000	-	-	-	20,000
Kitchen Refurbishment	4,027	-	(13,328)	9,301	-	-
CCF Tools & Equipment	913	-	-	-	-	913
Jubilee Wood	(5,530)	12,885	(3,598)	-	-	3,757
Education fund	-	12,042	(12,042)	-	-	-
	18,310	48,327	(32,456)	(3,999)	-	43,482
	497,383	419,957	(417,292)	-	31,248	531,296

19 Transfers

The transfer from restricted funds to unrestricted funds represents restricted funds received to purchase fixed assets. Once the assets were purchased the original restriction on the funds was met and the assets were therefore transferred to unrestricted funds.

..... *continued*

20 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2025	Total Funds 2024
	£	£	£	£
Tangible assets	113,922	-	113,922	77,498
Investments	251,008	-	251,008	243,586
Current assets	177,789	70,207	247,996	254,504
Creditors: Amounts falling due within one year	(52,202)	-	(52,202)	(44,292)
Net assets	490,517	70,207	560,724	531,296

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£	£
Tangible assets	77,498	-	77,498	70,597
Investments	243,586	-	243,586	262,465
Current assets	211,022	43,482	254,504	189,301
Creditors: Amounts falling due within one year	(44,292)	-	(44,292)	(24,980)
Net assets	487,814	43,482	531,296	497,383

WATCHTREE NATURE RESERVE LIMITED

England & Wales - Charity number 1127029

Accounts

Watchtree Nature Reserve Limited

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2024

Company registration number: 05214585
Charity registration number: 1127029

Watchtree Nature Reserve Limited

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Watchtree Nature Reserve Limited

Reference and Administrative Details

Charity name	Watchtree Nature Reserve Limited
Charity registration number	1127029
Company registration number	05214585
Principal office	Watchtree Great Orton CARLISLE CA5 6NL
Registered office	Watchtree Great Orton CARLISLE CA5 6NL
Trustees	C M Tinker B Bowe R W Bushby W Little F J Mawby R W S Speirs N Latimer A G Roberts K A Jones (Appointment 1 November 2023) J Fell (Appointed 1 November 2023)
Bankers	The Co-Operative Bank PLC 1 Ballon Street MANCHESTER M60 4EP
Accountant	Dodd & Co Audit Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Investment Advisor	David Allen Financial Services Dalmar House Barras Lane Estate Dalston CARLISLE CA5 7NY

Watchtree Nature Reserve Limited

Trustees' Report for the Year Ended 31 March 2024

These financial statements have been prepared in accordance with the accounting policies set out in the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland.

Foreword by Richard Speirs, Watchtree Chair

In our last Annual Report we focused on our progress against the Key Performance Indicators (KPI's) in our Strategy Plan. Whilst the report contained a lot of information regarding what had happened in 2022-23 and where performance had improved or needed future attention it wasn't exactly a readable document.

So, for this report we are going back to our traditional format to let you know some of the high points of the last 12 months. We still work towards our KPI's and measure our performance against them. This information is important to assure potential funders that we do work within an overall Strategy and that we continually monitor how we are progressing.

Structure, Governance, and Management

Governing Document

The company was incorporated on 25 August 2004 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The company was registered with the Charity Commission on 3 December 2008 (Charity number 1127029) and has a registered office at Watchtree, Great Orton, Carlisle. Cumbria. CA5 6NL.

The Trustees are appointed by the members at the AGM. The Chair of the board is responsible for the induction of any new trustees.

Objectives and Activities

The objectives of the charity are to:

- Maintain, improve or provide public amenities,
- Promote for the public benefit the Watchtree site in Cumbria and its environs, in particular by associating local community organisations in a common effort to advance education, to relieve poverty, need and hardship, to provide facilities for leisure time occupation in the interests of social welfare and to conserve and improve the environment.

The charity maintains Watchtree Nature Reserve for visitors, school parties and groups and continues to develop the wheelers facility providing cycles for use by disabled groups and individuals.

In setting the objects of the charity, the trustees have paid due regard to the Charity Commission guidance on public benefit.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Finance Review

Financially, we are covering our costs and have made a healthy surplus on the year of just under £34,000. During this year we have invested in assets such as a new dry store for the café and the, much appreciated, Gelato Parlour. For Watchtree Wheelers operations we converted a garage into a proper cycle workshop which should make conditions much better for those who work on the bikes in cold and wet weather. We also put timber cladding on the building to improve its appearance.

Whilst on the subject of the Whelers we were saddened to see Matt Wind move from Watchtree to another organisation. Cycle hire continues to be a particularly important function for us, during the year we recorded 11,632 hirings. Sales of quality second hand cycles and new parts increased by £4,000 from 2023 to £25,451. This additional income was very much welcomed as our staffing costs have continually increased in line with visitor demand. We now employ 11.6 Full Time Equivalent staff to cope with the numbers of visitors Watchtree receives. The steady increase in visitor numbers is making itself apparent in that our car parking space is proving inadequate on a more frequent basis.

This has the knock on effect of cars parking on the entrance road and roadside verges where they can obstruct normal traffic. To this end a major plan for next year is to increase car parking spaces. This will be done using plastic mesh over grassland rather than creating a solid surface in order to minimise environmental damage.

We never forget that Watchtree was initially created as a Nature Reserve and we continue to develop and improve what we have on site. The quality of our wildflower meadows was reflected in a noticeable increase in 5 and 6 spot Burnett Moths. We have also seen a steady increase in the number of orchids, even in the areas disturbed by the excavations to replace the electricity supply to the Visitor Centre.

Our volunteers repaired some of our bird hides and we have plans for further renewal works next year. We also started a programme of installing deer fencing to protect important scrub areas and minimise the loss of important bird nesting habitats. Our recently planned Jubilee woodland is developing well but will still require a lot of maintenance until the trees become more established.

The majority of work on the reserve is carried out by our amazing team of volunteers who meet twice a week and ensure that hedges, fences, ditches and woodland are properly maintained and cared for. Without their invaluable help Watchtree could not continue as it does now. They always manage to successfully resolve any problems that come up during the year.

We have always been keen to develop as an Education and Welfare resource and, thanks to Leanne Fisher, this last year saw a significant increase in the number of school visits. Our education work, linked into Forest Schools, has an increasing range of user diversity from Special Educational Needs schools and groups throughout Cumbria. Our Kids club events are always popular and ensure that children can learn to value and appreciate their environment.

We organised many events during the year, from our running, cycling and walking challenges through to local history and astronomy nights. Some of these only ask for donations but others do require a minimal charge to cover costs. Overall, 1337 people took part in the year's events. Although we arrange many of the events ourselves, we again rely heavily on two volunteers, Morag and Dave, who organise virtually all the running and walking events.

A major part of our day to day income comes from the cafe and this year saw an increase of over 20% from the previous 12 months. During the year we said goodbye to Sarah Sessford who managed and developed the café so effectively, we wish her well in her newly married life. The café is also another area where we benefit from the enthusiasm and willingness of regular volunteers.

We also fully recognise the value of our members who now number over 1,000 and whose subscriptions make a valuable addition to our income.

Whilst our regular income enables us to largely cover our day to day costs we have to rely on external charities and other funders for any major improvements and projects. Thanks to the skill of several of our employees in identifying suitable sources and submitting appropriate bids we were successful in attracting funds of over £48,000 during the year. All of which is being used to improve visitor experience and ensure that Watchtree continues to provide an important community and educational resource.

Reserves

The Watchtree Nature Reserve reserves policy was reviewed and updated during August 2024.

The trustees have set a level equivalent to six months of operating costs for the organisation as a desired level of reserve. This fund is a contingency in the event of a sudden reduction in income, in order to protect the future operation of the organisation from the effects of any unforeseen variations in its income and expenditure. It also provides a cash flow for grants and contracts that are paid in arrears.

The trustees have designated reserves where there are planned commitments that cannot be met by anticipated future income alone. These reserves are broken down into a number of funds that relate to:

- The organisation's responsibilities as an employer to hold sufficient funds to provide proper notice and redundancy costs in the event of closure.
- The organisation's responsibilities as a leaseholder to maintain and improve the Nature Reserve for public benefit.

The reserves policy and the levels of reserves required are reviewed yearly as part of the annual budgetary process.

Free reserves at the year-end are £166,730 (excluding fixed asset investments) and therefore sufficient to meet these costs.

To finish I must express the appreciation of the Directors and myself to our wonderful employees and crucially to the volunteers whose dedication consistently proves invaluable in making Watchtree the valued place that it has become.

Richard Speirs Chairman

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 9 October 2024 and signed on its behalf by:

C M Tinker
Trustee

R W S Speirs
Trustee

Watchtree Nature Reserve Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Watchtree Nature Reserve Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable 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 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of

Watchtree Nature Reserve Limited

I report on the accounts of the company for the year ended 31 March 2024, which are set out on pages 7 to 23.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....

Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

9 October 2024

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Watchtree Nature Reserve Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income					
Donations and legacies	2	27,004	48,327	75,331	37,429
Other trading activities	3	25,541	-	25,541	21,406
Investment income	4	9,050	-	9,050	6,566
Charitable activities	5	310,035	-	310,035	265,291
Total income		371,630	48,327	419,957	330,692
Expenditure					
Charitable activities		382,269	32,456	414,725	346,574
Cost of raising funds		2,567	-	2,567	2,512
Total expenditure		384,836	32,456	417,292	349,086
Transfers					
Transfers between funds		(9,301)	9,301	-	-
Gains/(losses) on investment assets		31,248	-	31,248	(23,741)
Net income/(expenditure)		8,741	25,172	33,913	(42,135)
Reconciliation of funds					
Total funds brought forward		479,073	18,310	497,383	539,518
Total funds carried forward		487,814	43,482	531,296	497,383

All of the Charity's activities derive from continuing operations during the above periods.

Watchtree Nature Reserve Limited

Company registration number: 05214585

Balance Sheet as at 31 March 2024

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	11		77,498		70,597
Investments	12		243,586		262,465
			321,084		333,062
Current assets					
Stocks and work in progress		1,996		1,500	
Debtors	13	12,352		5,307	
Cash at bank and in hand		240,156		182,494	
		254,504		189,301	
Creditors: Amounts falling due within one year	14	(44,292)		(24,980)	
Net current assets			210,212		164,321
Net assets			531,296		497,383
The funds of the charity:					
Restricted funds in surplus			43,482		23,840
Restricted funds in deficit					
Jubilee Wood			-		(5,530)
Total restricted funds			43,482		18,310
Unrestricted funds					
Unrestricted income funds			487,814		479,073
Total charity funds			531,296		497,383

The notes on pages 10 to 23 form an integral part of these financial statements.

..... continued

For the financial year ended 31 March 2024, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 9 October 2024 and signed on its behalf by:

R W S Speirs
Trustee

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 18.

..... *continued*

Income and endowments

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

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

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

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Cafe income and income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Support costs

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

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

..... *continued*

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis
Computer equipment	25% reducing balance basis

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

..... *continued*

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

..... *continued*

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Donations and legacies				
Legacies and bequests	-	-	-	1,933
Appeals and donations	17,570	-	17,570	15,294
Sponsorship	2,165	2,000	4,165	-
Calendar donations	7,269	-	7,269	8,284
	27,004	2,000	29,004	25,511
Grants				
Cumbria Community Foundation	-	-	-	970
RPA	-	12,885	12,885	-
Other agencies	-	13,442	13,442	8,573
Joyce Wilkinson	-	-	-	2,375
Ernest Cook	-	20,000	20,000	-
	-	46,327	46,327	11,918
	27,004	48,327	75,331	37,429

Of the donations and legacies income in 2023, £30,659 related to unrestricted funds and £6,770 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Sale of bikes and parts	25,541	-	25,541	21,406

All of the other trading activities income in 2023 related to unrestricted funds.

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Dividends and interest received	4,934	-	4,934	4,842
Bank interest	4,116	-	4,116	1,724
	9,050	-	9,050	6,566

All of the investment income in 2023 related to unrestricted funds.

..... *continued*

5 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Membership	25,328	-	25,328	24,780
Cycle income	61,837	-	61,837	57,618
Cafe Sales	184,629	-	184,629	145,021
Grazing income	3,520	-	3,520	3,620
Education and events income	15,152	-	15,152	15,951
Other income	19,569	-	19,569	18,301
	310,035	-	310,035	265,291

All of the income from charitable activities in 2023 related to unrestricted funds.

..... *continued*

6 Expenditure

	Nature reserve activities	Investment managem - ent	Total 2024	Total 2023
	£	£	£	£
Direct costs				
Purchases	91,972	-	91,972	68,744
Wages and salaries	239,717	-	239,717	193,705
Staff NIC (Employers)	7,006	-	7,006	5,765
Staff pensions	8,751	-	8,751	7,769
Land maintenance	1,604	-	1,604	1,010
Portfolio management costs	-	2,567	2,567	2,512
Insurance	5,308	-	5,308	5,129
Repairs and maintenance	4,551	-	4,551	9,231
Hire of plant and machinery	2,168	-	2,168	784
Depreciation of plant and machinery	22,393	-	22,393	21,717
	383,470	2,567	386,037	316,366
Support costs				
Staff training	765	-	765	3,454
Volunteer expenses	1,677	-	1,677	1,285
Telephone and fax	1,078	-	1,078	1,588
Computer software and maintenance costs	2,987	-	2,987	4,429
Printing, postage and stationery	2,676	-	2,676	2,822
Sundry expenses	1,312	-	1,312	1,290
Advertising	2,081	-	2,081	1,386
Accountancy fees	5,562	-	5,562	3,623
Independent examiner's fee	500	-	500	500
Legal and professional fees	7,036	-	7,036	5,844
Bank charges	5,581	-	5,581	5,426
(Profit)/loss on sale of tangible fixed assets held for charity's own use	-	-	-	1,073
	31,255	-	31,255	32,720
	414,725	2,567	417,292	349,086

Of the expenditure in 2023, £346,574 related to unrestricted funds and £2,512 related to restricted funds.

..... *continued*

7 Governance costs

	2024	2023
	£	£
Accountancy fees	5,562	3,623
Independent examiner's fee	500	500
Legal and professional fees	7,036	5,844
Portfolio management fees	2,567	2,512
	15,665	12,479

8 Trustees' remuneration and expenses

During the year no trustees were reimbursed expenses (2023: £nil). No trustees received any remuneration during the year.

