

The Countryside Regeneration Trust Ltd
(A COMPANY LIMITED BY GUARANTEE)

Trustees' Report
and Financial Statements
for the year ended 31 March 2024

Registered number: 07320026
Charity number: 1142122



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Reference and administrative details of the charity, its trustees and advisers for the year ended 31 March 2024

Trustees	Sue Everett – Chair of CRT Trustees N Watts, MBE D Mills, MBE W Cross G Girling T Scott S Everett C Halsey (appointed 17 April 2023, resigned 30 October 2023) D Fisher (appointed 18 September 2023, resigned 5 July 2024) S Fell (appointed 18 September 2023, resigned 11 March 2024) S Lake (appointed 18 September 2023) J Armstrong (appointed 18 September 2023) P Hermann (appointed 18 September 2023)
Company registered number	07320026
Charity registered number	1142122
Registered office	Unit 12 Bennell Court West Street Comberton Cambridge CB23 7EN
Chief Executive Officer	Danielle Dewe
Patrons	Sir J Porritt, CBE – Environmental Patron B Jackman – Dorset Patron Hugh Fearnley-Whittingstall – Patron of Food and Farming C Shuttleworth

Independent auditors

Peters Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
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CB1 2LA

Bankers

Lloyds Bank PLC
Gonville Place
95-97 Regent Street
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HSBC UK Bank PLC
18 North Street
Bishops Stortford
Hertfordshire
CM23 2LP

Triodos Bank
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BS1 5AS

Solicitors

Mills & Reeve
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Investment Management

Rathbones
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Trustees' report for the year ended 31 March 2024

The Trustees are pleased to present their annual report together with the audited financial statements for the period 1 April 2023 to 31 March 2024, which are also prepared to meet the requirement for a directors' report and accounts for Companies Act purposes.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102).

Objectives and Activities

Our Mission:

Our mission is to champion productive, wildlife-friendly farming to support a living, working countryside and to reverse the decline in biodiversity.

Our Purposes as per Governing Document:

The Countryside Regeneration Trust is the new name of The Countryside Restoration Trust, which was founded in 1993 in response to growing fears about the impact of intensive and industrialised farming on the countryside.

Our purpose is to be a champion of biodiversity, regenerating farming landscapes and woodlands for wildlife whilst promoting sustainable farming practices.

We own 17 properties across England and our farmers work with conservation staff and volunteers to promote wildlife-friendly farming practices on more than 2,000 acres of working farms, smallholdings, and woodland across the country.

On some of our properties we restore disused farm buildings, making spaces for small rural businesses. Through education and engagement, we inspire people to understand and appreciate the importance of wildlife to farming, food, the natural environment, and wellbeing.

Against the backdrop of climate change and the continued growth of industrialised farming, our work has never been more relevant or important.

Our Objectives:

The objectives of the charity are:

To advance the education of the public in the conduct of farming and forestry operations in harmony with the preservation, conservation, restoration, maintenance, and improvement of the aesthetic appearance of the rural landscape, and of agricultural land and woodland.

To provide and foster the provision, by others, of natural countryside habitats within working farms and commercial woodland in which the widest possible variety of wild animals, birds, aquatic and plant life can flourish.

Strategies for Achieving Objectives

Our Strategic Aims:

The strategic aims of the Trust are:

1. To protect and restore the UK's countryside with wildlife friendly and sustainable agriculture.
2. To establish farms which demonstrate how to protect wildlife, produce quality food, and preserve our countryside for future generations, using sensitive farming methods.
3. To promote the importance of a living and working countryside through education and community engagement.

Our Indicators of Success:

We have three key indicators of success:

1. Maintenance and improvement of nature, evidenced by data on habitats and species associated with our properties.
2. More people engaging with nature and the countryside through community activity, education, events, and volunteering.
3. More local and national recognition, stronger working relationships and partnerships with community groups, corporates, and like-minded charities.

Our contribution to the Public Benefit:

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit including 'Public Benefit: running a charity (PB2)'. All our charitable activities are undertaken to further our charitable purposes for the public benefit. The main areas of charitable activity are Conservation and Education.



Chair's introduction

Sue Everett

I am delighted to present this Annual Report on behalf of the Trustees, outlining the work of the Countryside Regeneration Trust (CRT) and the continuing progress made to modernise the charity and increase its effectiveness.

The priority for 2024 is to develop a fiscally sustainable business model for the charity that will enable us to do our job well, supported by our dedicated staff, forward-thinking farmers and valued contractors who are committed to nature-friendly and regenerative farming and woodland management.

During 2023, the CRT continued to audit our land and properties, identifying where and how we can make the greatest positive difference. As an example, the Trustees have identified Pierrepont Farm, Surrey, for priority investment. Farming practices and nature recovery could be better integrated here, alongside improving engagement with the local community and providing workspaces for craftspeople and other rural businesses.

The CRT owns working farms and woods where we maintain and restore nature and nature-rich landscapes. Through knowledge sharing and advocacy, we also encourage the public, land managers and owners to understand and embrace nature-friendly farming and woodland management

VIEW ACROSS BERE MARSH FARM

Operational objectives of the Countryside Regeneration Trust

- To demonstrate how working farms can provide many ecosystem services that humans enjoy, and that people and nature depend upon, including a liveable climate, healthy soil, food, and water.
- To maintain, restore and create habitats and spaces for nature, especially species and habitats that are threatened or have declined across British farmland since the 1960s, and to monitor and showcase what our farms deliver.
- To support local food-based businesses and engage local communities in caring for the farmed countryside and its wildlife.
- To produce healthy food for local consumption and provide opportunities for rural businesses.
- To provide opportunities for local people to help care for our land and learn about the farm, its landscape and wildlife. We will reach out to communities around our farms to improve understanding about the role of our farms and the benefits they provide.
- To work in partnership with other local farming and environmental organisations to deliver benefits associated with a vibrant, nature-friendly farmed landscape across the wider landscape and locality.

To realise our vision for Pierrepont Farm, the Trust has entered a new Farm Business Tenancy with an energetic and nature-friendly young farmer, Kayleigh Robb.

Together with Kayleigh, the Trusts' Pierrepont Jersey herd has been retained, but the overall herd size present before April 2024 has been reduced.

Kayleigh has already begun to introduce regenerative farming practices that are more in keeping with the capabilities of the land and soil, and its location within an internationally important wildlife area. She will also be working with us to restore a traditional parkland landscape in the central part of the farm that will be grazed by the CRT's Jersey herd and her small sheep flock.

Exciting new plans are also moving forward to restore the derelict and historic Grain Barn for additional rural and craft-based businesses and support other business operating in the Old Courtyard artisan business hub. Income generation from these investments and improving

engagement with the local community will help to futureproof both Pierrepont Farm and the Trust, while helping to create a living, working countryside. The charity relies upon a small but dedicated team of staff and during the year, two critical roles to our operations were recruited, Helena Darragh as Head of Conservation and Land Management and Kerriann McLackland as Head of Estates. The Trustees are also aware of the huge amount of donated time and expertise provided by our army of volunteers. Led by Volunteer Manager, Hannah Bosence, they provide time, energy, good humour, and muscle power, doing a multitude of tasks from making wildlife boxes from reclaimed wood to wildlife monitoring and hedge-laying.

The Trustees are under no illusion that the future will be easy. Inflation and the cost-of-living crisis is affecting most charities as personal incomes are squeezed, and the price of goods, fuel and materials has risen.



PIERREPONT FARM

We are acutely aware of the heavy reliance of the Trust on short-term 'bursts' of income from one-off property sales and legacies, as well as many unforeseen costs related to building and land emergencies and maintenance.

