

Charity registration number 1141021

Company registration number 07444213 (England and Wales)

**THE JOHN STRUTT CONSERVATION FOUNDATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**



# THE JOHN STRUTT CONSERVATION FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs C Berry Mrs H Loxam Mr J S R Elliott Dr P Welsh Mr D Swalwell Mrs C Winter (Appointed 20 March 2024)
<b>Charity number</b>	1141021
<b>Company number</b>	07444213
<b>Registered office</b>	The Estate Office Low Ploughlands Little Musgrave Kirkby Stephen Cumbria CA17 4PQ
<b>Auditor</b>	Xeinadin Audit Limited Oak House Market Place Bedale North Yorkshire DL8 1AQ
<b>Bankers</b>	Barclays Bank Plc 31 High Row Darlington County Durham DL3 7QS
<b>Solicitors</b>	Kilvington Solicitors Westmorland House Market Square Kirkby Stephen Cumbria CA17 4QT

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# **THE JOHN STRUTT CONSERVATION FOUNDATION**

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# THE JOHN STRUTT CONSERVATION FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2024

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The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The charity's principal objectives are to promote the conservation and study of wildlife including birds, mammals and insects in the natural environment forming their habitat and to promote knowledge of and interest in such wildlife.

The management of the charity's land is designed to sustain and enhance wildlife habitats and biodiversity. In managing areas of ancient woodland and wetland, the charity seeks to retain vegetation that is natural in type and displays natural processes. Where land is managed by grazing, the policy is to enhance biodiversity by regulating stock levels and prohibiting the application of herbicides, artificial fertilisers and livestock slurry. Hay meadows are managed to enhance floristic richness and safeguard ground nesting birds and the trustees are receiving assistance from Cumbria Wildlife Trust for hay meadow restoration projects on their Hartley and Haybridge lands. Hedgerows and stone walls are maintained by traditional practices. The charity is working with Teresa Morris (Natural England) and Andrew Gornall (Forestry Commission) to develop a Mixed Agri-Environment and Woodlands Higher Tier Scheme at Haybridge which will provide funding for the charity to deliver further environmental benefits. The charity is also working with Edward Mills of Footprint Forestry to develop a Woodland Management Plan for the woodlands at Hartley.

#### **Public benefit statement**

In interpreting and planning the activities of the Charity the Trustees have given consideration to compliance with Public Benefit and it is planned for 24/25 to strengthen formal consideration at the AGM relating to the Charity Commission guidance on public benefit.

The advancement of environmental protection and improvement is recognised as a charitable purpose and is universally regarded as producing a public good. The charity exists to promote the care of wildlife and its habitats and its management of land provides a clear public benefit. The value of several areas of the charity's land has been recognised by their designation as either a Site of Special Scientific Interest or a County Wildlife Site, and through conserving these areas following recognised good practice the charity contributes to national conservation goals and enhances public benefit. The public enjoys access to a considerable part of the charity's land, and benefits from enjoyment of outstanding scenery and rich wildlife. At Haybridge the provision of facilities for the Haybridge Society members and the encouragement of educational visits adds further clear public benefit. The trustees have plans to enhance public enjoyment of their land at Hartley, part of which is already designated as Access Land under the Countryside and Rights of Way Act. It has established a concessionary path along a disused railway line crossing its estate. The charity has worked with Mark Jenkinson at Hartley to deliver a large Countryside Stewardship Higher Tier Scheme across land he rents from the charity.

#### **Achievements and performance**

##### *Significant activities and achievements against objectives*

At Hay Bridge, a huge amount of work resulted in the successful approval of a new 10-year Countryside Stewardship agreement commencing on the 1st of January 2024. This will help fund management and monitoring to further improve this exceptional Nature Reserve.

At Hay Bridge a grant was obtained for Cumbria Wildlife Trust for the creation of six new ponds for the benefit of Great Crested Newts. We have also continued to host a good number of educational group visits including from 'MIND'.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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At Hartley, a Farming in Protected Landscapes Grant was obtained in the previous financial year for the creation of a footpath in the Hartley Lakes Field and also across the higher land for public access. The footpath is now open and there has been good feedback from the local community.