9 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2024	2023
	£	£
(Profit)/loss on disposal of tangible fixed assets	-	1,073
Depreciation of tangible fixed assets	22,393	21,717

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2024	2023
	No.	No.
Charitable activities	27	20

The aggregate payroll costs of these persons were as follows:

	2024	2023
	£	£
Wages and salaries	239,717	193,705
Social security	7,006	5,765
Other pension costs	8,751	7,769
	255,474	207,239

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees and reserve manager. The total employee benefits of the key management personnel of the Charity were £37,226 (2023 - £34,190).

..... *continued*

11 Tangible fixed assets

	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2023	94,226	89,885	184,111
Additions	8,443	20,852	29,295
As at 31 March 2024	102,669	110,737	213,406
Depreciation			
As at 1 April 2023	44,406	69,108	113,514
Charge for the year	13,750	8,644	22,394
As at 31 March 2024	58,156	77,752	135,908
Net book value			
As at 31 March 2024	44,513	32,985	77,498
As at 31 March 2023	49,820	20,777	70,597

12 Investments held as fixed assets

	Listed investments £
Market value	
As at 1 April 2023	262,465
Revaluation	15,988
Disposals	(34,867)
As at 31 March 2024	243,586
Net book value	
As at 31 March 2024	243,586
As at 31 March 2023	262,465

All investment assets were held in the UK.

Listed investments

Investments having a net book value of £243,586 (2023 - £262,465) are listed on a recognised stock exchange and had a market value of £243,586 at the end of the year (2023 - £262,465).

..... *continued*

13 Debtors

	2024	2023
	£	£
Trade debtors	2,215	1,676
Prepayments and accrued income	10,137	3,631
	12,352	5,307

14 Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	9,587	1,868
Taxation and social security	13,074	9,527
Accruals and deferred income	21,631	13,585
	44,292	24,980

Creditors amounts falling due within one year includes deferred income:

	2024	2023
	£	£
As at 1 April 2023	10,622	9,935
Amount deferred in the year	333	687
As at 31 March 2024	10,955	10,622

15 Members' liability

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

16 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £8,751 (2023 - £7,769).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

..... continued

17 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

18 Analysis of funds

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Other recognised gains/ losses	At 31 March 2024
	£	£	£	£	£	£
Designated Funds						
General purpose reserve fund	-	-	-	200,000	-	200,000
Designated reserve fund	-	-	-	200,000	-	200,000
	-	-	-	400,000	-	400,000
General Funds						
General unrestricted funds	479,073	371,630	(384,836)	(409,301)	31,248	87,814
Restricted Funds						
Trail Project	18,900	3,400	(3,488)	-	-	18,812
Education Peoples Project	-	20,000	-	-	-	20,000
Kitchen Refurbishment	4,027	-	(13,328)	9,301	-	-
CCF Tools & equipment	913	-	-	-	-	913
Jubilee Wood	(5,530)	12,885	(3,598)	-	-	3,757
Education Fund	-	12,042	(12,042)	-	-	-
	18,310	48,327	(32,456)	9,301	-	43,482
	497,383	419,957	(417,292)	-	31,248	531,296

General purpose reserve fund: Funds to provide six months salaries and employers' NI contributions. Redundancy liabilities (and required notice period) based on statutory minimum payments for all staff.

Designated reserve fund: Funds to maintain, repair and improve premises and facilities owned and held on lease. Sums to contribute to external grant funding for specific developments as per Strategy Plan Objective.

..... *continued*

Trail Project: The fund is being used to re-surface existing multi-use trails to improve the recreation Watchtree Nature Reserve offers to the community making it accessible to all.

Education Peoples Project: A 3 year fund through Ernest Cook to contribute towards an education officer salary.

Kitchen Refurbishment: A fund to update the facilities in the reserve Cafe's kitchen to widen it's appeal and increase it's capabilities.

CCF Tools and Equipment: A grant received for the acquisition of tools necessary for ongoing charitable operations.

Jubliee Wood: A grant received towards planting trees within the nature reserve.

Education fund: Miscellaneous grants received for the ongoing provision of educational workshops and activities.

..... continued

Prior period

	At 1 April 2022	Incoming resources	Resources expended	Transfers	Other recognised gains/ losses	At 31 March 2023
	£	£	£	£	£	£
General Funds						
General unrestricted funds	510,538	323,922	(335,645)	3,999	(23,741)	479,073
Restricted Funds						
Trail Project	18,900	-	-	-	-	18,900
Education People's Project	5,054	2,300	(7,354)	-	-	-
Kitchen Refurbishment	1,027	3,000	-	-	-	4,027
Adaptive Fleet Replacement	3,999	-	-	(3,999)	-	-
CCF Tools & Equipment	-	970	(57)	-	-	913
Jubilee Wood	-	500	(6,030)	-	-	(5,530)
	28,980	6,770	(13,441)	(3,999)	-	18,310
	539,518	330,692	(349,086)	-	(23,741)	497,383

19 Transfers

The transfer from unrestricted funds to restricted funds represents an overspend of restricted grant income received for the purposes of kitchen refurbishment.

The transfer within unrestricted funds relates to the deisgnation of funds by trustees for specific purposes.

..... *continued*

20 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£	£
Tangible assets	77,498	-	77,498	70,597
Investments	243,586	-	243,586	262,465
Current assets	211,022	43,482	254,504	189,301
Creditors: Amounts falling due within one year	(44,292)	-	(44,292)	(24,980)
Net assets	487,814	43,482	531,296	497,383

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Tangible assets	70,597	-	70,597	71,640
Investments	262,465	-	262,465	286,187
Current assets	170,991	18,310	189,301	202,471
Creditors: Amounts falling due within one year	(24,980)	-	(24,980)	(20,780)
Net assets	479,073	18,310	497,383	539,518

WATCHTREE NATURE RESERVE LIMITED

England & Wales - Charity number 1127029

Accounts

Watchtree Nature Reserve Limited

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2023

Company registration number: 05214585
Charity registration number: 1127029

Watchtree Nature Reserve Limited

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Watchtree Nature Reserve Limited

Reference and Administrative Details

Charity name	Watchtree Nature Reserve Limited
Charity registration number	1127029
Company registration number	05214585
Principal office	Watchtree Great Orton CARLISLE CA5 6NL
Registered office	Watchtree Great Orton CARLISLE CA5 6NL
Trustees	C M Tinker B Bowe R W Bushby W Little P Macdonald (Resigned 6 March 2023) F J Mawby R W S Speirs C Miles (Resigned 5 August 2022) N Latimer A G Roberts (Appointed 6 March 2023)
Bankers	The Co-Operative Bank PLC 1 Ballon Street MANCHESTER M60 4EP
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Investment Advisor	David Allen Financial Services Dalmar House Barras Lane Estate Dalston CARLISLE CA5 7NY

These financial statements have been prepared in accordance with the accounting policies set out in the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland.

The directors are aware that there is no relevant audit information of which the auditors are unaware. Advantage has been taken of the small companies exemption.

Structure, Governance, and Management

Governing document

The company was incorporated on 25 August 2004 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The company was registered with the Charity Commission on 3 December 2008 (Charity number 1127029) and has a registered office at Watchtree, Great Orton, Carlisle. Cumbria. CA5 6NL.

The Trustees are appointed by the members at the AGM. The Chair of the board is responsible for the induction of any new trustees.

Objectives and activities

The objectives of the charity are to:

- Maintain, improve or provide public amenities,
- Promote for the public benefit the Watchtree site in Cumbria and its environs, in particular by associating local community organisations in a common effort to advance education, to relieve poverty, need and hardship, to provide facilities for leisure time occupation in the interests of social welfare and to conserve and improve the environment.

The charity maintains Watchtree Nature Reserve for visitors, school parties and groups and continues to develop the wheelers facility providing cycles for use by disabled groups and individuals.

In setting the objects of the charity, the trustees have paid due regard to the Charity Commission guidance on public benefit.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Reserves

The Trustees have established a policy to maintain reserves at a level that is sufficient to meet its expenditure and commitments for 12 months. Free reserves at the year-end are £146,011 (excluding fixed asset investments) and therefore sufficient to meet these costs.

Foreword by Richard Speirs, Watchtree Chair

The format of the 2023 Annual Report for Watchtree Nature Reserve (Charity Number 1127029) is different to what we have produced in previous years, but for a good reason. In 2022 we produced a Strategy for Watchtree to oversee the development of the Reserve through to 2030. For a growing organisation such as Watchtree it is important to clearly identify how we should develop in future years, what priorities we should set, and how we can measure our progress.

As a Registered Charity we rely on our visitors to fund our day-to-day operations, however, for any major development we rely on external funding bodies. They expect that we should have clear targets for what we want to achieve and how we monitor progress towards those targets.

Our 2022-2030 Strategy was developed through consultation with visitors, our loyal band of volunteers, employees, and our Board of Directors. There was strong agreement about where we should be heading over the

next few years, and this is reflected in the Strategy Document and in the milestones we have set to measure our progress.

As you will see in this Annual Report we have tried to simplify our progress by way of traffic light symbols which show in green where we have achieved what we set out to do, Amber for work still in progress, and Red for areas where we have made no progress, often for reasons beyond our direct control.

I hope that, when you read the Report, you will see that we have achieved many of our initial objectives although there is still a lot of work to be done in other areas.

Like any other Strategy this is an evolving process and any thoughts you have on the Strategy itself and how we are progressing will be very welcome.

You can easily contact us through our website and you can also find a copy of our Strategy through this link:

https://watchtree.co.uk/resources/

Richard Speirs

Chairman

5.1 General Management

5.1.1 Maximise the effectiveness of Directors, staff and volunteers. This should be achieved through nurturing personnel wellbeing, motivation, and support.

Objectives

- Develop and implement salary bands relating to position in workforce structure, experience, training, and responsibility (2024 onwards).



Through the latter part of the financial year a new salary bands structure relating to the existing staffing structure was designed and implemented. In addition, a formal pay review policy is currently in development which will be finalised and implemented in 2023.

- Pay all staff with a fixed hours contract a minimum of the Real Living Wage (2024 onwards).



The starting salary of all fixed hours staff is now Real Living Wage. Our pay structure used the RLW as a baseline with % increases added based on additional responsibilities.

- Reinvest a minimum 5% of annual turnover (or equivalent value where training is funded) into staff and volunteer training (2025 onwards).



We invested £3,454 in staff and volunteer training in 2022/23, which is just below 1% of our annual turnover. This training covered first aid across all teams and environmental health training for café staff and volunteers. Further training needs have been identified for 2023/24 which will increase our investment.

Additional Staff and Volunteer Data

Staff and volunteer retention:

We calculate a staff retention score identifying the number of new staff members joining the team in the financial year, minus the number of staff who have left the business within the same financial year.

2012/22 our staff retention score was 0
2022/23 our staff retention score was +4

New staff recruited within FY – 5. Karen Watson, Onyanee Saengnoi–Downie, Billy Little, Hannah Wright, Stephanie Norman

Staff who left the business during FY – 1. Rebecca Watson

Staff and volunteer performance:

We calculate and overall staff performance score by identifying the number of promotions within the business and then deducting by the number of disciplinaries.

2021/22 our staff performance score was 0
2022/23 our staff performance score was +3

Total number of staff at year end: 18

Staff Full Time Equivalent:

Total weekly staff hours / 37.5 hours = FTE

2021/22 = 8.1

2022/23 = 9.5 (17.3% increase)

Full staff team at year end:

Manager – Ryan Dobson

Team Leaders – Sarah Gibson (Café), Matthew Wind (Wheelers), Leanne Fisher (Education), David Hall (Habitats and Estates), Senga Grave (Marketing), Stephanie Norman (Events)

Assistant Team Leaders – Christine Oliver (Café)

Area Assistants – Trish Arnold, Karen Watson, Onyanee Saengnoi–Downie, Eleanor Roberts, Billy Little, Hannah Wright, Sophie Fisk-Ndah (Café)

Wendy Loveday, David Wise, Christopher Pattinson (Wheelers)

Volunteer Hours:

- 2021/22 - 130 hours per week, 6,760 hours per year, 3.5 FTE
- 2022/23 - 159 hours per week, 8,268 hours per year, 4.2 FTE
- 22% increase in volunteer hours

Habitat and Estates	64 hours per week
Café team	24 hours per week
Wheelers	41 hours per week
General Assistance	24 hours per week
Bird Feeding	10 hours per week

5.1.2 Achieve and maintain financial sustainability.

Objectives

- Maintain annual financial sustainability for the organisation.



- 2021/22: Surplus £8,386
- 2022/23: Deficit £18,394

5.1.3 Re-invest the real and financial assets of our organisation to maximise achievement of our charitable objectives and develop existing/new income to improve sustainability.

Objectives

- Identify priority projects and commit proportion of reserve funds (2023).



Our immediate priorities are the enhancement of facilities for Habitat and Estates workshop and storage. Closely followed by the requirement to replace the storage and workshop facilities for the Watchtree Wheelers. However, all major capital projects are currently on hold as we continue to negotiate a new lease with Defra.

- Supplement all future project investment with external funding through grants, donations, sponsorship, crowdfunding etc.



Whilst we cannot progress many projects due to the current situation with our lease. We have secured the following funding in the past 12 months:

Active Cumbria Together Fund, over 65's and menopause exercise groups	£5,948	
Cumbria Community Foundation	£970	
Joyce Wilkinson Foundation, Kitchen New Build		£2,375
Cumbria Youth Alliance		£500
Sellafield		£625
Architects Plus, Tree Planting		£500
Cumbria County Council, Education travel fund		£1,000

Additionally, we use sponsorship to support projects and facilities. In 2021/22 the following organisations supported projects at Watchtree.

Calendar Sponsors:

H&H Reeds, Carlisle Plastering, First Engineering, Chrysalis Wholefoods, The Crescent Bar, Compass, Dalston Pharmacy, MH Electrical, Johns Plaice, Solway Crown and Bridge, 54 Degrees Sport, The Wellington Pub and Caravan Park, Carrock Meats, Ian Ritchie Land Agents, Peter Tyson, Rosebank Sawmill, Jills Jams, Paul Benson Accountants, Poltross, Heskethe Ecology, Wallsend, Guesthouse and Camping Pods, Mallinsons, Thornfield Camping Cabins, Weldtech UK, Craig Robinson Vets, Oddfellows Arms, Brampton Wood Fuels, Bendles Solicitors, ACP- Computing, Cumbria Computer Repairs, Alternative Takeaway, Chris Davidson Carpets, M&B Motor Body Repairs, Crumbs, Grays Kennels, Dalston Aggregates, C Carruthers & Son Ltd, NFU Mutual, Cranstons, Lloyds Ltd Carlisle, Mulholland's Butchers, Carr's Billington, Certas Energy UK ltd, Thomas Graham & Sons Ltd, Harrison and Hetherington Ltd, David Allen, Pro Paintball.