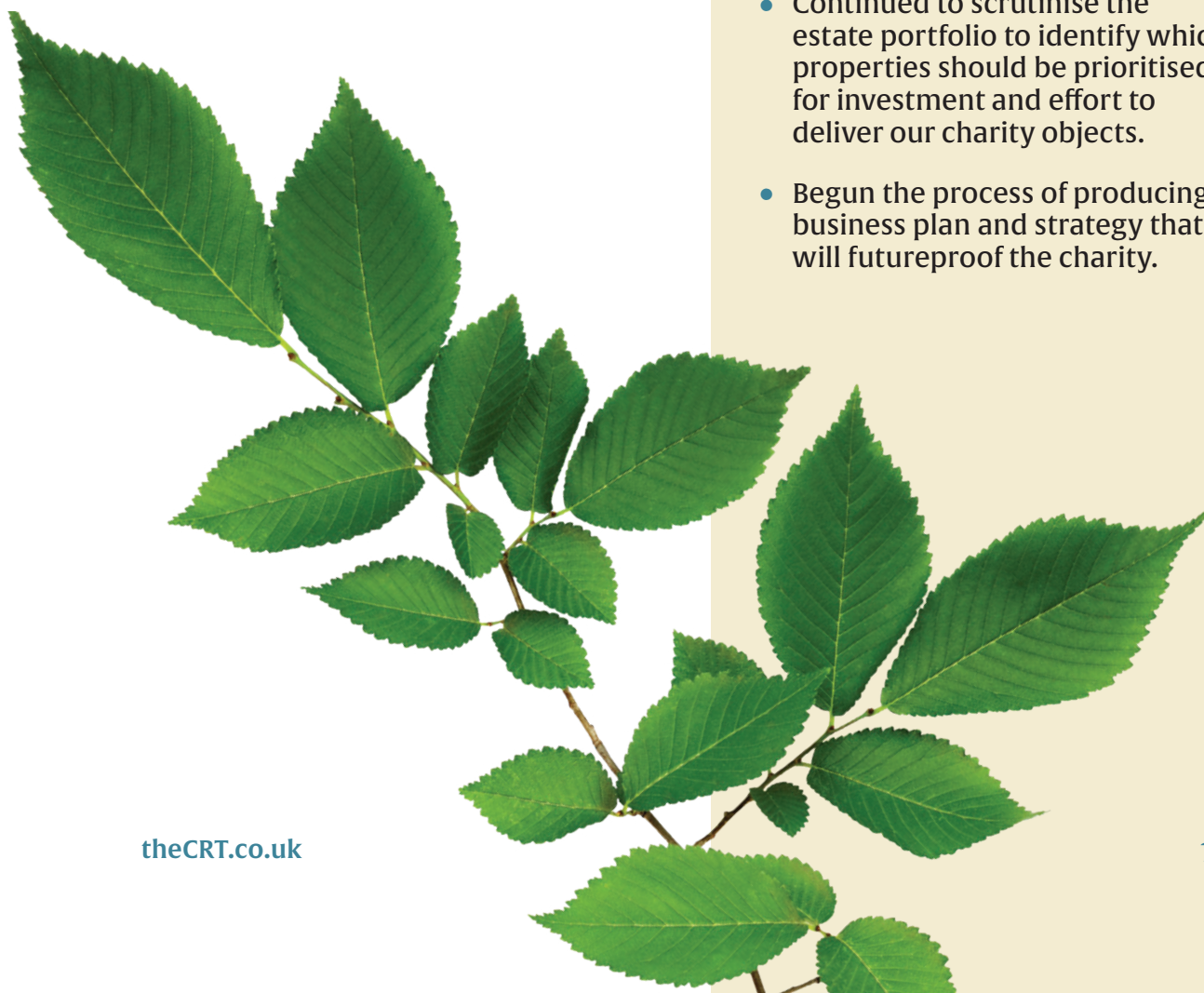
The business planning process currently underway will evidence a sound strategy for fiscal sustainability that will aim to maintain and build upon the achievements we have made and ensure the Trust can continue to inspire, act, and improve conditions for nature in the farmed landscape.

As Chair of the Trustees, I and the Trustees remain committed to the charity and its important work, whether that is actions 'on the ground' or advocacy for nature and sustainable farming at a time of crisis for both wildlife and the food-farming system. We offer our thanks to the Trust's impressive team of nature-friendly farmers, staff, volunteers and Friends and the support you have all provided.

The year in view

The Trust has:

- Improved our administration, financial reporting, data, and IT management.
- Improved charity governance.
- Strengthened and professionalised staff capability and capacity, especially for conservation, estate management, governance and engagement and improving the support offered to all our staff.
- Continued with mapping and auditing of the estate.
- Improved community engagement and invested in growth of CRT 'Friendships'.
- Continued to scrutinise the estate portfolio to identify which properties should be prioritised for investment and effort to deliver our charity objects.
- Begun the process of producing a business plan and strategy that will futureproof the charity.





Achievements and performance

Improving governance

Six main actions were completed:

- The Board of Trustees has been strengthened.
- A Committee structure was introduced.
- Articles of Association have been modernised and updated to meet current charity best practice and legal guidance.
- Guidance on CRT governance has been drafted.
- Effective administration of governance was introduced via the appointment of a Clerk to the Trustees.
- John Armstrong was appointed Treasurer, fulfilling an essential role.

Five new Trustees were appointed – all with excellent skill sets that have complemented those of the existing Trustees. By June 2023, there was a complement of 11 Trustees. However, three of the new Trustees resigned between November 2023 and July 2024 for personal and work reasons.

Although they were only able to serve for a brief period, their input was greatly valued. Caz Halsey played a vital role in governance improvement, while Duncan Fisher created an improved and secure IT system and intranet for staff and Trustees. A further recruitment process is ongoing (June 2024) to fill skill gaps and we continue to seek a Trustee with expertise in land-based education. As four of the longest-serving Trustees step down in November 2024, Trustees with farming, forestry and conservation skill sets are wanted to fill the gap they will leave.

New committees

To reduce the workload and streamline the work of the Board, four new committees were established and these meet regularly to consider specific business. These are:

GOVERNANCE

In the Chair: Susan Lake

ESTATES

In the Chair: Sue Everett

FINANCE

In the Chair: John Armstrong

BUSINESS

In the Chair: Duncan Fisher;
John Armstrong, from June 2024

Articles of Association

Following legal advice, an updated set of Articles was adopted by Members (the only Members are the CRT Trustees). The Articles follow best practice guidance and use a model provided by the Charity Commission.

Guidance on CRT Governance

The preparation of this guidance provides an essential aide memoire for new and existing trustees, covering conduct, the committee structure, honorary roles, and other matters.

Administering governance

Lucy Nightingale was appointed as Clerk to the Trustees and now provides competent and efficient service for the Board and its committees.

Conservation, land, and estate management

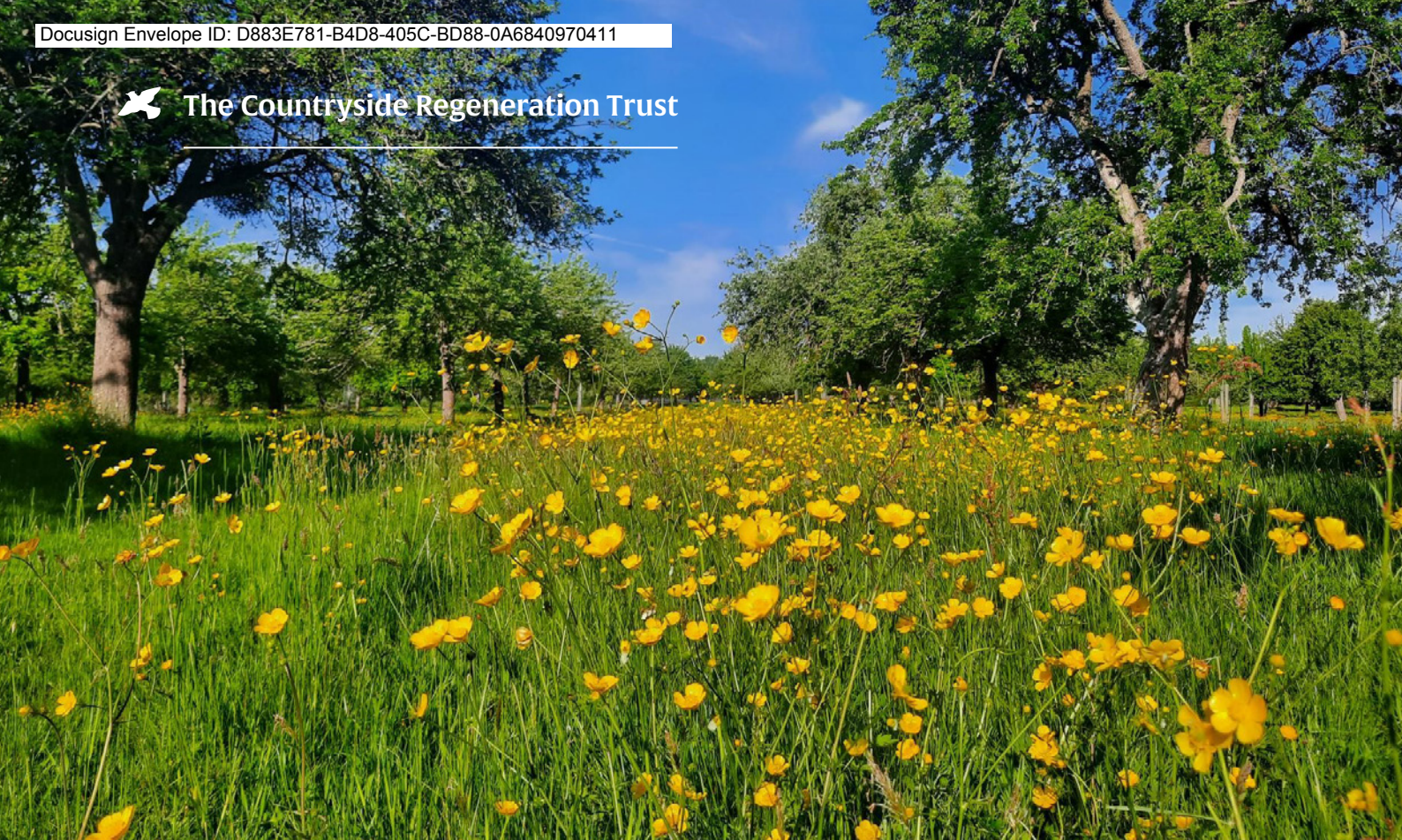
The Trust recruited Helena Darragh as Head of Conservation and Land Management in February 2024. One focus of this role has been to bring together and coordinate the work of the existing Conservation and Land Management (CLM) Team, based in several counties, and covering a range of CRT properties.