At Hartley we have continued to work closely with our farming tenants, Mark Jenkinson and Roger Smithson to deliver some of our conservation objectives. On our behalf Mark Jenkinson is delivering a Countryside Stewardship Higher Tier scheme which includes the creation of upland wood pasture and restoration of hay meadows.

The Foundation owns a number of houses, farm buildings and industrial units at Hartley. These properties are let to provide income and so support the conservation work of the charity. During the year the houses at Hartley were predominantly occupied and income producing. The Warden now occupies Haybridge House on a service occupancy agreement as part of his employment contract so that there is a permanent presence on the site for both management and security.

#### Financial review

The Trustees have continued to strengthen their policy of strict control over expenditure. Income for the year amounted to £385,451 (2023 - £301,469), including a £159,543 gain on disposal of land no longer required, and expenditure for the year amounted to £213,014 (2023 - £293,689). Excluding the property gain, the charity generated a net surplus before investment gains of £12,894 (2023 - net surplus £7,780).

Total investment gains of £90,378 (2023 - gains of £15,544) were generated in the year.

As a result the charity's total funds stood at £5,595,120 (2023 - £5,332,305) as at 31 March 2024, including unrestricted funds of £5,549,735 (2023 - £5,292,342) and restricted funds of £45,385 (2023 - £39,963). The restricted funds represent the net book value of capital assets acquired as part of the Natural England Higher Level Stewardship Agreement project and unspent funds for the Haybridge Peake's Pond project, the Hartley Lakes Field and Open Access Project, the MIND project and funds received from The Cumbria Wildlife Trust.

The charity's reserves policy has been to maintain unrestricted funds, not committed to tangible fixed assets or investment, equivalent to at least six months expenditure. The basis of this policy being that reserves are needed to meet the cash flow requirements of the charity and the trustees are confident that at this level they would, in the short term, be able to continue the current activities of the charity in the event of a significant drop in funding. A review is currently ongoing to assess whether this policy remains appropriate in light of recent and future expected changes to the charity's income and expenditure.

#### Investment policy and objectives

During the year the charity's financial investments were managed by Hugh Beaumont of Mindful Financial Planning. The investment strategy is reviewed each year. The current investment policy statement includes the following objectives:

- to generate a distributable return, comprising income and capital withdrawals, of at least 2.6% per annum over rolling five year periods to contribute toward the charity's activities;
- to maintain the value of capital in real terms over the medium to long term; and
- to maintain an investment strategy in keeping with the aims of a conservation charity, paying due regard to environmental, ethical and social considerations.

The trustees have appointed Hugh Beaumont of Mindful Financial Planning Ltd, a trading style of Lyncombe Consultants Ltd, a firm authorised and regulated by the Financial Conduct Authority, to act as investment advisor to the charity.

The investment advisor provides quarterly portfolio valuations and comments to the trustees. On at least an annual basis the trustees, in conjunction with the investment advisor, will review the portfolio returns risk and asset allocation, compare the investment returns with a suitable benchmark, rebalance the portfolio as required, replace funds where alternate funds are considered to provide better opportunities, realise profits to replenish the cash reserve as appropriate, and review the portfolio costs and charges.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

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#### Plans for future periods

Our excellent warden, Keith Loxam, decided to retire at the end of August and we welcomed Jim Shaw as his replacement. Our thanks go to Keith for his outstanding work turning Hay Bridge into the amazing reserve that it is today and that is so highly appreciated by so many.

We are developing plans for Jim Shaw to build on Keith's work. These include:

- Ensuring the excellent but complex Countryside Stewardship agreement at Hay Bridge is managed to achieve the best possible conservation results;
- To work with our farm tenants and volunteers at Hartley to enhance the existing nature conservation achievements; and
- To further develop our education and interpretation work at both locations.

In addition we will be working more fully with neighbours and partner bodies to deliver nature recovery at scale around both sites.