Project/Event Sponsors:

Dodd & Co – Cycle the Solway
David Allen Financial Services – Health and Wellbeing Trails

We also received the following donations in kind from supporting organisations:

Balfour Beaty – Labour and materials for several projects around the reserve particularly around the entrance and elemental garden.
Maidenhead Aquatics – Pond liner and plants for new pond in elemental garden.
A Steadman & Son – Box profile roofing sheets for the wildlife viewing hide in Pond Wood.

- Minimum contribution of 75% from external funding for all future development projects.



- Maintain reserve funds equal to 1.5 times annual turnover (immediate and on-going).



Unrestricted reserve funds total: £479,073

1.5 times our annual turnover: £496,038

5.1.4 Develop Board of Directors to attract new talent from a range of fields and interests to secure the future management of the reserve

Number of Directors – 8

Chairman – Richard Speirs
Treasurer – Clive Tinker

Board members - Robert Bushby, Frank Mawby, Nicola Lattimer, Brian Bowe, William Little, Alan Roberts

Retiring members – Patricia Macdonald retired from her position on the board of Directors in January 2023. We are grateful for the many years of service Patricia has given.

Objectives

- Review our Articles and Memorandum to ensure that the Board of Directors is duty bound to evolve with the organisation by 2025 and then at 5-year intervals.



- During the year we have started a thorough review to make sure that we have a strong board of Directors and that they abide by a Code of Conduct. Two Directors are researching the most appropriate Code of Conduct for a Charity such as Watchtree and it is anticipated that one will be adopted early in 2023.

- Recruit one new Director with relevant skills, interest and experience every 2 years.



Alan Roberts joined our board of Directors in 2023

- Identify skills and experience that are missing from the board of Directors and recruit accordingly.



In 2023/24 we aim to advertise for new Directors and to fulfil certain skills gaps.

5.2 Marketing

5.2.1 Actively promote our achievements and charitable work. Raise our profile as a charitable organisation in the community.

Objectives

- Engage all available marketing platforms to communicate with our audiences using various forms of content.



Website, social media, print media, newspaper, radio and TV appearances

Social Media data 2022/23
Facebook Details
Facebook Page reach 166,458
Facebook Page visits 23,509
Facebook Page new likes 540
Facebook Page followers 8,791

Instagram Details
90-day reach 1,632

New Instagram followers 166
Total followers 1,729

Youtube
Total views 603

Mail Chimp
Current mail list 3,142

Twitter
Watchtree followers 946
Wheeler's followers 425

- Increase donation box contributions by 5% annually for 5 years and then maintain (2023)



  - 2021/22 - £23,828
  - 2022/23 - £15,294
  - Source financial statements.

In 2021 we were fortunate to receive a donation of £4,000 from an unknown contributor, this significantly increases the annual donations. Another explanation for the decrease in donations is believed to be that in 2021 some areas of the business were closed or restricted. We found that during these times donations were the only way people could give, whereas now they just buy cake!

- Raise awareness of Watchtree Nature Reserve within the business community to increase corporate-supported projects by 1 per year from 2023 for 5 years and then maintain.



See 5.1.3

5.3 Events

We do not have any realistic historic data for events previous to 2022 as the effects of covid 19 were such that most events did not take place. Therefore, we have used the 2022/23 data to set baselines which we will report upon in the future.

5.3.1 Increase quantity and quality of events to improve community health and wellbeing, education and raise funds.

Objectives

- Increase number of nature-themed events to a minimum of 1 per month, then maintain (2025 onwards).



9 events in 2022/23

- Increase participation in health and wellbeing events by 10% per year for 3 years, then maintain (2022).



939 participants in running, walking and cycling events + attendees of weekly events

- Increase hosting of events for 3rd party organisers, in line with our own objectives, by 50% (2025).



- Increase revenue from all events by 5% per year (immediate and ongoing).



Health event revenue 2022/23 - £10,623.42

Community event revenue 2022/23 - £3,088.23

Natural History event revenue 2022/23 - £220

2022/23 Events List:

2022 Seasonal series – 4 event series, 126 participants

30th April: Birdsong Walk – 12 participants £36.

7th May: Pond Discovery Walk – 19 participants £36.

13th/14th May: Cycle the Solway – 126 places online, £3,191.60 in total. 15 entries on the day for 108k/60k distances, £450 in total. 3k entries on the day taken via café till.

14th June: Full Moon Group - 15 places £100.

13th July: Full Moon Group - 10 places £100.

16th July: Dragonflies, Damselflies and Bumblebees walk – 25 participants £75.

29th July: 3rd September - The Big Summer Get Out – 17 participants £122.

13th August: Pond Discovery Walk – 23 participants £69.

17th September: 100MPH Challenge 94 places online, £1,242.80 plus additional entries taken on the day via café till.

29th October: Halloween Horror Trail – 200 places online £2,357 in total.

30th October: Halloween Family Day – 367 places booked online; donations on the day taken in buckets, activity stalls, cakes/sweets etc.

5th November: Fungi Foray – 10 participants £100.

10th December: Christmas at Watchtree - Approx 500 attendees, donations taken on the day via café till.

10th December: Santa's Grotto – 61 places booked online £10 per child. Ticket fees added on top for the first time (£1.37 per person) £529.

30th January 2023: Astronomy Night – 30 participants £120.

23rd February 2023: Astronomy Night – 30 participants £120.

5.4 Education

5.4.1 Continue to increase the quality and quantity of education for all at Watchtree

Objectives

- Increase reserve-based interpretation for education of general visitors to include new topics such as Renewable Energy and Habitat Management/Conservation (immediate and ongoing).



Project identified; funding being sought.

- Increase participation in formal school visits by 30%, then maintain or increase (2024).



Number of school visits 2021/22 - 15, 2022/23 – 27

Number of school children participating in visits 2022/23 - 829 (unrecorded in 2021/22)

- Expand diversity of group use by encouraging participation by alternative education providers such as SEND and home school groups.



2021/22 - Visits from primary schools across North and West Cumbria. Visits from Brathay Trust and Kirby Moor School.

2022/23 - Visits from primary schools across North and West Cumbria. Visits from Family Foster Care.

- Achieve financial sustainability for educational activities through increase of commercial sessions and/or external financial support i.e., grants by 2023.



In 2022 we identified a reduction in the number of school visit enquiries which we quickly learnt was due to the cost of travel and the cost-of-living crisis. In response we sourced funding from Cumbria County Council and then approached schools offering to cover their transport fees for educational visits to Watchtree.

This increased visits in the new year (2023) however we have still suffered financially from the reduction in trade.

We are now seeing a recovery of school group visits without additional funding.

5.5 Health and Wellbeing

5.5.1 Improve and increase the standard and quantity of formal Health and Wellbeing Services at Watchtree

Objectives

- Increase participation in formal health sessions to an average of 15 participants per month by 2024 and then maintain or increase.



Woodland Wellbeing continued, with approximately 80 patients. A GP training session took place with 20 trainee GPs. A staff wellbeing day took place with staff from Wigton hospital, with 20 staff attending. 120 people in total, 10 per month.

- Introduce new, specific, health sessions to improve physical and mental wellbeing using other facilities within the reserve's spectrum, including but not limited to natural history, cycling and volunteer work by 2024.



Woodland Wellbeing sessions continued alongside our existing Walking for Health provisions under Health and Wellbeing. Funding secured for new wellbeing sessions and cycling activities, that we are working on launching.

5.5.2 Improve working relationship with NHS (National Health Service) to increase social prescribing referrals and opportunities

Objective

- Develop social prescribing pathways to forge a direct link between GP surgeries and Watchtree services by 2024.



Links continued with Wigton Medical Practice and their Living Well Advisors, headed by Hazel Stewart and Dr Sally Brading.

New links made with Groundwork NE and Cumbria.

- Diversify prescribing pathways to include other NHS services outside of GP practice, such as amputee services (specialist unit in Carlisle), weight loss and physiotherapy.



5.6 Watchtree Wheelers

5.6.1 Improve the cycle fleet to increase the quality and quantity of cycles available for hire.

Objectives

- Replace all substandard cycles and adapted bikes, creating a high quality, fully functioning fleet (2024).



Of the 90 cycles in our hire fleet, there are now only 10 which need replaced. These are our small, medium and large KMX karts all of which are over 6 years old and very well used. Unfortunately, KMX are no longer in production, so we are looking for an alternative solution.

- Maintain high standard of fleet and keep up with cycle technology by continual servicing and turnover (from 2024).



Continual servicing and repair have maintained the condition of our fleet. We have replaced 29 of the regular fleet new for old this year.

5.6.2 Improve cycle-hire storage, workshop, and associated facilities to improve beneficiary experience, increase income and improve workforce efficiency.

Objectives

- Replace current cycle storage and workshop with new, permanent structure (2025).



- Increase indoor, dry storage to include sales areas for new, used, and donated bikes (2025).



We currently have a concrete, sectional garage and three shipping containers to serve as workshop and storage space. This enables us to keep our fleet dry and secure at night, but our donated bikes are exposed to the elements.

5.6.3 Increase quality and quantity of cycle use to improve/increase beneficiary health and increase income.

Objectives

- Increase cycle hire throughput from 7,500 to 12,000 and then maintain (2026).



2021/22 Total income £52,611
2022/23 Total income £57,618
9.5% increase in 12 months

2021/22 Quantity of individual cycle hire participants – 10,522
2022/23 Quantity of individual cycle hire participants – 11,524

Working on an average hire price of £5 (total income divided by average hire price = total individual hires).

- Increase cycle hire participants from 3000 to 4800 and then maintain (2026).



5.6.4 Increase revenue generated through Watchtree Wheelers to support the overall financial sustainability of the reserve.

Objectives

- Increase sales of new, ex-hire and donated cycles by 10% each year for 6 years and then sustain.



New Cycle Sales and service/repair total income:

2021/22 £16,447

2022/23 £21,406

Increase of 30%.

Donated Cycle Sales total income:

2021/22 £14,286

2022/23 £15,651

9.5% increase

5.7 Habitat and Estates

5.7.1 Improve storage, workshop, and associated facilities to increase ability to maintain reserve, and improve workforce efficiency.

Objectives

- Replace current storage and workshop with new, permanent structure (2025)



- Increase indoor, dry storage to include trailers, all machinery, and materials such as fencing/structural timber (2025)



- Create outdoor work area for hot works, cleaning of machinery, storage of dry substrate materials (2025)



5.7.1 objectives not yet achieved as further developments are reliant on a new lease with Defra.

5.7.2 Improve matrix of habitats across the reserve and increase local ecological importance.

Objectives

- Analyse the Defra ecological reports and other relevant wildlife reports to establish the present status of the key species and habitats by 2025.



- Identify potential for increasing biodiversity and creation of key habitats using the data acquired in historical ecological reports.



We have worked with Ash Bennett to identify improvements to wetland habitats for Great Crested Newts and then carried out the agreed work
We have rewritten the habitat management plan for fields 5.1 to 5.10 to try and increase biodiversity in these areas.

- Create and implement new habitat management plan objectives based on the outcomes of baselines and opportunities identified in the two previous points.



5.8 Visitor Centre and Café

5.8.1 Continue to improve and increase the standard and quantity of catering services across the reserve to improve beneficiaries' visit experience and increase revenue.

Objectives

- Increase revenue from catering outlets by 5% annually up to 25% and then maintain.



2021/22 - £122,688
2022/23 - £145,021 (18.2% increase)

- Increase catering initiatives to raise revenue, for example catering for kids' club sessions, natural history events, 3rd party events hosted at Watchtree, birthday parties.



The café now provides catering for our kids club and buffets for other guests such as corporate groups and birthday parties. Further development possible.

- Achieve 5* environmental health classification and maintain (2022)



5.8.2 Improve the range of food and drink on offer to incorporate healthy options and 'free-from' range to improve visitor experience and increase inclusivity.

Objectives

- Develop current menu to include and promote a range of low-calorie meals and snacks by 2023 and then maintain.



- Develop current menu to increase range of meals and snacks which are 'free-from' the 14 most common allergens as identified by Environmental Health, by 2023 and then maintain.



Our menu now includes a selection of healthy meals and free from options. We will continue to develop this menu as well as including healthy options in our 'specials' board options.

5.9 Environmental Sustainability

5.9.1 Reduce the impact of our operations on the environment through production of energy.

Objectives

- Reduce reliance on fossil fuels by 70% by 2025, primarily through the replacement of our current ATV.



- Increase production of renewable energy to power all our own electrical demand by 2030.



5.9.2 Reduce the impact of our operations on the environment through improved management of waste.

Objectives

- Reduce landfill waste to 20% of all waste by 2025.



See data below

- Increase responsible disposal of waste, through reusing or recycling, to 80% of all waste by 2025.



See data below

Quantity of fossil fuels used: 1,075 litres

515 litres of fuel petrol purchased for use in ATV, lawn mowers, strimmer etc.

560 litres of red diesel to power outdoor catering unit/John Muir Hut.

Quantity of energy produced: 0

We currently have no method of producing our own energy

Quantity of general waste produced: 120 cubic meters

10 cubic meter Biffa skip emptied 12 times per year.

This skip contains general waste from Watchtree Nature Reserve and Mitie

Quantity of waste recycled and reused: 26.34%

Fortnightly collection of 1.1 cubic meter cardboard recycling - 28.6 cubic meters per year

Monthly collection of 1.1 cubic meter glass and can recycling – 14.3 cubic meters per year

Total refuge recycled 42.9

26.34% of our refuse is recycled

Additional data

We sold 600kg's of scrap metal to Mountelm Recycling Services

Delivery miles of our consumable products

There are currently no accurate records of our food delivery miles

5.9.3 Reduce the impact of our operations on the environment through improved procurement of consumables.

Objectives

- Produce and embed a consumable product purchasing policy which ensures consumable products adhere to our own ambitious standards of environmental sustainability by 2025.



Conclusion

The progress made across all areas of the organisation through the past year has been exceptional. The entire team continue to work innovatively and passionately which has seen us buck the local and national trends of struggle in the current financial climate. Where challenges do arise, we seek solutions and overcome them – this has been demonstrated time and again throughout the past 3 years.

The structure of our organisation and team now provides a stable and supportive framework for our employees and volunteers. We continue to improve on that framework but feel the basics are now in place for further development of the reserve and to allow team members to flourish within their own individual roles.