To improve communication between our geographically spread out CLM Team, it now meets regularly online and in-person every quarter at a property. This promotes knowledge sharing and supports conservation delivery across the estates.

Historically, there has been a large focus on the CLM team to monitor species and support groups of volunteers in routine management. Although these elements remain an important part of the CLM team remit, with the arrival of Hannah Bosence as Volunteer Manager in late 2023, and Helena, the CLM team now has greater capacity to take stock of current management, identify opportunities for improvements and changes that can be actioned as part of a wider and more coordinated strategy to deliver nature-friendly farming and land management across all of the CRT properties.

HELENA DARRAGH
TAKING PART IN A
NEWT SURVEY





ORCHARD AT AWNELLS FARM

Surveys and baselines

In addition to regular butterfly, bee and bird surveys carried out by CLM staff at Lark Rise, Bere Marsh Farm, Turnastone Court and Awnells, this year, the CLM team have embarked on a medium-term plan (expected to take three years) to generate accurate habitat baselines and grassland condition assessments across all CRT properties. This started on four properties this summer – Bere Marsh Farm, Lark Rise Farm, Turnastone Court Farm and Pierrepont Farm.

Attaining accurate baselines is critical to enable the CRT to identify appropriate management to meet objectives for environmental improvement and nature-friendly farming, either through maintaining what exists on-site or restoring it elsewhere. Subsequent properties will be surveyed following the same method, so the baselines are standardised across all properties in the next two to three years.



CRT CONSERVATION & MAPPING OFFICER RUTH MOSS
WORKING ON A GRASSLAND SURVEY AT LARK RISE FARM

Government-funded environmental farming schemes

These schemes provide support to farmers to deliver nature-friendly farming, improvements for nature and support to wider environmental objectives, such as reducing pollution to rivers.

Babers Farm and Harmshay, Mayfields Farm and Green Farm all have current Environmental Stewardship agreements, which have been reviewed and claims adjusted to reflect current management in 2024.

A claim has been made for work completed under a Countryside Stewardship Capital Items agreement on Babers Farm and Harmshay, which has improved the wildlife value on several hedges and aided access between fields.

Pierrepont Farm has inherited the remainder of 2024 under the previous tenant's Mid-Tier Countryside Stewardship scheme. The CRT will support Kayleigh Robb in her applications for comprehensive Sustainable Farming Incentive and Countryside Stewardship agreements, to start 2025.

CLM staff are also supporting our tenants at Brays Farm with their Sustainable Farming Incentive application.

The CLM team will continue to work with CRT tenants and graziers to help them secure suitable Environmental

Stewardship and SFI agreements, which make the best use of this government support and will deliver results for nature and biodiversity across our properties.

Conservation and land management plans

Another priority for the CLM team is to develop management plans for each property, detailing the natural features represented, a short history from acquisition to present day, and a status report on the environmental quality of the holding.

Importantly, the plans will set out a framework for maintaining and improving landscape and wildlife on each holding and support the justification of conservation projects bespoke to each property, based on its unique characteristics.

In 2024, the CLM team set about completing these plans for four key properties – Bere Marsh Farm, Lark Rise Farm, Turnastone Court Farm and Pierrepont Farm, with the roll out of management plans for the remaining properties to be similarly phased with the surveying and baseline work over the coming couple of years.

SHEEP AT
TURNASTONE
COURT FARM



Opportunities for nature recovery and nature-friendly farming

Pierrepoint Farm

- Species-rich parkland fields managed with conservation grazing (mob grazing).
- Restoration of Pierrepoint SSSI water meadow and neighbouring water meadow to be managed similarly for the benefit of nature.
- Calf-at-foot micro dairy, selling milk and added value products direct to the consumer.
- Woodland managed for wood products and biodiversity – chestnut coppice.

Bere Marsh Farm

- Floodplain meadow restoration.
- Wet grassland and scrubland creation.

Turnastone Court Farm

- Pending a new tenant to start their journey with the CRT.
- Floodplain meadow restoration.
- Species-rich grassland creation across much of the grassland featuring yellow meadow ants.
- Orchard – floral enhancement to sward, plus opportunities to sell added value products.

Green Farm

- Heathland restoration across areas of the site for reptiles, lizards and butterfly species reliant on heath habitat.
- Numerous opportunities for partnership working in Surrey.
- Chestnut coppice offering sustainable product and conservation habitat.



SWALLOW-TAILED MOTH



CRT CONSERVATION OFFICER DR VINCE LEA
WITH ONE OF THE MINK TRAPS

Mink eradication

The CRT continues to play a pivotal role in the eradication of American mink. Grant funding to support members of the CRT CLM team to continue to monitor traps and record sightings across much of East Anglian for the coming year has been generously awarded by the Cambridgeshire Community Foundation's Anglian Water Invasive Species fund by £6,597 and the Dulverton Trust by £35,520.

In Cambridgeshire this year, a total of nine mink have been caught. This is a significant decrease compared to the 150 trapped in 2021 when the project began. Currently, there are over 100 active traps managed by CRT conservation staff and a network of volunteers.

Further evidence of the project's effectiveness is the accidental capture of water voles at several different river locations around Cambridgeshire. These voles are, of course, released unharmed.

Project success:

9 mink caught in Cambridgeshire this year, compared to **150** in 2021.

Working with our volunteers



Volunteers are active on many of our farms, and between them, hold a huge amount of knowledge. Some have been involved since the early days of the CRT and were recruited by founder Robin Page.

John and Christine Dunn, who lead the Margaret Wood volunteers in Yorkshire, went with Robin to look at the site before the CRT took it on. There is a huge sense of fondness and ownership of the CRT sites, and they mean a lot to those who help look after them. For these longer-serving volunteers, many feel a sense of ownership towards the farms and are very protective of them.

New volunteers continue to get in touch, which is wonderful to see. There is increasing awareness of environmental and agricultural problems and people are keen to do their part to help. Involvement with volunteering leads to a greater understanding of natural processes and wildlife and is excellent for people's wellbeing. In a time when





people are feeling the strains of the modern world, the peace of checking a nestbox, building a dead-hedge or coppicing some willow gives a quiet sense of achievement that is very valuable.

The hours they put in can also have a price. While many volunteers are those enjoying early retirement, we also have corporate groups and students, so the demographic runs from 18 to 80. Our recording of their hours has not previously been very accurate, but we are working to improve this. A quick look at the first three months of 2024 gives us approximately 1,628 volunteer hours. If you calculate this as minimum wage at $\text{£}11.44 \times 1,628$, then that is a benefit of $\text{£}18,624$.

There is an appetite for more too. The volunteers from all farms have asked for more direction and clarity from the CRT so they understand how their work fits into the bigger picture. We aim to support, celebrate and encourage them going forwards.

Hard work at our farms:

1,628 volunteer
hours



Growing our Friendships

Many CRT Friends are longstanding, and many have generously supported the charity for decades with unwavering, like-minded advocacy of sustainable regenerative farming practices that can help recover native British wildlife.

The CRT's regenerative farming success stories continue to be featured in the CRT's bi-annual magazine, the Lark, which is sent to all CRT Friends, supplemented by monthly e-newsletters.

The passing of CRT founders, Gordon Benningfield (1998) and latterly Robin Page (2023), with their editorial access to traditional national media has changed how the CRT attracts new Friendships. In June 2022, and based on the charity's educational remit, the CRT appointed a Community Engagement Manager based in Dorset to encourage local communities within a 25-mile radius of the charity's

farms to support the CRT through Friendships and donations.

Ever mindful of travel costs, face-to-face community engagement has mostly but not exclusively, been centered around CRT's Bere Marsh Farm in Dorset, where infrastructure is in place to offer hospitality that meets visitors' base expectations.

The approach has been to engage local communities through:

- **Attending and supporting local external events (e.g. village fetes) with a CRT stand.**
- **Giving talks to local groups and societies.**
- **A structured programme of 'on farm' nature interest walking events.**
- **A structured programme of 'on farm' creative workshops.**
- **Hosting 'on farm' private group nature walks for local groups and societies.**

Cost effective and carefully targeted, the 'on farm' events have been promoted and fully supported by the CRT's small in-house marketing team.

In April 2023, the CRT realised the ambition of converting a horse trailer into The Buzz Café at Bere Marsh Farm. Operated by a locally based franchisee opening at weekends and for CRT events between April and September, The Buzz Café has provided an invaluable new focal point for community engagement, both in terms of casual visitors walking the North Dorset Trailway and CRT events.