A strategy is being considered regarding the residential and commercial property as improvements will be required to keep abreast with the ever evolving regulation surrounding tenanted property.

In respect of Governance and Finance, particular focus is on:

- Reviewing the Trustee Board and terms of office to develop all generations to the Board and the appropriate spread of skill sets for the Charity;
- Ensuring the Charity is seeking appropriate independent advice when required from appropriately qualified advisors in order to address the challenges and requirements expected from a medium sized charity;
- Continuation with the Financial Management improvements identified;
- Implement an appropriate programme of training for Trustees, Staff and Volunteers, and ensure professional advisors can demonstrate an appropriate level of training for their sector.

#### Structure, governance and management

The charity is a company limited by guarantee and is governed by a memorandum and articles of association.

The charity was incorporated on 18 November 2010 and remained dormant until 31 March 2011 when the net assets of a charitable trust known as The John Strutt Conservation Foundation (charity no. 1073619) were transferred to it.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs C Berry

Mrs H Loxam

Mr J S R Elliott

Mr E Hewetson

(Resigned 18 November 2024)

Mr G Broome

(Resigned 18 November 2024)

Dr P Welsh

Mr D Swalwell

Dr S D Ward

(Retired 20 November 2024)

Mrs C Winter

(Appointed 20 March 2024)

#### Recruitment and appointment of trustees

Additional trustees are appointed by the board of trustees and there is no statutory period of service. The memorandum provides for a minimum of three trustees and there is no limitation placed on the maximum number of trustees.

The Trustee skill set was strengthened in March 24 by the appointment of Catherine Winter, retired Head Teacher and career in education, assisting the Charity in developing the educational objectives and strengthening governance.

# **THE JOHN STRUTT CONSERVATION FOUNDATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

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At the periodic trustees' meetings the trustees agree the broad strategy and areas of activity for the charity including the management of its lands and investment assets. The day-to-day administration of the charity's affairs is undertaken by Claire Noble MRICS FAAV of Hewetson & Johnson Limited, Rural Land Agents of Cumbria. The charity's investment portfolio is managed by Hugh Beaumont of Mindful Financial Planning Ltd appointed as the charity's investment advisor. The charity's solicitor is Kilvington Solicitors of Kirkby Stephen. The charity's accountants are Xeinadin.

### *Organisational structure*

The Trustees commenced focus upon improved Governance Structure and Financial Management to ensure the Charity incorporates a modernised structure of Governance and Financial Management to comply with the Charity Commission and RICS requirements. A new structure was agreed and implemented to form two sub groups, 'Governance and Finance' and 'Conservation and Education' sitting below the Main Trustee Board. To ensure the Charity complies with its stated conservation and education objectives and functions/managed in accordance with the Charity Commission and other relevant Regulatory and Advisory bodies.

A review of the Trustee Board was commenced. Education and Governance being an identified area for improvement. Catherine Winter, retired Head Teacher, joined the Board in March 24 to support the Charity in terms of overall Governance and pursuing its Education objectives.

The trustees designated Helen Loxam and Peter Welsh as trustees with special responsibility for their estate at Haybridge, Dave Swalwell as trustee with special responsibility for the land at Hartley and Winton, and Christine Berry as Treasurer.

With the imminent retirement of Hay Bridge Reserve manager, Keith Loxam, discussions took place regarding a future structure and Reserve manager role for JSCF to be implemented in 24/25.

Increased visibility and focus commenced surrounding Financial Management and Reporting. In addition Kenneth Easby (now Xeinadin) was instructed to review our financial procedures and make recommendations for improvement.

### *Induction and training of trustees*

A Training Plan for 24/25 will be considered in specific areas for Trustees, Staff and Volunteers plus ensuring Advisors and Contractors are appropriately 'up to date'.

### *Other matters*

All trustees give their time freely and no trustee remuneration was paid in the year.