Watchtree provides a beautiful, safe, green space for people to enjoy nature whilst they walk, run, push, cycle and more. This simple formula, combined with good value for money in all our services and facilities is proving to be ever popular with our local community.

Our excellent reputation is enough to keep visitor numbers increasing with little effort from us other than maintaining our high standards. We are now in a position where visitor demand often surpasses our available facilities, particularly parking. Whilst this is a wonderful problem to have, it is a problem non the less and one that we must keep managing and ideally find a solution for in the future.

Watchtree Nature Reserve Limited

Trustees' Report for the Year Ended 31 March 2023

This report demonstrates that our new strategic approach to organisational development is working and aids us in concentrating our efforts on our objectives. Considering this report is one year into an 8-year plan a lot of objectives have already been achieved with many more well on their way to being achieved. Those which we have not addressed yet will soon be on our agenda.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by:

C M Tinker
Trustee
Date: 21/08/23

R W Speirs
Trustee
Date: 21/08/23

Watchtree Nature Reserve Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Watchtree Nature Reserve Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable 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 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of

Watchtree Nature Reserve Limited

I report on the accounts of the company for the year ended 31 March 2023, which are set out on pages 19 to 34.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

21 August 2023

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Watchtree Nature Reserve Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations and legaices	2	30,659	6,770	37,429	72,968
Other trading activities	3	21,406	-	21,406	16,447
Investment income	4	6,566	-	6,566	5,191
Charitable activities	5	265,291	-	265,291	220,575
Total income		323,922	6,770	330,692	315,181
Expenditure					
Charitable activities		333,133	13,441	346,574	303,991
Cost of raising funds		2,512	-	2,512	2,804
Total expenditure		335,645	13,441	349,086	306,795
Transfers					
Transfers between funds		3,999	(3,999)	-	-
Gains/(losses) on investment assets		(23,741)	-	(23,741)	11,801
Net income/(expenditure)		(31,465)	(10,670)	(42,135)	20,187
Reconciliation of funds					
Total funds brought forward		510,538	28,980	539,518	519,331
Total funds carried forward		479,073	18,310	497,383	539,518

All of the Charity's activities derive from continuing operations during the above periods.

Watchtree Nature Reserve Limited

Company registration number: 05214585

Balance Sheet as at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		70,597		71,640
Investments	12		262,465		286,187
			333,062		357,827
Current assets					
Stocks and work in progress		1,500		500	
Debtors	13	5,307		22,656	
Cash at bank and in hand		182,494		179,315	
		189,301		202,471	
Creditors: Amounts falling due within one year	14	(24,980)		(20,780)	
Net current assets			164,321		181,691
Net assets			497,383		539,518
The funds of the charity:					
Restricted funds in surplus			23,840		28,980
Restricted funds in deficit					
Jubilee Wood			(5,530)		-
Total restricted funds			18,310		28,980
Unrestricted funds					
Unrestricted income funds			479,073		510,538
Total charity funds			497,383		539,518

The notes on pages 22 to 34 form an integral part of these financial statements.

..... continued

For the financial year ended 31 March 2023, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 21 August 2023 and signed on its behalf by:

R W S Speirs
Trustee

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 18.

..... *continued*

Income and endowments

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

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

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

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Cafe income and income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Support costs

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

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

..... *continued*

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis
Computer equipment	25% reducing balance basis

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

..... *continued*

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Donations and legacies				
Legacies and bequests	1,933	-	1,933	-
Appeals and donations	15,294	-	15,294	23,828
Calendar donations and sponsorship	8,284	-	8,284	5,366
	25,511	-	25,511	29,194
Grants				
UK Government grants	-	-	-	386
Cumbria Community Foundation	-	970	970	23,888
Other agencies	5,148	3,425	8,573	-
Adaptive Fleet Replacement	-	-	-	19,500
Grants - Joyce Wilkinson	-	2,375	2,375	-
	5,148	6,770	11,918	43,774
	30,659	6,770	37,429	72,968

Of the donations and legacies income in 2022, £47,778 related to unrestricted funds and £25,190 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Sale of bikes and parts	21,406	-	21,406	16,447

All of the other trading activites income in 2022 related to unrestricted funds.

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Dividends and interest received	4,842	-	4,842	4,494
Bank interest	1,724	-	1,724	697
	6,566	-	6,566	5,191

All of the investment income in 2022 related to unrestricted funds.

..... *continued*

5 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Membership	24,780	-	24,780	21,132
Cycle income	57,618	-	57,618	52,611
Cafe Sales	145,021	-	145,021	122,688
Grazing income	3,620	-	3,620	1,658
Education and events income	15,951	-	15,951	12,816
Other income	18,301	-	18,301	9,670
	265,291	-	265,291	220,575

Of the income from charitable activities in 2022, £219,267 related to unrestricted funds and £1,308 related to restricted funds.

..... continued

6 Expenditure

	Nature reserve activities	Investment managem - ent	Total 2023	Total 2022
	£	£	£	£
Direct costs				
Purchases	68,744	-	68,744	68,023
Wages and salaries	193,705	-	193,705	158,016
Staff NIC (Employers)	5,765	-	5,765	4,163
Staff pensions	7,769	-	7,769	6,143
Land maintenance	1,010	-	1,010	558
Portfolio management costs	-	2,512	2,512	2,804
Insurance	5,129	-	5,129	4,515
Repairs and maintenance	9,231	-	9,231	11,559
Hire of plant and machinery	784	-	784	3,844
Depreciation of plant and machinery	21,717	-	21,717	17,498
	313,854	2,512	316,366	277,123
Support costs				
Staff training	3,454	-	3,454	2,305
Volunteer expenses	1,285	-	1,285	162
Telephone and fax	1,588	-	1,588	1,212
Computer software and maintenance costs	4,429	-	4,429	2,172
Printing, postage and stationery	2,822	-	2,822	506
Sundry expenses	1,290	-	1,290	2,369
Advertising	1,386	-	1,386	2,581
Accountancy fees	3,623	-	3,623	4,673
Independent examiner's fee	500	-	500	500
Legal and professional fees	5,844	-	5,844	3,429
Bank charges	5,426	-	5,426	4,836
(Profit)/loss on sale of tangible fixed assets held for charity's own use	1,073	-	1,073	4,927
	32,720	-	32,720	29,672
	346,574	2,512	349,086	306,795

Of the expenditure in 2022, £303,991 related to unrestricted funds and £2,804 related to restricted funds.

..... *continued*

7 Governance costs

	2023	2022
	£	£
Accountancy fees	3,623	4,673
Independent examiner's fee	500	500
Legal and professional fees	5,844	3,429
Portfolio management fees	2,512	2,804
	12,479	11,406

8 Trustees' remuneration and expenses

During the year no trustees were reimbursed expenses (2022: £nil). No trustees received any remuneration during the year.

9 Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2023	2022
	£	£
Loss on disposal of tangible fixed assets	1,073	4,927
Depreciation of tangible fixed assets	21,717	17,498

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2023	2022
	No.	No.
Charitable activities	20	13

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£	£
Wages and salaries	193,705	158,016
Social security	5,765	4,163
Other pension costs	7,769	6,143
	207,239	168,322

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees. The total employee benefits of the key management personnel of the Charity were £nil (2022 - £nil).

..... *continued*

11 Tangible fixed assets

	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2022	73,605	89,885	163,490
Additions	21,747	-	21,747
Disposals	(1,126)	-	(1,126)
As at 31 March 2023	94,226	89,885	184,111
Depreciation			
As at 1 April 2022	29,669	62,181	91,850
Eliminated on disposals	(53)	-	(53)
Charge for the year	14,790	6,927	21,717
As at 31 March 2023	44,406	69,108	113,514
Net book value			
As at 31 March 2023	49,820	20,777	70,597
As at 31 March 2022	43,936	27,704	71,640

12 Investments held as fixed assets

	Listed investments £
Market value	
As at 1 April 2022	286,187
Revaluation	(24,088)
Additions	366
As at 31 March 2023	262,465
Net book value	
As at 31 March 2023	262,465
As at 31 March 2022	286,187

All investment assets were held in the UK.

Listed investments

Investments having a net book value of £262,465 (2022 - £286,187) are listed on a recognised stock exchange and had a market value of £262,465 at the end of the year (2022 - £286,187).

..... continued

13 Debtors

	2023 £	2022 £
Trade debtors	1,676	755
Prepayments and accrued income	3,631	21,901
	5,307	22,656

14 Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,868	4,347
Taxation and social security	9,527	3,663
Accruals and deferred income	13,585	12,770
	24,980	20,780

Creditors amounts falling due within one year includes deferred income:

	2023 £	2022 £
As at 1 April 2022	9,935	8,092
Amount deferred in the year	687	1,843
As at 31 March 2023	10,622	9,935

15 Members' liability

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

16 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £7,769 (2022 - £6,143).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

..... *continued*

17 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

18 Analysis of funds

	At 1 April 2022	Incoming resources	Resources expended	Transfers	Other recognised gains/ losses	At 31 March 2023
	£	£	£	£	£	£
General Funds						
General unrestricted funds	510,538	323,922	(335,645)	3,999	(23,741)	479,073
Restricted Funds						
Trail Project	18,900	-	-	-	-	18,900
Education Peoples Project	5,054	2,300	(7,354)	-	-	-
Kitchen Refurbishment	1,027	3,000	-	-	-	4,027
Adaptive Fleet Replacement	3,999	-	-	(3,999)	-	-
CCF Tools & equipment	-	970	(57)	-	-	913
Jubilee Wood	-	500	(6,030)	-	-	(5,530)
	28,980	6,770	(13,441)	(3,999)	-	18,310
	539,518	330,692	(349,086)	-	(23,741)	497,383

Trail Project: The fund is being used to re-surface existing multi-use trails to improve the recreation Watchtree Nature Reserve offers to the community making it accessible to all.

The Education People's Project: A National Lottery fund used to improve education at Watchtree.

Kitchen Refurbishment: A fund to update the facilities in the reserve Cafe's kitchen to widen it's appeal and increase it's capabilities.

Adaptive Fleet Replacement: The fund is being used to replace the current adaptive bike fleet.

CCF Tools and Equipment: A grant received for the acquisition of tools necessary for ongoing charitable operations.

Jubliee Wood: A grant received towards planting trees within the nature reserve.

..... *continued*

Prior period

	At 1 April 2021	Incoming resources	Resources expended	Other recognised gains/losses	At 31 March 2022
	£	£	£	£	£
General Funds					
General Unrestricted Funds	471,232	288,683	(261,178)	11,801	510,538
Restricted Funds					
Trail Project	18,900	-	-	-	18,900
Education Peoples Project	12,732	3,772	(11,450)	-	5,054
Kitchen Refurbishment	1,467	-	(440)	-	1,027
Staff Training	1,000	-	(1,000)	-	-
Adaptive Fleet Replacement	14,000	22,726	(32,727)	-	3,999
	48,099	26,498	(45,617)	-	28,980
	519,331	315,181	(306,795)	11,801	539,518

19 Transfers

The transfer from restricted funds to unrestricted funds represents restricted funds received to purchase fixed assets. Once the assets were purchased the original restriction on the funds was met and the assets were therefore transferred to unrestricted funds to reflect the fact that they are unrestricted in use.

..... *continued*

20 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Tangible assets	70,597	-	70,597	71,640
Investments	262,465	-	262,465	286,187
Current assets	170,991	18,310	189,301	202,471
Creditors: Amounts falling due within one year	(24,980)	-	(24,980)	(20,780)
Net assets	479,073	18,310	497,383	539,518

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible assets	71,640	-	71,640	40,278
Investments	286,187	-	286,187	273,149
Current assets	173,491	28,980	202,471	217,479
Creditors: Amounts falling due within one year	(20,780)	-	(20,780)	(11,575)
Net assets	510,538	28,980	539,518	519,331

WATCHTREE NATURE RESERVE LIMITED

England & Wales - Charity number 1127029

Accounts

Watchtree Nature Reserve Limited

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2022

Company registration number: 05214585
Charity registration number: 1127029

dodd&co

Watchtree Nature Reserve Limited

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Watchtree Nature Reserve Limited

Reference and Administrative Details

Charity name	Watchtree Nature Reserve Limited
Charity registration number	1127029
Company registration number	05214585
Principal office	Watchtree Great Orton CARLISLE CA5 6NL
Registered office	Watchtree Great Orton CARLISLE CA5 6NL
Trustees	C M Tinker B Bowe R W Bushby W Little P Macdonald F J Mawby R W S Speirs C Miles (Resigned 5 August 2022) N Latimer
Bankers	The Co-Operative Bank PLC 1 Ballon Street MANCHESTER M60 4EP
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Watchtree Nature Reserve Limited

Trustees' Report for the Year Ended 31 March 2022

The financial statements have been prepared in accordance with the accounting policies set out in the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities : Statement of Recommended Practice applicable in the UK and Republic of Ireland.

Structure, governance and management

Governing document

The company was incorporated on 25 August 2004 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The company registered with the Charity Commission on 3 December 2008.

The Trustees are appointed by the members at the AGM. The Chair of the board is responsible for the induction of any new trustees.

Objectives and activities

The objectives of the charity are to:

- Maintain, improve or provide public amenities,
- Promote for the public benefit the Watchtree site in Cumbria and its environs, in particular by associating local community organisations in a common effort to advance education, to relieve poverty, need and hardship, to provide facilities for leisure time occupation in the interests of social welfare and to conserve and improve the environment.

The charity maintains Watchtree Nature Reserve for visitors, school parties and groups and continues to develop the wheelers facility providing cycles for use by disabled groups and individuals.

In setting the objects of the charity, the trustees have paid due regard to the Charity Commission guidance on public benefit.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Reserves

The Trustees have established a policy to maintain reserves at a level that is sufficient to meet its expenditure and commitments for 12 months. Free reserves at the year end are £152,711 (excluding fixed asset investments) and therefore sufficient to meet these costs.

Foreword by Richard Spiers, Watchtree Chair

On behalf of the Directors, I am pleased to present our seventeenth Annual Report for Watchtree Nature Reserve Ltd.

As you will read, this report is in a new format from previous years and reflects the Objectives and Key Performance Indicators contained in our recently developed Strategy Plan for the period 2022 to 2030. Our previous Strategy Plan has been extensively revised through consultation with Directors, employees, volunteers and members of the public. The finished version of the Plan can be found on the Watchtree Website by following this link https://watchtree.co.uk/wp-content/uploads/2022/07/WNR-Strategy-2022-to-2030.pdf

We had hoped that this last year would enable us to recover from the impact of the first year of Covid, however, further "lockdowns" continued to affect our performance in the early part of the year. Subsequently, as freedoms returned, our visitor numbers increased and there was an improvement in income. We did have a small surplus at the year-end which reflected our decision to support our employees as much as possible during the periods of "lockdown."