The period from 2023 to 2024 heralded a significant uplift year-on-year in the number

of events and creative workshops attended (58) by the Community Engagement Manager. The 2023/24 programme was further enhanced by securing the services of specialist walk leaders on a voluntary basis, with specific subject expertise.

Every private group/society walk hosted in 2023/24 made a discretionary donation to the CRT. It is well documented in reports produced by organisations like the Charities Aid Foundation (CAF) that charitable giving was negatively impacted during and post Covid, with a return to some semblance of normality predicted from 2025 onwards. Despite this, 144 new people chose to become a Friend of the CRT in 2023/24.





The challenges we have faced

WESTFIELD AT LARK RISE FARM

The CRT is conducting an environmental audit to update information about all our land.

This will help create a robust and tailored Conservation Management Plan for each location based on its habitat, the type of farming it supports, and the biodiversity that exists there. To do this successfully, we need detailed evidence on key indicators, such as soil health, habitats, and species, so that we can identify the right actions to maximise wildlife opportunities at every CRT location.

This is a large-scale monitoring audit across many geographically spaced locations, so it will take time to assemble and fully analyse. Our starting efforts are focused on our flagship holdings. However, once completed, this audit will provide us with the necessary information to produce a blueprint for every CRT property, which we can use to help educate others on how to follow our lead.

MUSK BEETLE

East-West Rail at Westfield

Westfield, part of Lark Rise Farm in Cambridgeshire, is facing the threat of a proposed railway line – a plan put forward by East-West Rail Company (EWR Co). We estimate this could render approximately 50-60 acres of the 120-acres unusable for wildlife or agriculture. The land was purchased in 2000, when it was one large field. We have since segmented it into four smaller parcels of land to introduce more wildlife habitat.

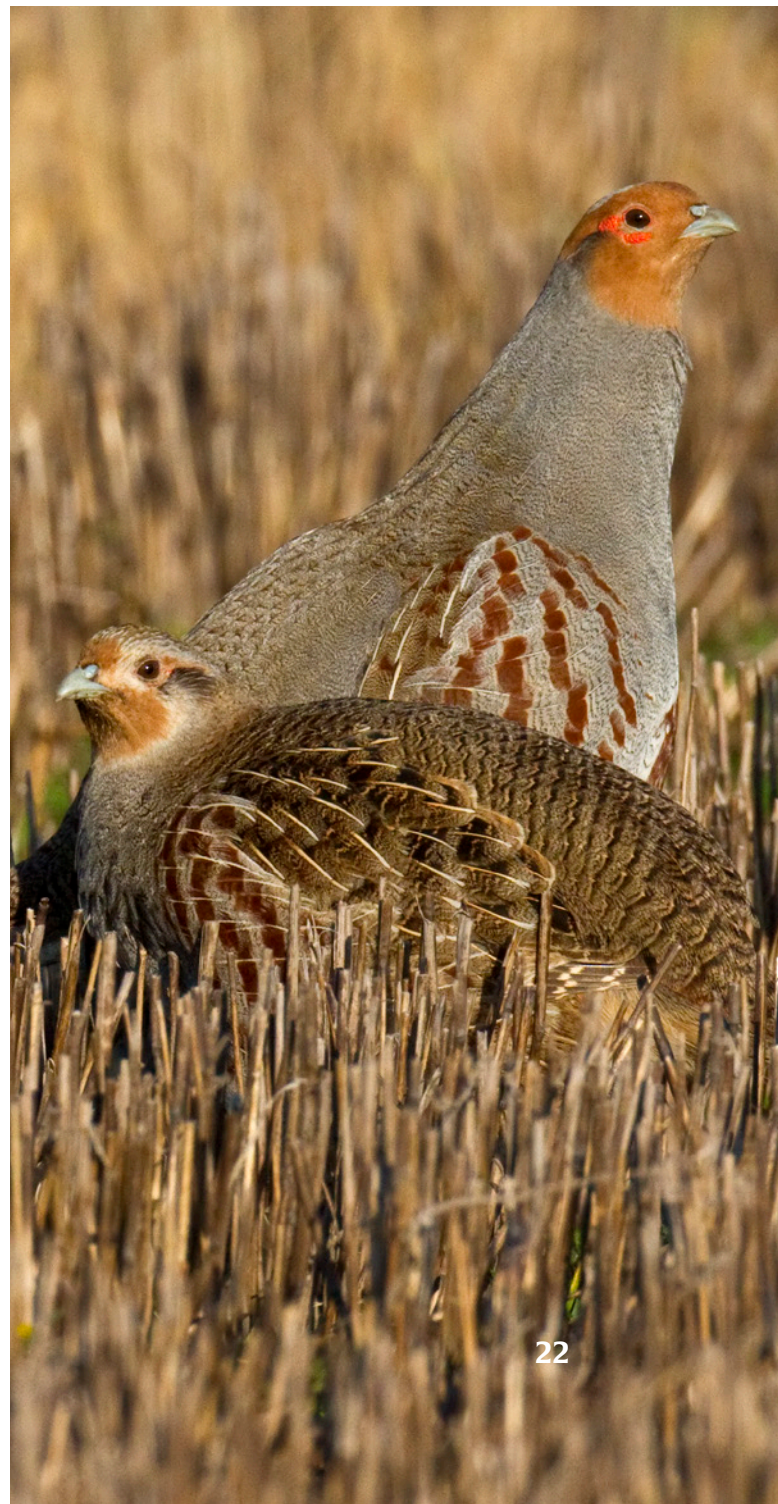
The land features large areas of mixed hedgerow, beetle banks, grass margins, a section of the Bourn Brook, and crop fields. Westfield is significant for many farmland bird species that are in serious decline, including Red-listed birds, such as the grey partridge, lapwing, skylark, linnet, yellowhammer, and corn bunting. Our surveys show that Westfield bucks the national trend for the decline of these species. It is also a favoured winter roost for Golden Plover.

One of the important differences between CRT farming and standard arable farming is our high proportion of overwintered stubble and the use of direct drilling (no tillage) to grow crops from one year to the next. This provides important seed and invertebrate food for birds to help them survive the winter. In addition, specific areas of overwintered seed crops are left for birds and grain is provided at feeding stations designed for gamebirds. The trend for wintering birds at Westfield has been steadily increasing, and without this winter food, many species would suffer significantly.

Initial ecological surveys undertaken by East-West Rail have been disappointingly poor, having failed to identify the vital contribution this CRT land makes to farmland wildlife in this part of

Cambridgeshire. The CRT has joined with other groups to oppose the southern route, which will cost more money and cause greater damage to wildlife sites than the alternative northern route, which was recommended by East-West Rail's own consultants.

GREY PARTRIDGES



Butterfly monitoring

Butterflies have been monitored at Westfield since 2002, contributing data to the United Kingdom Butterfly Monitoring Scheme (UKBMS). Twenty-six species are currently listed as recorded on site (data entered up to 2022), but in 2023, a 27th species, the Silver-washed Fritillary, was recorded. Two of these - white-letter hairstreak, and small heath, are priority species in the UK Biodiversity Action Plan. The range of species is very impressive for a small farm site, partly a reflection of a long history of recording, but also reflecting the range of wildflowers and habitats on site. The numbers of butterflies on site are also impressive and steadily rising.

Mammal observations

Many mammal species have been observed at Westfield, with important populations of harvest mice, brown hare, water vole, and otter, as well as an extensive badger sett. Bats have not been studied in detail, but bat monitoring at the nearby area of CRT farmland in Barton has shown our sympathetic management has increased the abundance and diversity of bats. This includes species such as Serotine, Noctule, Brown Long-eared Bat, Common and Soprano Pipistrelle, and most notably the Barbastelle Bat.

Rare weeds

Arable weeds are actively encouraged. Some of these are of Conservation Concern due to serious declines in range and number. In addition to the rare arable weeds, large numbers of common species are also allowed to flourish, providing food for abundant invertebrates and seeds and forage for birds and small mammals.

We will continue to monitor the plans as they are released by EWR Co. and are in dialogue with them about the importance of farmland to wildlife. In early summer this year, we guided two members of the EWR Co. environmental team around Westfield to show them the extent of its wildlife and press home our concerns about the impact the railway line would have.

East-West Rail Company's plans could make
50-60
acres of land at Lark Rise Farm unusable for wildlife or agriculture

BARBASTELLE
BAT





FLOODING AT WESTFIELD MEADOW,
LARK RISE FARM, IN FEBRUARY 2024

Wet weather brings farming issues

The unusually wet weather during Winter 2023 and Spring 2024 posed significant challenges for many of our farmers. At Lark Rise Farm in Cambridgeshire, there were difficulties in planting spring crops due to flooded land, which made it impossible to use heavy machinery, even on dry days. Similarly, our livestock farmer at Brays Farm in Surrey had to keep his animals indoors for longer, leading to increased expenses on silage and hay to feed them.