The trustees Christine Berry and Simon Elliott are designated as the Trustees to 'oversee' the Management Agents in relation to the Property Management Agreement. They approved the monthly property management fees totalling £32,640 in the financial year 23/24 payable to Hewetson and Johnson Ltd, a professional firm whereby Ed Hewetson is a director and shareholder. A further £21,016 was payable to Hewetson and Johnson for specific projects - the fees being approved by the relevant Trustees responsible for each project.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

# **THE JOHN STRUTT CONSERVATION FOUNDATION**

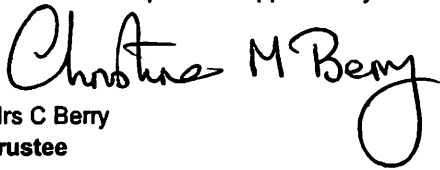
## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024**

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### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

  
Mrs C Berry  
Trustee

29 November 2024



# **THE JOHN STRUTT CONSERVATION FOUNDATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2024***

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The trustees, who are also the directors of The John Strutt Conservation Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE JOHN STRUTT CONSERVATION FOUNDATION

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#### Opinion

We have audited the financial statements of The John Strutt Conservation Foundation (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE JOHN STRUTT CONSERVATION FOUNDATION

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement principal ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charitable sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

# THE JOHN STRUTT CONSERVATION FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE JOHN STRUTT CONSERVATION FOUNDATION

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- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the company's legal advisors and any other relevant regulator or body.

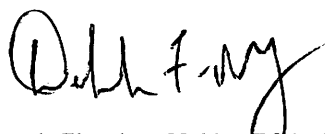
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Deborah Fletcher-McVay FCA (Senior Statutory Auditor)  
for and on behalf of Xeinadin Audit Limited

18/12/24

Chartered Accountants  
Statutory Auditor

Oak House  
Market Place  
Bedale  
North Yorkshire  
DL8 1AQ

# THE JOHN STRUTT CONSERVATION FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<b>Income and endowments from:</b>							
Donations and legacies	3	142	-	142	425	34,795	35,220
Charitable activities	4	69,070	18,015	87,085	55,232	78,357	133,589
Investments	5	138,681	-	138,681	131,643	-	131,643
Other income	6	159,543	-	159,543	1,017	-	1,017
<b>Total income</b>		<b>367,436</b>	<b>18,015</b>	<b>385,451</b>	<b>188,317</b>	<b>113,152</b>	<b>301,469</b>
<b>Expenditure on:</b>							
Raising funds	7	65,228	-	65,228	83,047	-	83,047
Charitable activities	8	131,525	16,261	147,786	136,684	73,958	210,642
<b>Total expenditure</b>		<b>196,753</b>	<b>16,261</b>	<b>213,014</b>	<b>219,731</b>	<b>73,958</b>	<b>293,689</b>
<b>Net gains/(losses) on investments</b>	11	<b>90,378</b>	<b>-</b>	<b>90,378</b>	<b>15,544</b>	<b>-</b>	<b>15,544</b>
<b>Net income</b>		<b>261,061</b>	<b>1,754</b>	<b>262,815</b>	<b>(15,870)</b>	<b>39,194</b>	<b>23,324</b>
<b>Transfers between funds</b>		<b>(3,668)</b>	<b>3,668</b>	<b>-</b>	<b>3,495</b>	<b>(3,495)</b>	<b>-</b>
<b>Net movement in funds</b>		<b>257,393</b>	<b>5,422</b>	<b>262,815</b>	<b>(12,375)</b>	<b>35,699</b>	<b>23,324</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2023		5,292,342	39,963	5,332,305	5,304,717	4,264	5,308,981
<b>Fund balances at 31 March 2024</b>		<b>5,549,735</b>	<b>45,385</b>	<b>5,595,120</b>	<b>5,292,342</b>	<b>39,963</b>	<b>5,332,305</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Entitlements	13		1,600		4,500
Tangible assets	14		1,737,449		1,783,121
Investment property	15		2,890,000		2,890,000
Investments	16		902,337		796,895
			<u>5,531,386</u>		<u>5,474,516</u>
<b>Current assets</b>					
Debtors	17	39,444		58,325	
Cash at bank and in hand		99,321		74,317	
		<u>138,765</u>		<u>132,642</u>	
<b>Creditors: amounts falling due within one year</b>	19	(61,006)		(40,321)	
<b>Net current assets</b>			<u>77,759</u>		<u>92,321</u>
<b>Total assets less current liabilities</b>			<u>5,609,145</u>		<u>5,566,837</u>
<b>Creditors: amounts falling due after more than one year</b>	20		(14,025)		(234,532)
<b>Net assets</b>			<u>5,595,120</u>		<u>5,332,305</u>
<b>The funds of the charity</b>					
Restricted income funds	21		45,385		39,963
Unrestricted funds			5,549,735		5,292,342
			<u>5,595,120</u>		<u>5,332,305</u>