Based on our performance towards the end of this year we anticipate that we will be able to improve on this in the next financial year.

As Chairman it is important for me to stress that all the excellent work achieved at Watchtree is solely due to the enthusiasm and dedication of our full and part time employees and our wonderful team of volunteers who, so willingly, give their time and expertise to make the Reserve such a special place. A great deal of thanks goes to Ryan Dobson, our Manager, for his ability to identify solutions to problems and provide ideas for improvement.

As a Charity we can only survive with the active support of our members and our thousands of visitors each year and we are all grateful for your continued involvement and appreciation of what Watchtree provides.

I hope this report makes for interesting reading and if you require any further information on any of the topics then please contact us directly and we will be happy to assist you.

Prepared by Ryan Dobson, Manager

Assisted by Watchtree Team Leaders

Welcome to the Watchtree Nature Reserve annual report for the financial year 1st of April 2021 to the 31st of March 2022. We hoped this was the year of recovery, financially and socially from coronavirus, but as it transpired, we would spend most of the year in and out of further government restrictions. We continued to adapt and modify how we worked in order to stay safe whilst continuing as near normal as possible. Once again, the tenacity and perseverance of all the team was phenomenal, their hard work ensured our prosperity through a second difficult year.

This year our annual report takes a different approach to our usual format. We recently published our Strategy Plan 2022 to 2030; we will use this opportunity to establish the baselines of our key performance indicators (KPIs) from the 2021/22 financial year, hereafter we will report on the same statistics to monitor performance.

Each set of KPI statistics relates directly to the new objectives set out in our Strategy which you can view on the resources page of our website.

Following in this report you will find a list of key statistics and how we have sourced or calculated them.

General Management

Staff and volunteer retention score: 0

New staff recruited within FY – Christopher Paterson, David Wise and Patricia Arnold

Staff who left the business during the FY – Caroline Salkeld, Rebecca Stott and Rebecca Stanica

Staff and Volunteer Performance

Number of disciplinary procedures within FY – 0

Number of promotions within FY – 0

Our staffing and responsibility levels were more static through the year than usual because of the ongoing effects of Covid. Whilst we had some staff turnover our core team of manager and team leaders remains stable, and the setup has been a great asset through these turbulent times.

Total number of staff (FTE): 8.1

Total weekly staff hours / 37.5 hours = FTE

Volunteer Hours: 130 hours per week, 6,760 hours per year, 3.5 FTE staff

We have limited recording of volunteer hours for the financial year 2021/22. However, I have produced an estimate based on the regular volunteer shifts in each area.

Investment performance for the financial year

For a direct comparison from July 2021 to July 2022 I've taken the statement values to give you a full 12 months summary.

- 30 June 2021 = £293,651
- 30 June 2022 = £258,812

Over the 12 months, this represents a negative return of 11.8%

The portfolio is largely reacting to the wider stock market anxiety around inflation pressures and the changing position around key sectors. Particularly tough areas have been technology and commodity assets trying to understand the supply and demand issues caused by two main issues.

Firstly, the significant shift in energy and food pricing as a result of the European conflict and secondly Asian supply chains struggling to cope with demand as a result of lingering 'zero covid' policies.

Annual grant funding achievement: £43,388

British Cycling, Adapted Cycle Fleet, £19,500

CCF Managed Funds: £23,888

Further donations received from:

CCL Secure Fund £969.68

Roselands Trust Fund £1,000.00

Brian and Ann Clark Fund £1,387.99

Laidlaw Fund for the Environment £1,000.00

Sponsorship and donor performance

David Allen – Watchtree Wellbeing Services Sponsorship

Dodd and Co – Cycle the Solway Sponsorship

Calendar Sponsorship 40 x corporate supporters

Number of Directors

9

Watchtree Wheelers

Number of high-quality cycles in fleet

We are currently in very much "making do and mend" mode as we await delivery of new bikes for the regular fleet. These have been delayed due to supply problems related to Covid. The adapted fleet is looking better with new additions funded by British Cycling, Allerdale Sports Fund, Joyce Wilkinson Foundation and our own fund-raising efforts. We are still awaiting the last few additions.

Number of new cycles brought into the fleet annually

We are now stockists for the range of bikes from "Squish". These are light-weight, premium children's bikes that we hope will prove popular when they arrive. We are awaiting delivery of new Ridgeback bikes.

Condition of storage, workshop, and office facilities

We currently have a concrete, sectional garage and three shipping containers to serve as workshop and storage space. This enables us to keep our fleet dry and secure at night, but our donated bikes are exposed to the elements.

Cycle hire throughput

Total income £52,611

Quantity of individual cycle hire participants – 10,522

Working on an average hire price of £5 (total income divided by average hire price = total individual hires).

Cycle sales turnover - £16,447

New Cycle Sales total income:

£4,915 - Source QuickBooks MNGT 2021/22 total income B6

Donated Cycle Sales total income

£14,301 - QuickBooks Accounting MNGT 2021/22 total income B5

Visitors Centre and Café

Condition of catering outlets

The Visitor Centre/Cafe is now fully refurbished having completed development works in late summer 2021. The cafe is fully equipped with new appliances, counter work surfaces, seating, blinds and display menus. During the renovation we replaced the flooring throughout the building and redecorated (painted) the toilets, hallway and main café room.

The kitchen was refurbished in 2020 and remains in excellent condition with all new appliances.

Environmental Health Score

The Café is operating under a 5* Environmental Health Score.

Catering revenue

Total income £122,688

Catering initiatives

The 'Shed' opened from May to October 2021 and offered additional catering experience for customers at Watchtree on the far side of the reserve.

The Shed was a quirky, rented mobile unit with removeable appliances, stainless steel benches, splash backs and equipment which were funded by a grant from The Community Foundation. The unit was powered by a generator located to the rear of the unit; fuel was stored in a double bunded tank which we also purchased as part of the project.

Whilst the shed was popular with visitors on sunny days, financially it was unsustainable. Without the grant funding input from Cumbria Community Foundation, the initiative would have represented a considerable loss. However, it did allow us to acquire several assets which could make any future initiatives more sustainable, particularly the fridge units, generator and diesel tank. We also learnt a great deal about what works and what doesn't, this will stand us in good stead for future developments.

Catering services menu

We have expanded our menu to include full meals. Predominantly we offer sandwiches, paninis, soup, and savoury pastries complimented by homemade cakes, snacks, and hot & cold drinks.

The Menu now provides catering options to a wider audience. 'Kids' bags have proved extremely popular to families on a day visit, our soup is always vegan and gluten free, we stock gluten free bread for sandwiches, and we always have at least one gluten free, vegan cake or traybake on offer. We intend to expand this range in the future as we have identified that our varied clientele have a range of different needs which we are able to cater for.

Education Services

Quantity of school session attendees per year: 15

Going forward, a more accurate record is being kept recording the number of children attending school sessions.

Diversity of Education groups:

Visits from primary schools across North and West Cumbria. Visits from Brathay Trust and Kirby Moor School.

Revenue from Education activities: £5,355.64

£1,656.64 income from school visits. Source QuickBooks MNGT 2021/22 total income C2.

£3,699 income from Kids Club sessions in Easter and Summer Holiday 2021. Source QuickBooks MNGT 2021/22 total income C3.

Health and Wellbeing Services

Introduction of new health sessions:

Woodland Wellbeing piloted in November 2021, in collaboration with local NHS prescribing groups comprising Hazel Stewart (Living Well Advisor) and Dr Sally Brading (General Practitioner). Dodd and Co attended to experience a pilot corporate Woodland Wellbeing session to test the viability of rolling out corporate sessions to fund the overall Woodland Wellbeing project.

Diversity of session content:

Woodland Wellbeing sessions joined our existing Walking for Health provisions under Health and Wellbeing.

Setup of direct prescribing pathways

Links forged with Wigton Medical Practice and their Living Well Advisors, headed by Hazel Stewart and Dr Sally Brading.

Quantity of direct prescribed patients: 80

During the Woodland Wellbeing Pilot in Autumn 2021, ten people signed up as participants, six volunteers delivered the sessions, with two guest facilitators.

Marketing

Sponsorship and donator performance

Key sponsors for this period include:

David Allen Financial Services who contributed towards the signage of the Health and Wellbeing Trail

Dodd & Co Accountants sponsored the Solway Cycle Challenge at a cost of £500

Outdoor furniture (tables and benches) donated by Solway Instruments – value £1,600

Donation box contributions

£15,833 - Source MNGT Report 2021/22 total income N1

Number of corporate supporters and value

Calendar Supporters - 48 @ £50 = £2 400.00

H&H Reeds, Carlisle Plastering, First Engineering, Chrysalis Wholefoods, The Crescent Bar, Compass, Dalston Pharmacy, MH Electrical, Johns Plaice, Solway Crown and Bridge, 54 Degrees Sport, The Wellington Pub and Caravan Park, Carrock Meats, Ian Ritchie Land Agents, Peter Tyson, Rosebank Sawmill, Jills Jams, Paul Benson Accountants, Poltross, Hesketh Ecology, Wallsend, Guesthouse and Camping Pods, Mallinsons, Thornfield Camping Cabins, Weldtech UK, Craig Robinson Vets, Oddfellows Arms, Brampton Wood Fuels, Bendles Solicitors, ACP- Computing, Cumbria Computer Repairs, Alternative Takeaway, Chris Davidson Carpets, M&B Motor Body Repairs, Crumbs, Grays Kennels, Dalston Aggregates, C Carruthers & Son Ltd, NFU Mutual, Cranstons, Lloyds Ltd Carlisle, Mulholland's Butchers, Carr's Billington, Certas Energy UK ltd, Thomas Graham & Sons Ltd, Harrison and Hetherington Ltd, David Allen, Pro Paintball.

Habitat and Estates

Condition and suitability of storage, workshop, and office facilities.

In March 2020 our access to the Defra treatment works, where we previously housed all our Habitat and Estates equipment and workshop facilities, was revoked and to date has not been reinstated. Currently we are operating in makeshift accommodation on the Northern perimeter of the reserve in front of Pow Wood comprising a large wooden shed, known as the John Muir Hut, and a 40ft by 8 ft shipping container.

The shipping container was moved out of the compound to near the John Muir Hut (JMH) in early 2022, it is purely a secure store for the Estates Team.

The John Muir Hut houses all our other tools and is also where the team have their lunch break. We have no power at either facility, so we rely on battery powered tools which are charged down at the portacabin and cycle workshop.

We have purchased and installed 4 concrete storage bays for substrates, these are located alongside the shipping container. These are a great improvement to the unorganised heaps which were beginning to litter the reserve.

The concrete runway adjacent to Pow Wood has been cleared to allow sufficient space for volunteers to park vehicles whilst on site. This means that they are almost entirely based in that area despite its limited facilities.

Quantity of new habitat and species management objectives

We are constantly striving to maintain habitat and create new habitats guided by information supplied, using working practices that are effective and safe. E.g., we cut the reeds blocking the view from the lake hide in summer last year rather than in winter. Research showed this to be a more efficient method of reed control. We left two piles of cut reeds in situ to provide extra habitat at the shore edge. Lake levels were low which enabled the work to be carried out with the bar cutter, so it was much quicker and safer, and caused less disturbance to wild fowl.

In February 2022 we were accepted into the Sustainable Farming Incentive (SFI) within which are specific objectives relating to habitat management. SFI is the first of 3 new environmental schemes being introduced by UK government under the Agricultural Transition Plan. The other 2 schemes are Local Nature Recovery and Landscape Recovery.

SFI aims to help farmers manage land in a way that improves food production and is more environmentally sustainable.

We are included in SFI for Low and No Input Grasslands, Hedgerows and Woodlands. These new objectives align with our existing habitat management plan.

Ecological Survey Results

Currently we are not in a position to obtain, collate and report these figures.

Environmental Sustainability

Quantity of fossil fuels used: 1,075 litres

515 litres of fuel petrol purchased for use in ATV, lawn mowers, strimmer etc.

560 litres of red diesel to power outdoor catering unit.

Quantity of energy produced: 0

We currently have no method of producing our own energy.

Quantity of general waste produced: 120 cubic meters

10 cubic meter Biffa skip emptied 12 times per year.

This skip contains general waste from Watchtree Nature Reserve and Mitie.

Quantity of waste recycled and reused: 26.34%

Fortnightly collection of 1.1 cubic meter cardboard recycling - 28.6 cubic meters per year

Monthly collection of 1.1 cubic meter glass and can recycling – 14.3 cubic meters per year

Total refuge recycled 42.9

26.34% of our refuge is recycled

Additional data

We sold 600kg's of scrap metal to Mountelm Recycling Services

We purchased the following recycled products:

6 x recycled plastic refuge collection bins

12 x recycled plastic benches

Implementation of consumable products purchasing policy

Purchasing Policy to be written and implemented in 2022.

Delivery miles of our consumable products

There are currently no accurate records of our food delivery miles.

What's next?

The biggest task for 2022/23 is to finalise and secure a new lease between Watchtree Nature Reserve Ltd and Defra for the land on which we operate, there is currently 7 years left on our existing lease. However, we are now struggling to secure funding for new projects based on the length of our tenure.

In addition to this, we must find a solution to our Habitat and Estates Team storage and workshop accommodation. In the short term we have plans to repurpose the generator purchased for catering to provide power to the John Muir Hut, but long term the facilities are unsuitable. Our intention is to fund and build a new workshop facility which produces and stores its own renewable energy.

Elsewhere on the reserve we will continue to develop and improve in all areas, the Elemental Garden is due a makeover and we have some additional support on offer from Balfour Beattie for this.

The Watchtree Wheelers are eagerly awaiting their new fleet cycles which will bring the whole facility up to an impeccable standard, apart from the accommodation it is situated in - which is another major development which needs to be addressed sooner rather than later.

We have recently welcomed Leanne Fisher to the team, Leanne will be heading up our Education and Wellbeing services and has already made a considerable impact on this area of work. I trust that Leanne's enthusiasm will drive both these areas forward considerably and I look forward to what we can achieve.

Above all we intend to keep doing what we do so well, supporting our local wildlife and community as well as we can!