Regenerative farming is particularly sensitive to wetter conditions, as it is essential to preserve soil health through low-impact livestock grazing and direct drilling processes. Looking ahead, the potential for more extreme weather, such as wetter Winters and drier Summers, will make fundamental decision-making for regenerative farming more challenging.

What's been happening at our properties

Kerriann McLackland joined the CRT in September 2023 as Head of Estates. As a chartered rural surveyor, her appointment brings all our professional property management work in-house. Kerriann's role is to drive forward the performance of the CRT's properties in achieving our charitable objectives in a financially sustainable way, through working with our tenants and other stakeholders.



Lark Rise Farm, Barton, Cambridgeshire

SIZE: 400 acres

TYPE: Small fields, bordered by hedges and grass margins, with a wide range of crops grown, including spring oats, winter wheat, winter barley, spring wheat, canary seed, and rye.

Lark Rise Farm continues to be an excellent example of arable farming that allows nature to thrive. This was shown by this Winter's large numbers of yellowhammers as well as a successful breeding season for lapwings in the Spring. Lark Rise boasts about 40 breeding pairs of yellowhammers, so around 80 adult birds, but this Winter we saw a much greater influx of adults, particularly on the fields at Westfield.

Between December 2023 and February 2024, we had up to 422 birds at Westfield, devouring the remaining seeds in the weedy, uncultivated fields. To put this into context, if we go back to the winter of 2001/2002 our records show just 2.5 yellowhammers per visit, but the 2023/2024 average count has been an astounding average of 140 birds per visit.

Our lapwings enjoyed a successful breeding year. We had five pairs and all five managed at least one chick through to the fledging (flying) stage. We had two pairs with one chick each, two pairs with two chicks each and one pair with three chicks. This is a total of nine chicks surviving the 5-week period of development, when they are very vulnerable to predators.

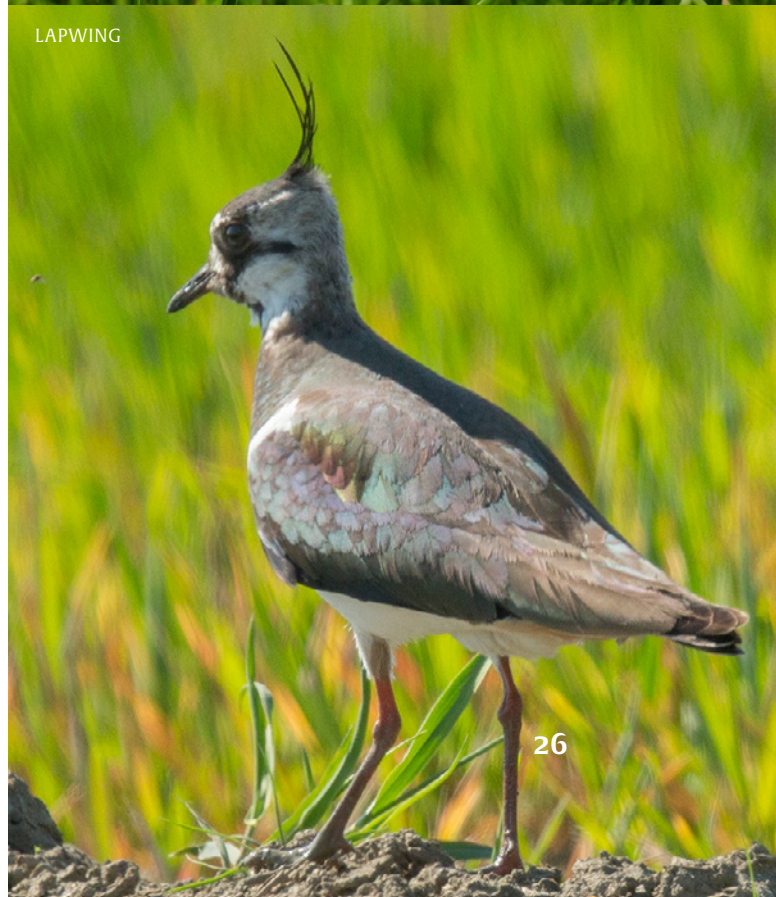
To get through to full-grown birds requires continued good feeding opportunities, and it was interesting this year that the families moved away from their chosen nest sites to other parts of the farm to do the main feeding. This was probably due to the wet conditions and improved foraging on the regenerative farmed land.

“The wet weather this year has certainly helped the lapwings – even if it has made life difficult for farmers! Wet fields suit the lapwing’s preference for nesting in fields with short vegetation that are rich in the invertebrates that it needs for food.”

Vince Lea,
conservation officer



CINNABAR MOTH



LAPWING



Bere Marsh Farm, Shillingstone, Dorset

SIZE: 92 acres

TYPE: A grassland farm, comprising pastures, woodland, scrub and part of the River Stour. Planning permission for change of use for redeveloping some of the farm's barns and converting them to an education and community centre were approved in August 2023.

A major highlight for Bere Marsh is its loyal band of committed volunteers. Every week, there are approximately 20 volunteers who together give 60 hours of their time. With no contractor at the farm, nearly all the work is done by volunteers, who keep the farm going and in a good routine for farm management. They are not necessarily from a farming background but turn their hands to helping Bere Marsh Farm. Work carried out includes looking after pigs, hedge laying, ditch cleaning, planting wildflowers, repairing fences and all the mowing on a rota. Bere Marsh Farm is particularly proud



of its pair of breeding barn owls and there is an increasing floral mix in all the fields.

There is also a greater knowledge of wildlife on the farm, thanks to conservation assistant Jenny Ashdown leading the wildlife monitoring and setting up trail cameras on the farm.

Bere Marsh Farm has also been able to deliver one of the CRT's core charitable objectives through its nature walks and education programmes. These continue to be very popular. While some infrastructure investment has been made in 2023/2024, current facilities are seasonal (April-October.)

“We are particularly grateful to Professor Sue Double for the analysis she is doing on our barn owl pellets which now spans three years, alongside three years of weather charts. We can now begin to view any trends, causes and effects of weather on the owls and other wildlife on Bere Marsh Farm.”

***Elaine Spencer-White,
farm manager***



BLUEBELLS IN THE TWYFORD FARM WOODLAND

Twyford Farm and Cleavers, West Sussex

SIZE: 220 acres

TYPE: Pasture and woodland

The tenant farmers have been given a new 10-year lease so they can carry on their regenerative livestock farming activities at both Twyford and nearby Cleavers. They have reduced the stocking rates by grazing their sheep away from Twyford at Cleavers, which has allowed the beef cattle to leave a variable sward. This benefits wildlife, because taller areas help provide habitat and food for invertebrates and let plants flower and set seed, while shorter areas make it easier for birds to find food.

Twyford's on-site holiday accommodation continues to be an important element of the farm, where guests are introduced to the benefits of regenerative farming practises. Thanks to improvements in the woodland areas, there are around 54 different bird species, including the lesser spotted woodpecker and nightingale. The farm also boasts the near threatened ivy-leaved bellflower and has seen a huge increase in the number of milkmaids — *Cardamine pratensis* — also known as the cuckoo flower or lady's smock and bird's-foot-trefoil.

Turnastone Court Farm, Vowchurch, Herefordshire

SIZE: 247 acres

TYPE: Grassland farm

The previous tenancy at Turnastone ended in September 2023. Since then, the land has been grazed under license. Our intention is to have a new tenant on the farm by Spring 2025. Volunteers and our conservation team have worked hard at Turnastone. Their efforts have included the laying of a stretch of traditional hedge that will, in time, prove a haven for wildlife and tending to the trees in both of the orchards on the farm to encourage their longevity.

Throughout the Spring breeding season, various surveys have been carried out to monitor breeding farmland birds, butterflies, bumblebees and common frogs. Freshwater invertebrates were sampled in the Slough brook and Trenant brook in early spring to test the water quality, comparable to previous years. During late Spring, there was also a water vole survey on one of brooks that runs through the land. Turnastone Lodge, located right next to the farm, continues to attract visitors. It provides them with a very comfortable and attractive base from which to explore the beautiful Herefordshire countryside.





NEW TENANT, KAYLEIGH ROBB WITH SOME OF THE JERSEY COWS AT PIERREPONT FARM

Pierrepont Farm, Frensham, Surrey

SIZE: 200 acres

TYPE: Jersey dairy farm with woodland

Our tenant farmer of 18 years has retired from the farm and has been replaced by someone starting their first farm tenancy. The new farmer has a decade of experience working at an organic dairy farm. Pierrepont's herd of Jersey cows has been reduced back to its original 50 to take pressure off the grazing platform and farm more regeneratively. There are firm plans for parkland restoration that will improve the grassland, as well as planting more trees and hedgerows to divide up the paddocks for livestock shelter and the creation of more wildlife habitat. The new tenant is also focusing on direct milk sales to the local community using a vending machine.