The financial statements were approved by the trustees on 20 November 2024

Mrs C Berry  
Trustee



Mr J S R Elliott  
Trustee



Company registration number 07444213 (England and Wales)

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2024**

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### **1 Accounting policies**

#### **Charity information**

The John Strutt Conservation Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Estate Office, Low Ploughlands, Little Musgrave, Kirkby Stephen, Cumbria, CA17 4PQ.

#### **1.1 Accounting convention**

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investment properties and fixed asset investments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from charitable activities includes rental income net of VAT and government subsidies and is recognised when receivable by the charity. Rental income received in advance at the balance sheet is deferred into the following period.

Investment income, in the form of investment dividends and rental income, is recognised when receivable by the charity.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies (Continued)

#### 1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure which is directly attributable to specific activities has been included in these cost categories.

Expenditure on raising funds represents those costs associated with generating the investment income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

#### 1.6 Intangible fixed assets - entitlements

Entitlements are initially recognised as an asset at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Entitlements are considered to have a useful life of 4 years and are amortised on that basis.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

All assets are capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	Nil
Plant and equipment	15% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The trustees have considered the nature and use of the Foundation's land and buildings. The trustees have always maintained the assets at a high standard for the education and enjoyment of visitors and promotion of the Foundation's aims. In respect of the assets which represent land and other buildings used for the Foundation's educational and conservational aims they consider that depreciation would be inappropriate due to the prospective long life of these assets.

#### 1.8 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### 1.9 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.10 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).



# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

(Continued)

#### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

#### 1.13 Employee benefits

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

#### 1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### **Investment properties**

The fair value of the investment properties has been arrived at on the basis of a valuation carried out as at 31 March 2021 by a Trustee who is an experienced FRICS qualified surveyor and in 2021 had relatively recently been involved with market adjustments, adjusted for capital improvements carried out since 2021. The 2021 valuation was made by reference to market evidence of transaction prices for similar properties for residential properties, and applying appropriate market yields to current net rental income for commercial property units.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	142	-	142	425	34,795	35,220

Restricted donations in the prior year represents funds received following the closure of The Haybridge Nature Reserve Society charity in September 2022. The Society's activities have been taken on and are financed through the funds donated and ongoing membership fees.

### 4 Income from charitable activities

	2024 £	2023 £
Rental income	33,116	38,202
Government subsidies and other income	20,137	17,709
Performance related grants	15,832	77,678
Easement fees	18,000	-
	<u>87,085</u>	<u>133,589</u>
<b>Analysis by fund</b>		
Unrestricted funds	69,070	55,232
Restricted funds	18,015	78,357
	<u>87,085</u>	<u>133,589</u>

### 5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	121,853	119,140
Income from listed investments	16,474	12,455
Interest receivable	354	48
	<u>138,681</u>	<u>131,643</u>

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	159,543	1,017

### 7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Trading costs		
Investment property running costs	49,715	41,804
Investment property repairs and maintenance	13,939	39,656
	63,654	81,460
Investment management	1,574	1,587
Total costs	65,228	83,047