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 8 September 2022 and signed on its behalf by:

C M Tinker
Trustee

R W S Speirs
Trustee

Watchtree Nature Reserve Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Watchtree Nature Reserve Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable 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 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of

Watchtree Nature Reserve Limited

I report on the accounts of the company for the year ended 31 March 2022, which are set out on pages 11 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....

Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

8 September 2022

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Watchtree Nature Reserve Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income					
Donations and legaices	2	47,778	25,190	72,968	78,390
Other trading activities	3	16,447	-	16,447	15,861
Investment income	4	5,191	-	5,191	5,352
Charitable activities	5	219,267	1,308	220,575	87,109
Total income		288,683	26,498	315,181	186,712
Expenditure					
Charitable activities		261,178	45,617	306,795	211,201
Total expenditure		261,178	45,617	306,795	211,201
Gains/(losses) on investment assets		11,801	-	11,801	68,526
Net income/(expenditure)		39,306	(19,119)	20,187	44,037
Reconciliation of funds					
Total funds brought forward		471,232	48,099	519,331	475,294
Total funds carried forward		510,538	28,980	539,518	519,331

All of the Charity's activities derive from continuing operations during the above periods.

Watchtree Nature Reserve Limited

Company registration number: 05214585

Balance Sheet as at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		71,640		40,278
Investments	12		286,187		273,149
			357,827		313,427
Current assets					
Stocks and work in progress		500		-	
Debtors	13	22,656		6,131	
Cash at bank and in hand		179,315		211,348	
		202,471		217,479	
Creditors: Amounts falling due within one year	14	(20,780)		(11,575)	
Net current assets			181,691		205,904
Net assets			539,518		519,331
The funds of the charity:					
Restricted funds			28,980		48,099
Unrestricted funds					
Unrestricted income funds			510,538		471,232
Total charity funds			539,518		519,331

For the financial year ended 31 March 2022, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 8 September 2022 and signed on its behalf by:

R W S Speirs
Trustee

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 18.

..... *continued*

Income and endowments

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

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

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

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Cafe income and income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Support costs

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

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

..... *continued*

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis
Computer equipment	25% reducing balance basis

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

..... *continued*

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations and legacies				
Appeals and donations	21,524	2,304	23,828	15,852
Calendar donations and sponsorship	5,366	-	5,366	4,104
	26,890	2,304	29,194	19,956
Grants				
UK Government grants	386	-	386	44,434
Cumbria Community Foundation	20,502	3,386	23,888	-
Adaptive Fleet Replacement	-	19,500	19,500	14,000
	20,888	22,886	43,774	58,434
	47,778	25,190	72,968	78,390

Of the donations and legacies income in 2021, £64,390 related to unrestricted funds and £14,000 related to restricted funds.

..... *continued*

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Sale of bikes and parts	16,447	-	16,447	15,861

All of the other trading activites income in 2021 related to unrestricted funds.

4 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Dividends and interest received	4,494	-	4,494	4,593
Bank interest	697	-	697	759
	5,191	-	5,191	5,352

All of the investment income in 2021 related to unrestricted funds.

5 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Membership	21,132	-	21,132	21,076
Cycle income	51,303	1,308	52,611	16,175
Cafe Sales	122,688	-	122,688	29,377
Grazing income	1,658	-	1,658	2,000
Education and events income	12,816	-	12,816	8,453
Other income	9,670	-	9,670	10,028
	219,267	1,308	220,575	87,109

All of the income from charitable activities in 2021 related to unrestricted funds.

..... *continued*

6 Expenditure

	Nature reserve activities	Investment managem - ent	Total 2022	Total 2021
	£	£	£	£
Direct costs				
Purchases	68,023	-	68,023	22,450
Wages and salaries	158,016	-	158,016	123,903
Staff NIC (Employers)	4,163	-	4,163	2,828
Staff pensions	6,143	-	6,143	5,290
Land maintenance	558	-	558	262
Portfolio management costs	-	2,804	2,804	2,327
Insurance	4,515	-	4,515	1,602
Repairs and maintenance	11,559	-	11,559	18,858
Hire of plant and machinery	3,844	-	3,844	754
Depreciation of plant and machinery	17,498	-	17,498	12,181
	274,319	2,804	277,123	190,455
Support costs				
Staff training	2,305	-	2,305	500
Volunteer expenses	162	-	162	203
Telephone and fax	1,212	-	1,212	1,241
Computer software and maintenance costs	2,172	-	2,172	2,254
Printing, postage and stationery	506	-	506	882
Sundry expenses	2,369	-	2,369	2,384
Advertising	2,581	-	2,581	4,104
Accountancy fees	4,673	-	4,673	3,849
Independent examiner's fee	500	-	500	500
Legal and professional fees	3,429	-	3,429	2,141
Bank charges	4,836	-	4,836	2,688
(Profit)/loss on sale of tangible fixed assets held for charity's own use	4,927	-	4,927	-
	29,672	-	29,672	20,746
	303,991	2,804	306,795	211,201

Of the expenditure in 2021, £185,603 related to unrestricted funds and £25,598 related to restricted funds.

7 Governance costs

	2022	2021
	£	£
Accountancy fees	4,673	3,849
Independent examiner's fee	500	500
Legal and professional fees	3,429	2,141
Portfolio management fees	2,804	2,327
	11,406	8,817

..... *continued*

8 Trustees' remuneration and expenses

During the year no trustees were reimbursed expenses (2021: £nil). No trustees received any remuneration during the year.

9 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2022 £	2021 £
Loss/(profit) on disposal of tangible fixed assets	4,927	-
Depreciation of tangible fixed assets	17,498	12,181

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2022 No.	2021 No.
Charitable activities	13	13

The aggregate payroll costs of these persons were as follows:

	2022 £	2021 £
Wages and salaries	158,016	123,903
Social security	4,163	2,828
Other pension costs	6,143	5,290
	168,322	132,021

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees. The total employee benefits of the key management personnel of the Charity were £nil (2021 - £nil).

..... *continued*

11 Tangible fixed assets

	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2021	43,383	86,010	129,393
Additions	43,143	10,645	53,788
Disposals	(12,921)	(6,770)	(19,691)
As at 31 March 2022	73,605	89,885	163,490
Depreciation			
As at 1 April 2021	28,619	60,497	89,116
Eliminated on disposals	(8,407)	(6,357)	(14,764)
Charge for the year	9,457	8,041	17,498
As at 31 March 2022	29,669	62,181	91,850
Net book value			
As at 31 March 2022	43,936	27,704	71,640
As at 31 March 2021	14,764	25,513	40,277

12 Investments held as fixed assets

	Listed investments £
Market value	
As at 1 April 2021	273,149
Revaluation	6,852
Additions	7,841
Disposals	(1,655)
As at 31 March 2022	286,187
Net book value	
As at 31 March 2022	286,187
As at 31 March 2021	273,149

All investment assets were held in the UK.

Listed investments

Investments having a net book value of £286,187 (2021 - £273,149) are listed on a recognised stock exchange and had a market value of £286,187 at the end of the year (2021 - £273,149).

..... *continued*

13 Debtors

	2022 £	2021 £
Trade debtors	755	216
Other debtors	-	3,017
Prepayments and accrued income	21,901	2,898
	22,656	6,131

14 Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,347	-
Taxation and social security	3,663	1,034
Accruals and deferred income	12,770	10,541
	20,780	11,575

Creditors amounts falling due within one year includes deferred income:

	2022 £	2021 £
As at 1 April 2021	8,092	11,667
Amount deferred in the year	1,843	(3,575)
As at 31 March 2022	9,935	8,092

15 Members' liability

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

16 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £6,143 (2021 - £5,290).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

..... continued

17 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

18 Analysis of funds

	At 1 April 2021	Incoming resources	Resources expended	Other recognised gains/losses	At 31 March 2022
	£	£	£	£	£
General Funds					
General unrestricted funds	471,232	288,683	(261,178)	11,801	510,538
Restricted Funds					
Trail Project	18,900	-	-	-	18,900
Education Peoples Project	12,732	3,772	(11,450)	-	5,054
Kitchen Refurbishment	1,467	-	(440)	-	1,027
Staff Training	1,000	-	(1,000)	-	-
Adaptive Fleet Replacement	14,000	22,726	(32,727)	-	3,999
	48,099	26,498	(45,617)	-	28,980
	519,331	315,181	(306,795)	11,801	539,518

Trail Project: The fund is being used to re-surface existing multi-use trails to improve the recreation Watchtree Nature Reserve offers to the community making it accessible to all.

The Education People's Project: A National Lottery fund used to improve education at Watchtree.

Kitchen Refurbishment: A fund to update the facilities in the reserve Cafe's kitchen to widen it's appeal and increase it's capabilities.

Staff Training: A grant received to train some of the staff at Watchtree in the use of strimmers and bushcutters.

Adaptive Fleet Replacement: The fund is being used to replace the current adaptive bike fleet.

..... *continued*

Prior period

	At 1 April 2020	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 March 2021
	£	£	£	£	£	£
General Funds						
Unrestricted income fund	406,140	172,712	(185,603)	9,457	68,526	471,232
Restricted Funds						
Trail Project	21,249	-	(2,349)	-	-	18,900
Education Peoples Project	37,574	-	(18,695)	(6,147)	-	12,732
Kitchen Refurbishment	9,331	-	(4,554)	(3,310)	-	1,467
Staff Training	1,000	-	-	-	-	1,000
Adaptive Fleet Replacement	-	14,000	-	-	-	14,000
	69,154	14,000	(25,598)	(9,457)	-	48,099
	475,294	186,712	(211,201)	-	68,526	519,331

..... *continued*

19 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible assets	71,640	-	71,640	40,278
Investments	286,187	-	286,187	273,149
Current assets	173,491	28,980	202,471	217,479
Creditors: Amounts falling due within one year	(20,780)	-	(20,780)	(11,575)
Net assets	510,538	28,980	539,518	519,331

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible assets	40,278	-	40,278	45,704
Investments	273,149	-	273,149	204,339
Current assets	169,380	48,099	217,479	241,880
Creditors: Amounts falling due within one year	(11,575)	-	(11,575)	(16,629)
Net assets	471,232	48,099	519,331	475,294

WATCHTREE NATURE RESERVE LIMITED

England & Wales - Charity number 1127029

Accounts

CHARITY COMMISSION

Watchtree Nature Reserve Limited

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2021

Company registration number: 05214585
Charity registration number: 1127029

dodd&co

Watchtree Nature Reserve Limited

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Watchtree Nature Reserve Limited

Reference and Administrative Details

Charity name	Watchtree Nature Reserve Limited
Charity registration number	1127029
Company registration number	05214585
Principal office	Watchtree Great Orton CARLISLE CA5 6NL
Registered office	Watchtree Great Orton CARLISLE CA5 6NL
Trustees	C M Tinker B Bowe R W Bushby W Little P MacDonald F J Mawby R W S Speirs R E Timmins (Resigned 21 October 2020) N Mawby (Resigned 21 October 2020) C Miles N Latimer (Appointed 21 October 2020)
Bankers	The Co-Operative Bank PLC 1 Ballon Street MANCHESTER M60 4EP
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Watchtree Nature Reserve Limited

Trustees' Report for the Year Ended 31 March 2021

The financial statements have been prepared in accordance with the accounting policies set out in the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities : Statement of Recommended Practice applicable in the UK and Republic of Ireland.

Structure, governance and management

Governing document

The company was incorporated on 25 August 2004 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The company registered with the Charity Commission on 3 December 2008.

The Trustees are appointed by the members at the AGM. The Chair of the board is responsible for the induction of any new trustees.

Objectives and activities

The objectives of the charity are to:

- Maintain, improve or provide public amenities,
- Promote for the public benefit the Watchtree site in Cumbria and its environs, in particular by associating local community organisations in a common effort to advance education, to relieve poverty, need and hardship, to provide facilities for leisure time occupation in the interests of social welfare and to conserve and improve the environment.

The charity maintains Watchtree Nature Reserve for visitors, school parties and groups and continues to develop the wheelers facility providing cycles for use by disabled groups and individuals.

In setting the objects of the charity, the trustees have paid due regard to the Charity Commission guidance on public benefit.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Reserves

The Trustees have established a policy to maintain reserves at a level that is sufficient to meet its expenditure and commitments for 12 months. Free reserves at the year end are £164,388 (excluding fixed asset investments) and therefore sufficient to meet these costs.

Chairman's Report

On behalf of the Directors, I am pleased to present our sixteenth annual report for Watchtree Nature Reserve Ltd. This report covers all areas of the Reserve's varied work, including wildlife and habitat development, the Watchtree Wheelers, visitor numbers, membership, events and much more.

As you will read, this has been a very challenging 12 months due to the impact of the Pandemic and our first ever imposed closure of the Reserve. At the outset, the Directors agreed that they would do everything possible to enable safe access for the public as they are aware how important a role the Reserve plays to many people's wellbeing.

We also agreed to support our employees above and beyond the Government's Furlough Scheme to ensure that they suffered as little hardship as possible.

We were only able to achieve our objectives through the dedication and enthusiasm of the Team Leaders, staff and, above all, the Volunteers who are essential in both maintaining and developing Watchtree.

On a personal note, I must express my thanks to Ryan Dobson, our Manager, his ingenuity, resourcefulness, and leadership has enabled Watchtree to weather the past 12 months so effectively and ensured that our financial standing has remained healthier than we ever anticipated it would.

I hope the report makes for interesting reading and if you require any further information on any of the topics then please contact us directly and we will be happy to assist you

Richard Speirs

Chairman

Reserve Managers' Report

Introduction

Writing an annual review following a year immersed in a global pandemic could be the stuff of nightmares, but not here. Our record of 2020/21 does include the incredibly tough challenges presented by Coronavirus; however, the overwhelming story of our year is one of dedication, diversification, positivity, and community.

From the first mention of Covid, back in March 2020, the staff and volunteer team at Watchtree have focused resolutely on what we could do and tried not to dwell on what we could not. More than ever, we concentrated on the needs of our closest community and aimed to provide facilities and services for them as safely as possible.

Throughout this report you will find examples of how Watchtree far surpassed the standard duties of a Nature Reserve and showed beyond doubt that we are an integral and essential part of our community for the benefit of environmental, social, physical, and mental wellbeing.

I have never been prouder to work within an organisation and among a team of people who care so much and do so much to benefit others around them. The year may have been difficult, but I feel that Watchtree has prospered through adversity and grown stronger despite the challenge.

Adapt and Diversify

As we progressed through the year and the world learned more about the virus, government advice, restrictions and demands changed frequently. Our actions were also led by public behavior, our own resources and sometimes the weather!