This year, we will begin work on renovating the Grade II listed Grain Store once the nesting swallows have left, thanks to a legacy from the late Stephen Freeman, a CRT supporter. The refurbishment will retain the Grain Store's historical features but will also provide space for six new local artisans to join the many businesses already operating out of the Old Dairy Courtyard. We are hopeful the work will be completed by next Summer.

"By mixing longer tap root grass species, my hope is, the sandy soil will be better protected during the Summer months."

Kayleigh Robb, tenant farmer

Brays Farm, South Nutfield, Surrey

SIZE: 52 acres

TYPE: Pasture and livestock

On the back of a new 15-year tenancy agreement, the tenant farmers at Brays Farm continue to move to a truly regenerative system to improve soil health and sequester carbon. This improves a functioning ecosystem and creates nutrient-dense food. Rather than selling the majority of their milk as liquid, they intend to make more cheese and have increased yoghurt sales to add greater value to their produce as costs have increased. However, they are also planning to reinvigorate direct milk sales via an eco-friendly electric milk float.

Overall, biodiversity at Brays is improving thanks to good grazing management and not using fertiliser. For example, as they don't use fly repellent or wormers, insect life has increased, and you won't see a cow pat without dung beetle activity.

"I see our regenerative farming methods as conservation practices. If we restore a healthy soil, the rest of the food chain should follow, along with all the other benefits."

Matthew Elphick, tenant farmer

BRAYS FARM





LOWLAND HEATHLAND AT GREEN FARM

Green Farm, Farnham, Surrey

SIZE: 200 acres

TYPE: Woodland, heathland, orchard, and pasture

Invasive pines have been cleared from the Oak Plantation, along with some huge gorse bushes from the heathland to give the heather a chance to recover. The habitat here is important for some ground nesting birds, including the nightjar. Extra effort has been made to clear the tracks through the heath to encourage the public using the area to keep to the paths and minimise disturbance to wildlife. A compost toilet, known as a Thunderbox, has also been installed for the volunteer working parties.

A reptile survey, carried out with Amphibian and Reptile Conservation (ARC), following the laying down of special tin sheets known as refugia earlier in 2023,

produced encouraging results. A total of 25 reptiles from four different species were recorded during the survey. There were 15 common lizard, six slow worm, three grass snake, and one adder, proving that Green Farm's heathland habitat is perfect for reptiles.

Farming activity involves low intensity sheep grazing, while the volunteer-maintained apple orchard has produced both apple juice and cider. The cider was sold through the taproom at Pierrepont Farm, while the apple juice was enjoyed by the volunteers.



STOKE WAKE FARMLAND



BEE ORCHID AT BABERS FARM

Stoke Wake Farmland, Stoke Wake, Dorset

SIZE: 142 acres

TYPE: Mostly temporary grassland, with a small area of permanent pasture, a stream and two ponds.

At Stoke Wake, two tenants are involved in low-intensity grazing. One tenant grazes dairy cows from their organic dairy farm, while the other grazes Aberdeen Angus cattle. Some of the land is being put into stewardship, and there are plans to fence off part of the riverbank to improve grassland biodiversity. There is also an intention to build a new bridge across the river for both farm machinery and livestock, but this has been delayed due to the wet conditions experienced at the start of the year.

Babers and Harmshay Marshwood, Dorset

SIZE: 130 acres

TYPE: Pasture and woodland

The farm features volunteer-maintained habitats of extensive native hedgerows, broadleaf bluebell woodlands, ditches and a pond, meaning that wildlife abounds here. It is managed under a stewardship scheme with great attention to grassland biodiversity, as well as scrub and hedgerow maintenance to promote a variety of insect, bird and mammal species. Looking forward, there are plans to improve public access across the rights of way access on the land.



GRASIER, IZZI RAINEY WITH HER CATTLE AT MAYFIELDS FARM

Mayfields Farm, Foulsham, Norfolk

SIZE: 40 acres

TYPE: Pasture and small orchard

A local farmer continues to graze Mayfields with a small herd of Lincoln Red and Highland cattle from Bates Moor Farm. Her approach is low input and nature friendly. As well as offering beef boxes to her customers via farmers' markets or by mail order, she runs workshops that allow people to learn how to groom the Highland cattle and sells artwork inspired by her life on the farm. She has also added a herd of mixed-breed sheep that will graze the pasture in the Summer.



MARGARET WOOD

Margaret Wood, Upper Denby, Yorkshire

SIZE: 40 acres

TYPE: Woodland and pasture

Volunteers continue to work hard at Margaret Wood, and they were particularly busy following the Winter gales that necessitated a big Spring clean to ensure the area was safe for visitors to the annual Open Day that coincides with the bluebells being in full flower. As a result of all the effort, plenty of visitors enjoyed this seasonal spectacle, with some even being treated to an unscheduled and impressive boxing display by two resident brown hares.

Awnells Farm, Much Marcle, Herefordshire

SIZE: 200 acres

TYPE: Orchards and grassland farm

Awnells is home to a herd of traditional Herefordshire cattle that graze the land and is still managed by the farmer who gifted the farm to the CRT. Conservation work here has included a hedgerow survey to investigate their condition and ecological value for wildlife. The very positive results identified that 80 per cent of those surveyed were species rich. Breeding birds, butterflies, bumblebees are regularly monitored throughout the breeding season each year. A new barn owl box was mounted by volunteers on a hedgerow oak tree to encourage barn owls which use the farm for foraging to hopefully breed here again in the future. Mistletoe in Barn Orchard was cut back with the help of volunteers – however, with the milder Winters, this is an ongoing issue as it has become much more abundant in the United Kingdom.

CALF AT AWNELLS FARM



Bicker, Boston, Lincolnshire

SIZE: 12 acres

TYPE: Pasture

Cattle graze on 9.5 acres of the land here, in an area of the Fens where most land is intensively farmed for arable crops. The remaining land is left for wildlife habitat and a maintained village fringe.

Yarwell, Peterborough, Cambridgeshire

SIZE: 135 acres

TYPE: Pasture and willows

The land is grazed by sheep and cattle, while Cricket bat willows are grown on the lower part of the property. One parcel of land next to the River Nene is only mown, ensuring it is excellent grassland for many species of insects and small mammals.

Harold's Grove, Harlow, Essex

SIZE: 8 acres

TYPE: Woodland

This historic site, once owned by King Harold, is an ancient woodland that provides habitat for many woodland insect, bird, and mammal species.

Financial Performance

Key Financial Performance Indicators

This year's key financial performance results are described below. A key focus for the CRT going forward remains to diversify our income streams to reduce our overall dependency on legacy income.

We continue to develop success measures including a conservation and agricultural performance framework for all aspects of CRT's strategy and these have been included above for the first time.

Investment Policy and Performance

All investments must be managed in such a way as to provide sufficient income to enable the charity to carry out its purposes effectively both in the short term and over the longer term. Where possible the value of the assets should be enhanced to at least keep pace with inflation over the longer term so that an increase in income should be available to cover the effects of inflation in future.

The Trustees are committed to cautious investment that avoids undue risk to the charity's funds. Stable annual returns are to be met by a prudent investment strategy based on a diversified range of investment assets, which are quoted on a recognised investment exchange and unit trusts and open-ended investment companies (OEIC's) which are authorised under the Financial Services and Markets Act 2000. The Trustees rely upon specialist advisors for asset selection and allocation. Investment performance is compared to an independent benchmark. No ethical restrictions apply to

the portfolio, although the trustees reserve the right to exclude from the portfolio any investments in companies whose representation might prove damaging to the purposes of the charity.

The investment properties were acquired through legacy and gift, and after consideration of the resources required for the charity to carry out its current and future activities, the Trustees decided to hold these properties as an investment to earn property rentals and for capital appreciation. The Trustees consider the property to be shown at a fair value in the accounts based on current prices for similar properties in the same location and condition, and in accordance with the professional valuations since 2020.

Factors relevant to achieve objectives

The expertise of our staff is important to the work of the charity. The Chair and management seek to create a strong team ethos within the workforce, and as such are committed to supporting the development of the staff, volunteers and monitors at all sites.

The Trustee body has recognised that it is important to have the relevant skills and representation on the trustee board. Having sought professional advice, a finance committee has been established to support and advise the Trustee board in future. The committee which meets monthly works closely with the auditors focussing on the charity's finances, internal controls, and risk management.

Those who serve on the Trustee board have duties, responsibilities, and liabilities

both under Company Law as Directors and under Charity Law as Trustees. These key duties are always recognised in the recruitment, selection process, appointment, and induction of all Trustees.

Financial Review

Financial Risk Management Objectives and Policies

Given that the charity continues to undertake a substantial programme of planned improvements on our farms and properties, it has a robust approach to project and budget management. Senior management ensure project budgets are monitored and managed to contain costs with limited variance and to ensure projects deliver against the expected objectives.