### 8 Expenditure on charitable activities

	2024 £	2023 £
Direct costs		
Staff costs	26,150	26,150
Depreciation and impairment	9,315	9,877
Repair, maintenance and conservation costs	35,109	101,080
Operational costs	8,406	13,122
Support costs	68,806	51,234
Irrecoverable VAT	-	9,179
	147,786	210,642
Analysis by fund		
Unrestricted funds	131,525	136,684
Restricted funds	16,261	73,958
	147,786	210,642

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 8 Expenditure on charitable activities

(Continued)

Support costs includes amounts payable to the auditors of £7,250 (2023 - £6,825) for the audit and preparation of the annual accounts and £6,316 (2023 - £3,412) for other accountancy services.

Also included in support costs is £14,220 interest payable (2023 - £10,206) in relation to a bank loan repaid in the year and a bounce back loan taken out in 2021.

### 9 Trustees

None of the trustees (or any person connected with them) received any remuneration during the year. Travel expenses, subsistence and other expenditure on behalf of the foundation totalling £956 (2023 - £371) has been reimbursed to three trustees in the year (2023 - two trustees) in their capacity as trustees.

### 10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Warden	1	1
Employment costs	2024 £	2023 £
Wages and salaries	24,150	24,150
Other pension costs	2,000	2,000
	26,150	26,150

There were no employees whose annual remuneration was more than £60,000.

### 11 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	90,378	(71,037)
Revaluation of investment properties	-	86,581
	90,378	15,544

### 12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 13 Intangible fixed assets

	Entitlements £
<b>Cost</b>	
At 1 April 2023	6,000
Disposals	(2,800)
At 31 March 2024	3,200
<b>Amortisation and impairment</b>	
At 1 April 2023	1,500
Amortisation charged for the year	800
Disposals	(700)
At 31 March 2024	1,600
<b>Carrying amount</b>	
At 31 March 2024	1,600
At 31 March 2023	4,500

### 14 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2023	1,749,448	57,149	20,525	1,827,122
Additions	-	1,416	-	1,416
Disposals	(40,673)	-	-	(40,673)
At 31 March 2024	1,708,775	58,565	20,525	1,787,865
<b>Depreciation and impairment</b>				
At 1 April 2023	-	35,004	8,997	44,001
Depreciation charged in the year	-	3,533	2,882	6,415
At 31 March 2024	-	38,537	11,879	50,416
<b>Carrying amount</b>				
At 31 March 2024	1,708,775	20,028	8,646	1,737,449
At 31 March 2023	1,749,448	22,145	11,528	1,783,121

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 15 Investment property

	2024 £
<b>Fair value</b>	
At 1 April 2023 and 31 March 2024	2,890,000

Investment properties are measured at fair value, with changes in fair value being recognised in net income/ (expenditure). The fair value of the investment properties has been arrived at on the basis of a valuation carried out as at 31 March 2021 by a Trustee who is an experienced FRICS qualified surveyor and in 2021 had relatively recently been involved with market adjustments, adjusted for capital improvements carried out since 2021. The 2021 valuation was made by reference to market evidence of transaction prices for similar properties for residential properties, and applying appropriate market yields to current net rental income for commercial property units.

#### 16 Fixed asset investments

	Listed investments £	Investment cash £	Total £
<b>Cost or valuation</b>			
At 1 April 2023	781,914	14,981	796,895
Additions	2,427	12,637	15,064
Valuation changes	90,378	-	90,378
At 31 March 2024	874,719	27,618	902,337
<b>Carrying amount</b>			
At 31 March 2024	874,719	27,618	902,337
At 31 March 2023	781,914	14,981	796,895

All investments are carried at their fair value. Investments in equities, fixed interest and other securities are all traded in quoted public markets for which market prices are readily available.