It was a year of continuous change, which we have recorded in the timeline of events below.

14th of March - Implemented control measure to allow zero contact visits.

23rd of March - Full lockdown, all staff on full furlough, reserve closed to all visitors.

10th June - Reserve reopen for non-contact visits only, limited car parking spaces to reduce capacity. Cycle sales, service and repair open by prior arrangement. Compost toilet only open facility.

1st July - Reopened for members out of hours access.

10th July - Hallsfords Farm Produce opened a pop-up catering service within our John Muir Hut and we opened a pop-up shop in our portacabin.

1st August - Cycle hire reopened, online booking only. Online shop opened for sale of clothing and artwork.

September 17th - Last day of Hallsford catering service.

1st October - Newly refurbished cafe reopened for takeaway only, visitors centre toilets reopened.

9th October - Cafe started table service for indoor dining.

1st November - 2nd Lockdown, cafe remained open for takeaway only, visitor toilets remained open, cycle services closed.

2nd December - end of 2nd lockdown, cycle services reopened.

6th January - 3rd national lockdown, reserve remained open for zero contact visits, cycle sales, service and repair.

29th March - Cafe reopened for takeaway only, cycle services reopened.

By the end of the financial year, we still hadn't returned to education, organized sport or events.

Getting on with it!

Every area of the reserve made significant developments throughout the year, despite the pandemic. In each of the following sections we have included a 'getting on with it' update, which includes the progress we made!

Wildlife

Of course, it is not all about people - nature barely even noticed the difference between years, it may even have enjoyed the respite.

The first closure occurred just before the start of most resident species breeding season when the last of the winter migrants were heading off home and the early summer ones were just starting to come in. Despite being closed to the public, a small team of volunteers used up their 'daily exercise' to ensure the birds remained fed and in doing so kept a record of any significant sightings during their visits, however we were unable to keep thorough records of species and breeding as we would in other circumstances.

Highlights included breeding success from Tawny Owl, Sparrow Hawk and Brown Hare to name a few. Top sightings included Cetti's Warbler, Red Kite, Otters and Marsh Fritillary butterfly.

Habitat and Estates

"Throughout the Pandemic the morale of the team has been high, and I have been extremely impressed at how well the team have supported and looked out for each other" David Hall.

- The average demographic of our Habitat and Estates volunteers is 65 + year old males, who are nationally recognised as being at risk of social isolation.
- When the nation went into lockdown, that risk increased further.
- To combat potential social isolation, a WhatsApp group was setup between the Team as a space to stay in touch.
- On return to volunteering the role of Habitat and Estates volunteers changed from manual reserve work to focusing on wardening and marshalling.
- Throughout the year our bird hides remained closed as controlling and monitoring covid restrictions within them was difficult.
- Due to Covid 19 risk and then the commencement of contract work in the Defra treatment plant area, our access to the area for workshop and storage was revoked and is yet to be reinstated.

Getting on with it:

In January 2020, our volunteer team braved the cold, got into our pond, and built our new pond dipping platform! Throughout the year we continued to work on the pond, creating a seating area, adding a hedge around the bank, and designing interpretation to compliment the facility.

Elsewhere in Pond Wood we created another amazing space for learning and observing wildlife. The existing bird viewing screen was removed and replaced with a wooden shelter big enough for 15 – 20 children. The shelter is accessible to all visitors 7 days per week but can be closed off for private use when necessary for school sessions.

The area between the 2 woodlands which is now used for additional catering and picnicking was improved with the addition of extra seating and we separated the reserve trails from the vehicle access routes using old barrels and rope. This has vastly improved public safety whilst improving the area aesthetically. Developments in this area were supported by Cumbria Community Foundation Covid resilience fund.

Watchtree Wheelers

2020 was an incredible year for cycling! Enforced lockdown and restrictions on travel meant that more people than ever got on their bikes.

Between April and September 2020, the UK cycling market saw a 27% rise in sales volume, compared with the same period in 2019. This unprecedented demand combined with factory shutdowns and shipping issues meant getting hold of new bikes and even parts quickly became difficult in 2020.

On the plus side:

- sales of second-hand bikes rocketed, and we raised a record £15,861 through cycle sales.
- The UK government introduced a 'Fix your bike scheme' to help tackle the industry demand and improve public health. We registered for the scheme and fixed 13 bikes claiming £620 in vouchers.

However, in June 2020 we placed an order for 34 new fleet bikes – expected delivery is 'early 2022' and the prices continue to rise while we wait! The team struggled to get parts from our usual suppliers, so we have had to do much more shopping around, prices for parts have also increased considerably.

"Cycling during the pandemic lock-down reached its high point between mid-April and mid-June, regularly exceeding 250% of normal pre-COVID levels, according to Government data" – The Bicycle Association.

That national increase did not transpire to a major spike in cycle hire though. Income from Cycle hire was down 70% through the year. Which we put down the following factors:

- Cycle hire was unavailable for a total of 5 months through the financial year. When we were open restrictions sometimes limited visitor numbers and behavior.
- All group visits including healthcare groups, schools etc. stopped and did not return within the year.
- More people equipped themselves with their own bikes which reduced the demand for cycle hire.

The decrease in cycle hire is not great for our sustainability, but we did benefit elsewhere from selling so many bikes. Given the circumstances, we do not feel it is any reason for concern and expect hire numbers will recover rapidly when restrictions allow.

Importantly, we kept the service open wherever possible. Many of our beneficiary users cannot exercise in other places or require the use of our specialist equipment. We tried our hardest to retain access for those individuals as much as possible.

Getting on with it:

Adapted Cycle Fleet Project

We commenced a £40,000 funding campaign to replace and improve much of our adapted cycle fleet. Some of the bikes in our existing fleet are approaching 20 years old and are very well used, we want to update the bikes to include innovative, new, technology and increase the diversity of beneficiaries who can use them.

We have successfully secured funding from:

Reece Foundation £5,000

Allerdale Sports Fund £10,000

British Cycling £25,000

Total £35,000

We aim to raise the remaining £5,000 through our own fundraising activities including a cycle sportive in September 2021.

We are now placing orders for new bikes, thankfully the adapted cycle manufacturing has not been affected as much as standard bikes but there are still some delays and price increases.

Online Booking System

We have considered an online booking system for cycle hire for some time, although we've never committed to it as the cost and upheaval outweighed the demand. Covid forced us into the decision as well as allowing us the downtime required to design and implement such a system.

We signed up to a 12-month deal with Bike Rental Manager, who offer bespoke software for bike rental. It has taken a lot of work to adapt the software to our needs because our fleet is so extraordinary, but we have done it and the system now works very well. We are conscious that pre-booking online isn't possible for all, therefore we still handle group bookings offline and allow some ad-hoc hire.

Visitors Centre

The year started full of promise with big plans of refurbishing the Visitor Centre after receiving a grant in December 2019 from Cumbria Community Foundation. In March, we went into a planned 3-day closure to install the new flooring, as it transpired, the Visitors Centre did not reopen until October!

The effects of Covid on our operations in the visitor's centre were colossal. The doors were closed completely for 6 months and upon reopening we had strict control measures which were demanding on staff and resources. Whilst closed, the only visitor facilities were the compost toilet on the other side of the reserve.

In true Watchtree style we concentrated on what we could do and came up with some novel solutions to provide refreshments and raise funds while we worked on reopening the visitors centre.

The Pop –Up Shop

Our portacabin has previously been used as a classroom, bait room, storage space etc. But during Covid it wasn't being used for much at all. We emptied it and gave it a good clean then setup a self-service, pop-up shop for visitors to grab snacks, ice-cream and coffee.

As well as providing refreshments, this allowed us to raise funds and use up all the café stock which otherwise would have gone out of date.

The pop-up shop was a real team effort, made possible and maintained by all the staff and volunteers. We also sold homemade charcoal and a small collection of gifts.

The shop opened in July and stayed open until we reopened the visitors centre in October.

Hallsfords Farm Produce – Outdoor Catering

We knew we were not going to reopen our own catering services for some time, so we put a call out on social media to try and find someone who could provide an outdoor catering service at Watchtree.

We met Helen from Hallsfords Farm in late June, our respective organisations aligned well as they specialise in rearing rare breed, traditional animals on their farm near Longtown in a manner which is sympathetic to nature and ensures excellent animal husbandry. Helen and her family run the farm, butchery and outdoor catering service so were able to provide a field to fork service.

Hallsford opened for business at Watchtree on the 10th of July 2020 and opened at least 5 days per week (usually 7) using our John Muir Hut, a space which is usually used for education services. They offered a variety of food and drink which proved hugely popular with all our visitors.

The idea of outdoor catering was something we had discussed pre-covid, however the development of our main café always took priority. Covid provided an opportunity and need to drive the idea forward and is something we intend to continue providing for the busiest months going forward.

Getting on with it:

We had intended to renovate the main room of the café over a 2-year period, tackling different areas around busy periods to minimise disturbance to normal service. With the enforced closure it made sense to complete as much as possible before reopening.

We applied and successfully received additional funding from Cumbria Community Foundations Covid Resilience Fund, which allowed us to develop the café in a direction which would be covid secure upon reopening.

The renovations have been very well received by all visitors; we look forward to using the space to its full potential in the future.

Education

Education was the hardest hit area of our organisation during the pandemic. Our Education Team Leader was furloughed through the entire financial year and there were no school visits or children's activity sessions.

Getting on with it

Whilst on furlough staff members were encouraged to continue with any education and training, they could do safely from home. Caroline completed three training days with Kindling Play working towards her Forest Schools Practitioner Level 3 qualification, she now only has the portfolio to complete which she will do alongside the recommencement of activities at Watchtree.

Marketing and Events

Throughout the year, the ever-changing restrictions required us to alter our operating procedure and keep all visitors informed. Our online presence was of upmost importance, so we increased the activity through social media, particularly Facebook and Instagram, as well as sending regular updates to our database through Mailchimp.

All pre-planned events had to be re-assessed and consideration given to their feasibility. The first blow was the difficult decision to cancel the much anticipated 'Solway Cycle Challenge,' we made a call on this early before any significant event costs were endured.

Our weekly events at Watchtree we are all temporarily cancelled, this includes Ready Steady Parents, Watchtree Walkfit, Walking for Health, Wool at Watchtree, Little Wheelers and the Watchtrail Running Series. Little Wheelers and Ready Steady Parents events both returned in person with additional control measures through late summer but were cancelled again when we entered the 2nd and 3rd lockdowns.

Although the reserve was closed, events were cancelled and people's ability to visit was restricted, we wanted to continue supporting our community where possible. We made the following changes to stay connected, keep people motivated and suppress some of the Lockdown Blues:

- Posted regular activity ideas for children and parents on our social media streams such as links to online events and live streams.
- Shared images and videos of wildlife around the reserve through the seasons, particularly using our wildlife camera traps to film Otter, Fox, Deer and Tawny Owls.
- Hosted virtual online 'Ready, Steady, Parents' sessions in place of our weekly walks where parents could catch up and support each other.
- Our Watchtrail running series completely rebranded as the Watchtree Running Community.
- The Facebook group was used to post weekly challenges which encouraged followers to get out and exercise whilst completing simple, sometimes creative, tasks.
- Highlights included Strava Art, searching for Trig points on your local runs and the 12k's of Christmas.
- The ideas and enthusiasm came from Morag and Dave Thompson, who's efforts were recognised by the participants so much that they created a 'Watchtrail in Lockdown' momento book!
- Hosted additional 'Virtual Events', which also raised vital funds for Watchtree.
- September 100 mile challenge - we asked participants to log 100 miles of activity in September. The event had 188 participants and raised £2,350*.
- February Active Challenge – February was a particularly difficult time for many people physically and mentally, we launched the challenge to try and combat some winter blues which were made worse by lockdown. The event attracted 103 participants and raised £1,339*.
- The annual Halloween trail run is a highlight in the Watchtree calendar, we were determined to host the event safely so we completely redesigned the format and came up with the Halloween challenge!
- Participants worked in small teams to find checkpoints around the reserve, teams were set off 5 minutes apart and had a time slot within which they must return.

- Whilst the teams searched the reserve, in the dark, for our hidden checkpoints, our own team of ghostly and ghastly volunteers were hiding in the undergrowth ready to terrify them!
- Total participants 22 teams, raising £961*
- Our 2020 Watchtrail Seasonal Challenge was sold out before the onset of Covid-19.
- All of the 4 events in the series went ahead with additional Covid restrictions.
- The Spring event was postponed and then hosted virtually.
- The Summer, Autumn and Winter events were hosted at Watchtree with reduced capacity and staggered start times although a virtual option was also available for all participants.
- In January we launched ticket sales for the 2021 Seasonal Series, the event sold out at 150 people capacity, raising £5,265*.

*Income from ticket sales before event costs.

Getting on with it:

In early 2020 a new sponsorship agreement was made with David Allen Financial Services in specific relation to the Health and Wellbeing Trail, previously known as the Watchtrail Running Route. The trail has been rebranded to recognise its importance for other activities as well as running. Working closely with the team at David Allen we have redesigned the signage around the trail and made a new start and finish line outside the visitor's centre and café. The sponsorship also includes support for all Health and Wellbeing Events.

Finance

There can be no doubt that Coronavirus had a huge, detrimental financial effect on us as a business. In 2020/21 we suffered our worst financial losses in 16 years of trading.

- Large parts of our income stream were closed or severely limited for much of the year.
- National restrictions prevented people from outside of our immediate community from travelling to Watchtree
- Uptake of membership reduced by 40%, a loss of over £10,000
- Many of our regular visitors and supporters were on reduced incomes, decreasing their disposable income for leisure activities

We received additional financial support from the Government through the Job Retention Scheme. This financially supported existing staff when they were unable to work through restrictions by paying up to 80% of their salary, (actual amount fluctuated throughout the year). The board of Directors made an early decision to top up these 'furlough' payments by a further 20% to avoid financial hardship for the workforce. Like many businesses in the UK, we are indebted to the Job Retention Scheme for significantly reducing the impact of Coronavirus on our business and allowing us to retain our existing team so that we could immediately return to business and begin our recovery when restrictions allowed.

Going forward...

Thanks to the hard work and determination of our team we are in a fantastic place to begin our economic recovery from the pandemic. Already in 2021 we have started to see increases in our membership and income through café and cycle services. We have plans in place to increase income through schemes which are as covid resilient as soon as possible such as our own outdoor catering services.

The pandemic has thrust public health and the benefits of being outdoors into the limelight and we intend to make the most of that opportunity. We will continue to develop activities for Health and Wellbeing and expand on our education services for all.