Reserves Policy

The Trustees review the Countryside Regeneration Trust's reserves policy each year to ensure a balance between spending on the projects currently in progress and setting aside reserves to protect our work in the future. The trustees aim to maintain free reserves in unrestricted funds equivalent to at least six months unrestricted expenditure, which is budgeted at around £658,000 for the financial year to 31 March 2025.

The Funds and Reserves held by the Trust are as follows (see also note 22 to the accounts):

Unrestricted funds

The Property Assets Fund of £21,037,321 (2023 - £22,242,097) is the value of the unrestricted funds represented by the

freehold and leasehold land and buildings, including assets under construction, and investment property owned by the Charity, less associated borrowings.

The Trustees established the Redundant Farm Buildings & Acquisitions reserve to ensure there are sufficient funds available to complete the development projects at Pierrepont and Bere Marsh Farms as well as taking advantage of opportunities that may arise to further the objectives of the Charity. Further funds are allocated as they are available and this year the trustees continue to ring-fence £1,279,776

This leaves a balance in the general fund of £2,189,006 (2023 - £1,348,061) which is sufficient to cover the Trust's unrestricted projected expenditure for a period of 6 months, in line with the Reserves policy. The Trustees will continue to seek additional income and as part of their property audit have identified surplus properties to be sold and further boost free reserves in 2025. These funds are expected to be re-designated into Redundant Farm Buildings & Acquisitions as part of the property review.

Reserves are held for the following purposes:

- To protect the continuity of the charity's work in the event of any future shortfall in income.
- To protect the charity's funds from loss in value e.g., market investments.
- To provide the capital needed to finance expansion of the charity.
- To provide the funds needed to replace assets.

Financial Review of the Year

Income

The Trust has been fortunate in receiving legacy and donation income of £807,876 (2023 - £2,163,100). This includes legacy gifts of £712,573 of which nil is restricted. All gifts are important to the CRT, and we are grateful to those and their families that remember the charity in their Wills.

We are delighted to report that the charity remains in good health and is attracting new support. 144 new Friends joined over the last year, which means we currently have 1,459 active Friends. More than one in four of our supporters are Life Friends, which gives us some certainty over our subscription revenue and helps us with future planning.

Periodic assessment of our existing activities and competitor benchmarking has facilitated a new membership strategy for the next financial year whilst further investment into ThanQ, has enabled more effective management of our Friends relationships.

The restricted donations for this financial year total £1,450 (2023 - 2,600).

Income from charitable activities £335,150 (2023 - £276,451) is largely farm rents and income from Agri environmental schemes managed by the trust.

The performance of the investments was satisfactory and in line with general market volatility. Income from rents continues to improve following recent acquisitions. Total income from investments was £226,209 (2023 - £174,494).

Expenditure

The Trust spent £970,870 (2023 - £970,870) this year on our conservation, education, and monitoring activities, as well as managing and advising our portfolio of farms and land.

Our costs of generating voluntary income were £440,134 (2023 - £668,736) and these include costs of appeals, advertising/public relations, printing and posting *The Lark* Friends magazine, staff costs, premises costs, depreciation, and professional fees.

Future Plans

Following the departure of Executive Chairman, Robin Page in May 2021, the Trustees undertook a strategic review of the Trust's aims and objectives to realign with current conservation and wildlife issues. It had been recognised that a review to our current business model was long overdue given the need to articulate the Trust's mission statement more clearly and the social and economic environment derived from the impact of COVID-19. Our underlying objective is to future-proof the Trust through effective deployment of our resources, and repositioning as a credible authority on wildlife biodiversity and environmental issues.

Priority has therefore been given to:

- a) introducing a new senior management team which includes two new roles, a Head of Estates and Head of Conservation and Land Management.
- b) revising all operational budgets with a view to reducing operational costs by 20% in the next financial year.

This work is underway with the CEO and Trustees meeting as required to formally discuss all progress for these areas.

Structure, Governance and Management

Constitution

The Trust was originally set up as an unincorporated trust constituted under a trust deed dated 10 July 1991, as amended by deeds dated 1 September 1993 and 30 June 1994. However, in 2010, the trustees made the decision to incorporate the Trust because of its increasing size and complexity, and on 31 October 2011, all the assets and liabilities of the Trust were transferred to a new charitable company limited by guarantee. Under a Uniting order dated 16 February 2012, the old charity is now treated as forming part of the charitable company. The company was incorporated on 20 July 2010 and is registered as a charity with the Charity Commission. The company was set up under a Memorandum of Association and is governed by its Articles of Association which sets out the charity's objects and powers. In the event of the company being wound up, the liability of each member is limited to £10. The Articles were updated on 6 June 2023 and 3 July 2024.

Method of Appointment or election of Trustees

The directors of the company are also charity Trustees for the purposes of charity law. Under the requirements of the company's Articles of Association, the Trustees are appointed by ordinary resolution at a general meeting. The Trustees may also appoint a person who is willing to act, as a

Trustee. At each annual general meeting one third of the Trustees must retire from office. The Trustees to retire by rotation are those who have been longest in office since their appointment. A Trustee appointed by a resolution of the other Trustees must retire at the next annual general meeting. When appointing new Trustees, the board keeps the skill requirements for the Trustee body under review.

Policies adopted for the induction and training of Trustees

New Trustees tour Lark Rise Farm managed by CRT tenant, Tim Scott to understand the practical work of the CRT. During this visit they meet key employees, monitors, volunteers, and other trustees, and receive a briefing pack, detailing their legal obligations under charity and company law, Charity Commission guidance on public benefit, content of the Memorandum and Articles of Association, and the financial performance of the charity. Once on board their skills are regularly reviewed to maintain a comprehensive skillset

Pay policy for staff and senior management

The directors consider that the board of directors, who are the CRT's Trustees, and the senior management team comprise the key management personnel charged with the direction and running of the CRT on a day-to-day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in notes 13 and 30 to the accounts. The pay of the staff and

senior management is reviewed annually and increased in accordance with average earnings; we seek to be a living wage employer. In view of the nature of the charity, the directors benchmark senior management pay levels against other conservation charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for a similar role.

Organisational Structure and Decision Making

The Board of Trustees meets four times a year, more often if required, and is responsible for the strategic direction and policy of the charity. The management team of ten full time and seven part time staff are responsible for the day-to-day administration of the charity. The charity has a trading subsidiary, Lark Trading Limited, which was dormant throughout the year.

Risk Management

The Trustees have assessed the major risks to which the company is exposed, those related to the operation and finances of the company and are satisfied those systems and procedures are in place to mitigate our exposure to the major risks. The Trustees actively participate in the assessment of risk, which is considered, in terms of identifying any significant changes in risk, at all Trustee Boards. The risk management process addresses risk at three levels:

- the process aims to identify and classify all sources and types of risk.
- triggering the necessary action to manage the risks, focusing on “major” risks; and

- confirming that the remaining risk is consistent with the trustees’ view of acceptable risk.

The Trustees document the risk assessment and action taken to mitigate risk in the Risk Register which provides a comprehensive risk profile of all the identified risks. Major risks that have been identified by the annual review of the principal risks and uncertainties of the charity and its subsidiary. This work has identified that the financial sustainability of the charity is based on a balance of income streams and being not wholly reliant on legacies is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the Trust.

Attention has also been focussed on non-financial risks arising from health and safety of farm visits, management of education visits and events. The charity remains extremely vigilant about the requirements of Health and Safety legislation, particularly with the risks associated with E coli. Foot and Mouth and latterly COVID-19. Whilst it is not currently possible to foresee and evaluate all the potential long-term implications to the Trust’s operations, we have maintained delivery of our charitable objectives with our sites open and habitats managed in line with our property management plans.

The health and safety of our staff, supporters and volunteers is paramount and guidance has regularly been sought from Environmental Health Officers to

support our operational activities including risk assessments, site signage, temperature testing, workflow practices and the maintenance of hand washing facilities whilst continuing to review procedures on a regular basis.

Information on fundraising practices

The Countryside Regeneration Trust follows the guidance laid down by the Fundraising Regulator. The Trustees are committed to adhering to these regulations, following the Institute of Fundraising's Code of Practice, and complying with the key principles embodied in this Code. We work hard to ensure that all fundraising activities are legal, open, honest, and respectful.

An external fundraiser is employed and tasked with applying for Trusts and Foundations. A random sample of applications are reviewed by a Trustee possessing professional experience in this field. Trustees also approve any application above £50,000. Aside from the submission of applications for restricted grant funds and financial support from charitable trusts, the organisation's main fundraising activities have focused on generating support from individuals, primarily through the Friends Membership scheme administered by ThanQ, a CRM database. Membership recruitment has been carried out through referrals, direct marketing, the Friends magazine, *The Lark* and via the charity's website.

A log is used to record and review any complaints received, including those regarding fundraising activities. The complaints return submitted to the

Fundraising Regulator this year reported no complaints relating to fundraising. The Trustees are committed to honest and transparent communication with donors and supporters about how their contributions are spent. The communication preferences of our donors are recorded according to GDPR legislation, and we take care not to approach vulnerable people or to apply undue pressure upon anyone to support the charity.