#### 17 Debtors

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Other debtors	16,779	8,472
Prepayments and accrued income	22,665	49,853
	39,444	58,325

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 18 Loans and overdrafts

	2024 £	2023 £
Bank loans	22,040	242,547
Payable within one year	8,015	8,015
Payable after one year	14,025	234,532
Amounts included above which fall due after five years:		
Payable other than by instalments	-	212,490

### 19 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	18	8,015	8,015
Other taxation and social security		-	1,521
Trade creditors		27,315	8,051
Other creditors		5,489	5,489
Accruals and deferred income		20,187	17,245
		61,006	40,321

### 20 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	18	14,025	234,532

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Natural England - Higher Level Stewardship Scheme	1,212	-	(174)	-	1,038
Peakes Pond Haybridge	2,847	-	-	-	2,847
Haybridge Nature Reserve	29,044	2,183	(1,700)	-	29,527
Hartley Lakes Field & Open Access Project	1,406	(3,668)	-	3,668	1,406
Haybridge BEATA Habitat Assessment	5,454	-	(5,454)	-	-
MIND project	-	1,500	-	-	1,500
Cumbria Wildlife Trust - Great Crested Newts	-	18,000	(8,933)	-	9,067
	<u>39,963</u>	<u>18,015</u>	<u>(16,261)</u>	<u>3,668</u>	<u>45,385</u>
<b>Previous year:</b>	<b>At 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>At 31 March 2023 £</b>
Natural England - Higher Level Stewardship Scheme	1,417	-	(205)	-	1,212
Peakes Pond Haybridge	2,847	-	-	-	2,847
Haybridge Nature Reserve	-	35,474	(6,430)	-	29,044
Hartley Lakes Field & Open Access Project	-	72,224	(67,323)	(3,495)	1,406
Haybridge BEATA Habitat Assessment	-	5,454	-	-	5,454
	<u>4,264</u>	<u>113,152</u>	<u>(73,958)</u>	<u>(3,495)</u>	<u>39,963</u>



# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

### 21 Restricted funds

(Continued)

The Natural England Higher Level Stewardship Scheme fund relates to the Haybridge Moss and Hulleter Moss project. The remaining balance within this fund represents the net book value of capital assets that were acquired and created as a result of the project.

The Peakes Pond Haybridge fund relates to a legacy that was left for the benefit of Haybridge.

The Haybridge Nature Reserve fund comprises monies received following the closure of The Haybridge Nature Reserve Society together with subsequent membership fees which are to be spent on conservation of the Haybridge Nature Reserve and for the benefit of the members.

The Hartley Lakes Field & Open Access Project comprises grant income received from the North Pennines AONB Partnership for farming in protected landscapes.

The Haybridge BEATA Habitat Assessment fund includes income receivable from Countryside Stewardship for the purpose of conducting a feasibility study. This was fully expended at the year end.

A donation was received from The Rawdon - Smith Trust to be spent on the MIND project at Haybridge.

A grant was received from Cumbria Wildlife Trust to create and improve habitat for Great Crested Newts in Cumbria, this project was ongoing at the year end.

### 22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>At 31 March 2024:</b>			
Intangible fixed assets	1,600	-	1,600
Tangible assets	1,736,461	988	1,737,449
Investment properties	2,890,000	-	2,890,000
Investments	902,337	-	902,337
Current assets/(liabilities)	33,362	44,397	77,759
Long term liabilities	(14,025)	-	(14,025)
	<u>5,549,735</u>	<u>45,385</u>	<u>5,595,120</u>

# THE JOHN STRUTT CONSERVATION FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 22 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>At 31 March 2023:</b>			
Intangible fixed assets	4,500	-	4,500
Tangible assets	1,781,959	1,162	1,783,121
Investment properties	2,890,000	-	2,890,000
Investments	796,895	-	796,895
Current assets/(liabilities)	53,520	38,801	92,321
Long term liabilities	(234,532)	-	(234,532)
	<u>5,292,342</u>	<u>39,963</u>	<u>5,332,305</u>

### 23 Related party transactions

During the year the charity incurred management fees totalling £53,646 (2023 - £34,000) payable to Hewetson & Johnson Limited, a professional firm in which Ed Hewetson is a director and shareholder. The fees were charged on a commercial basis for land agent and property management services provided.