A primary objective of the coming year is to resolve the issues between ourselves and Defra/Mitie to regain access to the workshop and storage space previously used by our Habitat and Estates Team. We will be working closely with colleagues from both organisations to overcome the issues involved and find some mutually agreeable solutions. Longer term we would like to relocate to our own space for the benefit of all parties.

2020 Feedback Survey Quotes

At the end of the financial year, we asked members and visitors for their feedback through an online survey. We received over 200 responses, which were overwhelmingly positive. The following quotes are a selection of the feedback received.

- I love coming to Watchtree either being it walking or running and definitely for the cake and coffee! I think you have got it right with COVID regulations and the place just gets better and better with every visit. Keep up the good work!
- Watchtree is my comfort blanket a local safe haven where I can get away from crowds, hear birdsong and sometimes be treated to a view of deer. Always welcoming, food and coffee from the cafe an added delight. Events attended throughout Covid have been well thought out and very safely carried out
- Watchtree Is a vital part of our family life and we feel very lucky to have been able to continue visiting during the pandemic. We often visit out of hours but other times too and we always felt welcome and covid safe. It has and continues to be invaluable for the mental and physical wellbeing of me and my little family.
- I feel that Watchtree played a magnificent part in helping people cope with lockdown. I do not feel that the organisation received the recognition that it deserved.
- The staff and volunteers are amazing
- Vital open air safe environment to walk dog & for exercise. So glad you remained open in lockdown, was and is a lifeline to our family. Good that you took restrictions seriously, felt safe there.
- To keep going safely through the pandemic you did fantastically well. The volunteers are great and the cake amazing! Well done!
- Fantastic safe haven, beautiful surroundings, nature & wildlife. Happy, friendly, helpful staff & delicious food from the cafe!
- I would like to thank all the volunteers at Watchtree, their commitment in making it such a lovely place we can all enjoy is really appreciated. This was a really happy place for me during lock down and lifted both mine and my families spirits. Well done to all of you x
- Your response was spot on; there's really no feedback to give as you did a brilliant job of managing it fairly but also safely for all. Having Watchtree as somewhere to come to, to escape or find some simple peace, was so very welcomed.
- Very well run. All covid rules are clear and followed by everyone, which certainly isn't the case everywhere. Personally, I thought the online running challenges in the first lock down were fantastic. The organisation of the seasonal trail runs was also impressive.
- Watchtree has been a Covid safe social hub throughout the pandemic for me. I have met friends regularly to run, followed by a coffee and a natter; and always feel in a great mood on the drive home. It's such a restorative experience and has now become part of my well-being routine. Thanks to all the staff and volunteers for their cheery hello's week in, week out.
- This facility is a god send - it's a place where my partner and I can walk for an hour and feel our anxiety start to diminish. It's really well organised and we love it here!
- Throughout the Pandemic Watchtree have been excellent responding promptly and accordingly to an ever changing, fluid environment the whole team & volunteers have been brilliant throughout, a beacon in dark times.
- You rose to the challenge incredibly well. Can't think of anything you could have done better. Bravo!
- Felt very safe the whole time and was well-informed when we had to queue at the gates. The bike hire in particular felt very safe and steps were clearly being made to sanitise equipment between use.
- Your response to COVID has been sensible, measured and practical, your communication has been excellent as has your sensitivity and responsiveness to people and circumstances. Well done we are very grateful for Watchtree and all the hard work that goes on behind the scenes!

Watchtree Nature Reserve Limited

Trustees' Report for the Year Ended 31 March 2021

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 17 September 2021 and signed on its behalf by:

C M Tinker
Trustee

R W S Speirs
Trustee

Watchtree Nature Reserve Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Watchtree Nature Reserve Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable 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 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of

Watchtree Nature Reserve Limited

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages 13 to 27.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....

Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

17 September 2021

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Watchtree Nature Reserve Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income and endowments from:					
Donations and legacies	2	64,390	14,000	78,390	102,065
Other trading activities	3	15,861	-	15,861	10,883
Investment income	4	5,352	-	5,352	5,332
Charitable activities	5	87,109	-	87,109	176,615
Total income and endowments		172,712	14,000	186,712	294,895
Expenditure on:					
Nature reserve activities		185,603	25,598	211,201	248,844
Total expenditure		185,603	25,598	211,201	248,844
Net (expenditure)/income before transfers		(12,891)	(11,598)	(24,489)	46,051
Transfers					
Transfers between funds		9,457	(9,457)	-	-
Net (expenditure)/income before other recognised gains and losses		(3,434)	(21,055)	(24,489)	46,051
Other recognised gains/losses					
Gains/(losses) on investment assets		68,526	-	68,526	(20,285)
Net movements in funds		65,092	(21,055)	44,037	25,766
Reconciliation of funds					
Total funds brought forward		406,140	69,154	475,294	449,528
Total funds carried forward		471,232	48,099	519,331	475,294

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 15 to 27 form an integral part of these financial statements.

Watchtree Nature Reserve Limited

Company registration number: 05214585

Balance Sheet as at 31 March 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		40,278		45,704
Investments	12		273,149		204,339
			313,427		250,043
Current assets					
Debtors	13	6,131		4,027	
Cash at bank and in hand		211,348		237,853	
		217,479		241,880	
Creditors: Amounts falling due within one year	14	(11,575)		(16,629)	
Net current assets			205,904		225,251
Net assets			519,331		475,294
The funds of the charity:					
Restricted funds			48,099		69,154
Unrestricted funds					
Unrestricted income funds			471,232		406,140
Total charity funds			519,331		475,294

For the financial year ended 31 March 2021, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 17 September 2021 and signed on its behalf by:

R W S Speirs
Trustee

The notes on pages 15 to 27 form an integral part of these financial statements.

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

Following the Covid-19 outbreak the trustees have reviewed the finances of the chaity to take into account the uncertainties following the pandemic and its effect on their ability to operate. As a result of this review, the trustees remain confident that there are financial resources available to see the charity through until normal operations resume and are satisified that there are no material uncertainities about the charity's ability to continue as a going concern.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 18.

..... *continued*

Income and endowments

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

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

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Cafe income and income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Support costs

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

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

..... *continued*

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis
Computer equipment	25% reducing balance basis

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

..... *continued*

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Donations and legacies				
Appeals and donations	15,852	-	15,852	13,197
Calendar donations and sponsorship	4,104	-	4,104	5,137
	19,956	-	19,956	18,334
Grants				
UK Government grants	44,434	-	44,434	3,290
Cumbria Community Foundation	-	-	-	11,000
Cumbria Waste Environmental Trust	-	-	-	19,441
People's Project	-	-	-	50,000
Adaptive Fleet Replacement	-	14,000	14,000	-
	44,434	14,000	58,434	83,731
	64,390	14,000	78,390	102,065

Of the donations and legacies income in 2020, £15,755 related to unrestricted funds and £86,310 related to restricted funds.

..... *continued*

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Sale of bikes and parts	15,861	-	15,861	10,883

All of the other trading activites income in 2020 related to unrestricted funds.

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Dividends and interest received	4,593	-	4,593	4,028
Bank interest	759	-	759	1,304
	5,352	-	5,352	5,332

All of the investment income in 2020 related to unrestricted funds.

5 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Membership	21,076	-	21,076	29,044
Cycle income	16,175	-	16,175	51,191
Cafe Sales	29,377	-	29,377	72,361
Grazing income	2,000	-	2,000	2,480
Education and events income	8,453	-	8,453	11,533
Other income	10,028	-	10,028	10,006
	87,109	-	87,109	176,615

All of the income from charitable activities in 2020 related to unrestricted funds.

..... *continued*

6 Expenditure

	Nature reserve activities	Investment managem - ent	Total 2021	Total 2020
	£	£	£	£
Direct costs				
Purchases	22,450	-	22,450	43,952
Wages and salaries	123,903	-	123,903	107,655
Staff NIC (Employers)	2,828	-	2,828	3,177
Staff pensions	5,290	-	5,290	4,183
Land maintenance	262	-	262	459
Portfolio management costs	-	2,327	2,327	2,084
Trustee expenses and training	-	-	-	329
Insurance	1,602	-	1,602	2,843
Repairs and maintenance	18,858	-	18,858	40,522
Hire of plant and machinery	754	-	754	668
Depreciation of plant and machinery	12,181	-	12,181	10,817
(Profit)/loss on sale of tangible fixed assets held for charity's own use	-	-	-	8,511
	188,128	2,327	190,455	225,200
Support costs				
Staff training	500	-	500	2,487
Volunteer expenses	203	-	203	2,531
Telephone and fax	1,241	-	1,241	1,316
Computer software and maintenance costs	2,254	-	2,254	2,242
Printing, postage and stationery	882	-	882	858
Sundry expenses	2,384	-	2,384	996
Advertising	4,104	-	4,104	4,197
Accountancy fees	3,849	-	3,849	3,826
Independent examiner's fee	500	-	500	500
Legal and professional fees	2,141	-	2,141	2,624
Bank charges	2,688	-	2,688	2,067
	20,746	-	20,746	23,644
	208,874	2,327	211,201	248,844

Of the expenditure in 2020, £209,626 related to unrestricted funds and £39,218 related to restricted funds.

..... *continued*

7 Governance costs

	2021	2020
	£	£
Accountancy fees	3,849	3,826
Independent examiner's fee	500	500
Legal and professional fees	2,141	2,624
Portfolio management fees	2,327	2,084
	8,817	9,034

8 Trustees' remuneration and expenses

During the year no trustees were reimbursed expenses (2020: £nil). No trustees received any remuneration during the year.

9 Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2021	2020
	£	£
(Profit)/loss on disposal of tangible fixed assets	-	8,511
Depreciation of tangible fixed assets	12,181	10,817

..... *continued*

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2021 No.	2020 No.
Charitable activities	13	8

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	123,903	107,655
Social security	2,828	3,177
Other pension costs	5,290	4,183
	132,021	115,015

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees. The total employee benefits of the key management personnel of the Charity were £nil (2020 - £nil).

..... *continued*

11 Tangible fixed assets

	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2020	42,634	80,005	122,639
Additions	749	6,006	6,755
As at 31 March 2021	43,383	86,011	129,394
Depreciation			
As at 1 April 2020	23,868	53,067	76,935
Charge for the year	4,751	7,430	12,181
As at 31 March 2021	28,619	60,497	89,116
Net book value			
As at 31 March 2021	14,764	25,514	40,278
As at 31 March 2020	18,766	26,938	45,704

12 Investments held as fixed assets

	Listed investments £
Market value	
As at 1 April 2020	204,339
Revaluation	68,526
Additions	284
As at 31 March 2021	273,149
Net book value	
As at 31 March 2021	273,149
As at 31 March 2020	204,339

All investment assets were held in the UK.

Listed investments

Investments having a net book value of £273,149 (2020 - £204,339) are listed on a recognised stock exchange and had a market value of £nil at the end of the year (2020 - £nil).

..... *continued*

13 Debtors

	2021 £	2020 £
Trade debtors	216	4,027
Other debtors	3,017	-
Prepayments and accrued income	2,898	-
	6,131	4,027

14 Creditors: Amounts falling due within one year

	2021 £	2020 £
Taxation and social security	1,034	2,962
Accruals and deferred income	10,541	13,667
	11,575	16,629

Creditors amounts falling due within one year includes deferred income:

	2021 £	2020 £
As at 1 April 2020	11,667	10,332
Amount deferred in the year	(3,575)	1,335
As at 31 March 2021	8,092	11,667

15 Members' liability

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

16 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £5,290 (2020 - £4,183).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

..... *continued*

17 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

18 Analysis of funds

	At 1 April 2020	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 March 2021
	£	£	£	£	£	£
General Funds						
General unrestricted funds	406,140	172,712	(185,603)	9,457	68,526	471,232
Restricted Funds						
Trail Project	21,249	-	(2,349)	-	-	18,900
Education Peoples Project	37,574	-	(18,695)	(6,147)	-	12,732
Kitchen Refurbishment	9,331	-	(4,554)	(3,310)	-	1,467
Staff Training	1,000	-	-	-	-	1,000
Adaptive Fleet Replacement	-	14,000	-	-	-	14,000
	69,154	14,000	(25,598)	(9,457)	-	48,099
	475,294	186,712	(211,201)	-	68,526	519,331

Trail Project: The fund is being used to re-surface existing multi-use trails to improve the recreation Watchtree Nature Reserve offers to the community making it accessible to all.

The Education People's Project: A National Lottery fund used to improve education at Watchtree.

Kitchen Refurbishment: A fund to update the facilities in the reserve Cafe's kitchen to widen it's appeal and increase it's capabilities.

Staff Training: A grant received to train some of the staff at Watchtree in the use of strimmers and bushcutters.

Adaptive Fleet Replacement: The fund is being used to replace the current adaptive bike fleet.

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Prior period

	At 1 April 2019	Incoming resources	Resources expended	Other recognised gains/losses	At 31 March 2020
	£	£	£	£	£
General Funds					
Unrestricted income fund	427,466	208,585	(209,626)	(20,285)	406,140
Restricted Funds					
Trail Project	22,062	25,310	(26,123)	-	21,249
Education Peoples Project	-	50,000	(12,426)	-	37,574
Kitchen Refurbishment	-	10,000	(669)	-	9,331
Staff Training	-	1,000	-	-	1,000
	22,062	86,310	(39,218)	-	69,154
	449,528	294,895	(248,844)	(20,285)	475,294

19 Transfers

Transfers of £12,730 from the People's Project fund and £3,310 from the Kitchen Refurbishment fund to unrestricted funds, represents restricted funds received to purchase fixed assets. Once the assets were purchased the original restriction on the funds was met and the assets were therefore transferred to unrestricted funds, to reflect the fact they are unrestricted in use. £6,582 was transferred from unrestricted funds to the People's Project fund and represents Coronavirus Job Retention Scheme income which was received for an employee working on the People's Project. This was agreed with the People's Project in advance.

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20 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible assets	40,278	-	40,278	45,704
Investments	273,149	-	273,149	204,339
Current assets	169,380	48,099	217,479	241,880
Creditors: Amounts falling due within one year	(11,575)	-	(11,575)	(16,629)
Net assets	471,232	48,099	519,331	475,294

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Tangible assets	35,670	10,034	45,704	42,515
Investments	204,339	-	204,339	220,786
Current assets	182,760	59,120	241,880	198,361
Creditors: Amounts falling due within one year	(16,629)	-	(16,629)	(12,134)
Net assets	406,140	69,154	475,294	449,528