Employment Involvement

Weekly staff meetings encourage active dialogue between employees and management on a range of issues. Improved dialogue has been actively encouraged this year with greater focus and investment on internal communications generally. The company carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The company has detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities policy
- Volunteers' policy
- Health & Safety policy
- Health and Wellbeing policy
- Safeguarding policy

In accordance with the company's Equal Opportunities policy, the company has long established fair employment practices in the recruitment, selection, retention, and training of disabled staff.

Full details of our policies are available from the Bennell Court office.

Trustees' Responsibilities Statement

The Trustees (who are also directors of The Countryside Regeneration Trust for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources, including the 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 judgments and accounting estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Disclosure of Information to Auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Sue Everett – Chair of CRT Trustees
Date: 2nd October 2024

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COUNTRYSIDE REGENERATION TRUST LTD

OPINION

We have audited the financial statements of The Countryside Regeneration Trust Ltd (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COUNTRYSIDE REGENERATION TRUST LTD (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COUNTRYSIDE REGENERATION TRUST LTD (CONTINUED)

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 partner 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 charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we identified which laws and regulations were significant in the context of the entity; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

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

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

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COUNTRYSIDE REGENERATION TRUST LTD (CONTINUED)

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

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias;
- we assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur; and
- we tested significant transactions, in particular the evaluation of the business rationale for any which appeared unusual or outside the company's normal course of business.

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; and
- we discussed with management, those charged with governance and the entity's solicitors actual and potential litigation and claims.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COUNTRYSIDE REGENERATION TRUST LTD (CONTINUED)

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Hewett

Michael Hewett (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 04 October 2024

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	806,426	1,450	-	807,876	2,163,100
Charitable activities	3	335,150	-	-	335,150	276,451
Other trading activities	4	770	-	-	770	440
Investments	5	186,855	39,354	-	226,209	174,494
Other income	6	71,114	-	-	71,114	62,024
TOTAL INCOME AND ENDOWMENTS		1,400,315	40,804	-	1,441,119	2,676,509
EXPENDITURE ON:						
Raising funds	7,8	440,134	-	7,481	447,615	679,105
Charitable activities	9	1,152,620	25,694	-	1,178,314	970,870
TOTAL EXPENDITURE		1,592,754	25,694	7,481	1,625,929	1,649,975
NET (EXPENDITURE)/INCOME BEFORE NET GAINS ON INVESTMENTS						
		(192,439)	15,110	(7,481)	(184,810)	1,026,534
Net gains on investments		110,999	-	47,348	158,347	451,053
NET (EXPENDITURE)/INCOME		(81,440)	15,110	39,867	(26,463)	1,477,587
Transfers between funds	23	22,661	(22,661)	-	-	-
NET MOVEMENT IN FUNDS		(58,779)	(7,551)	39,867	(26,463)	1,477,587
RECONCILIATION OF FUNDS:						
Total funds brought forward		24,564,882	1,843,827	1,177,993	27,586,702	26,109,115
Net movement in funds		(58,779)	(7,551)	39,867	(26,463)	1,477,587
TOTAL FUNDS CARRIED FORWARD		24,506,103	1,836,276	1,217,860	27,560,239	27,586,702

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

The Statement of Financial Activities includes all gains and lossess recognised in the year. The notes on pages 55 to 81 form part of these financial statements.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income	1,400,315	40,804	1,441,119	2,676,509
Gains on investments	110,999	-	110,999	536,083
GROSS INCOME IN THE REPORTING PERIOD	1,511,314	40,804	1,552,118	3,212,592
Less: Total expenditure	(1,592,754)	(25,694)	(1,618,448)	(1,639,606)
NET EXPENDITURE/(INCOME) FOR THE REPORTING PERIOD	(81,440)	15,110	(66,330)	1,572,986

The notes on pages 55 to 81 form part of these financial statements.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07320026

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	14	16,647,968	16,893,405
Investment property	15	5,844,000	6,832,500
Investments	16	1,081,217	1,037,743
		<u>23,573,185</u>	<u>24,763,648</u>
CURRENT ASSETS			
Stocks	17	74,100	74,100
Debtors	18	1,576,525	2,077,055
Cash at bank and in hand		3,198,038	1,545,107
		<u>4,848,663</u>	<u>3,696,262</u>
Creditors: amounts falling due within one year	19	(185,034)	(164,114)
NET CURRENT ASSETS		<u>4,663,629</u>	<u>3,532,148</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>28,236,814</u>	<u>28,295,796</u>
Creditors: amounts falling due after more than one year	20	(552,825)	(570,344)
Provisions for liabilities	21	(123,750)	(138,750)
NET ASSETS		<u>27,560,239</u>	<u>27,586,702</u>
CHARITY FUNDS			
Endowment funds	23	1,217,860	1,177,993
Restricted funds	23	1,836,276	1,843,827
Unrestricted funds	23	24,506,103	24,564,882
TOTAL FUNDS		<u>27,560,239</u>	<u>27,586,702</u>

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07320026

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
S Everett
Chair of CRT Trustees

Date:
2 October 2024

The notes on pages 55 to 81 form part of these financial statements.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	120,532	(442,973)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interests and rents from investments	226,209	174,494
Proceeds from the sale of property, plant and equipment	268,379	282,994
Proceeds from the sale of investment properties	1,099,499	288,083
Purchase of tangible fixed assets	(8,330)	(5,048)
Net addition to investments	3,874	8,019
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,589,631	748,542
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowing	(57,232)	(45,337)
NET CASH USED IN FINANCING ACTIVITIES	(57,232)	(45,337)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	1,652,931	260,232
Cash and cash equivalents at the beginning of the year	1,545,107	1,284,875
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3,198,038	1,545,107

The notes on pages 55 to 81 form part of these financial statements

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Countryside Regeneration Trust Ltd 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.

The results of the dormant subsidiary, Lark Trading Limited are not consolidated in these financial statements.

1.2 GOING CONCERN

The Trustees have prepared budgets to 31 March 2026. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.4 FUND ACCOUNTING

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

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

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

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

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES (CONTINUED)

1.5 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.6 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES (CONTINUED)

1.6 EXPENDITURE (CONTINUED)

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

The estimated useful lives are as follows:

Freehold property	- 20 years or 50 years
Head office	- Term of the lease
Motor vehicles	- 4 years
Office and farm equipment	- 4 years

1.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.10 STOCKS

Herds and goods for sale are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES (CONTINUED)

1.11 DEBTORS

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

1.12 CASH AT BANK AND IN HAND

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

1.13 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.14 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES (CONTINUED)

JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION

1.16 UNCERTAINTY

The preparation of the accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. These judgements, estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities.

Income recognition – Judgement is applied in determining the value and timing of certain income items to be recognised in the accounts. This includes determining the appropriate recognition timing for donations and legacies. In general, the later are recognised when at the probate stage.

Useful lives of property, plant and equipment – Property, plant and equipment represent a significant proportion of the Charity's total assets. Therefore the estimated useful lives can have a significant impact on the depreciation charged and the Charity's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experiences with similar assets, professional advice and anticipation of future events.

Investment property – Properties are revalued to their fair value at the reporting date by professional valuers. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions.

Listed investments - listed investments are revalued to fair value by the Charity's investment managers.

Provision - the provision is an estimate of amount payable using mortality tables.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 Restated £
Donations	93,853	1,450	95,303	95,784
Legacies	712,573	-	712,573	2,067,316
TOTAL 2024	806,426	1,450	807,876	2,163,100
TOTAL 2023	1,260,500	902,600	2,163,100	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 Restated £
Rental income	335,150	335,150	276,451
TOTAL 2023	276,451	276,451	

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. FUNDRAISING INCOME

Income from fundraising events

	Unrestricted funds 2024	Total funds 2024	Total funds 2023 £ Restated
	£	£	
Fundraising events	770	770	440
TOTAL 2023	440	440	

5. INVESTMENT INCOME

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Property rental income	166,440	-	166,440	135,169
Income from stocks and shares	-	39,354	39,354	39,325
Interest income	20,415	-	20,415	-
TOTAL 2024	186,855	39,354	226,209	174,494
TOTAL 2023	134,194	40,300	174,494	

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

6. OTHER INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other income	50,697	50,697	28,781
Stewardship and rural income	20,417	20,417	33,243
TOTAL 2024	<u>71,114</u>	<u>71,114</u>	<u>62,024</u>
TOTAL 2023	<u>62,024</u>	<u>62,024</u>	

Income from countryside stewardship and rural payments agency as detailed in other income above is government funding to protect and improve farm land (2024: £20,417 and 2023: £33,243).

7. EXPENDITURE ON RAISING FUNDS

COSTS OF RAISING VOLUNTARY INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Advertising, PR and literature	64,455	64,455	182,812
Event costs	7,268	7,268	1,364
Other costs	735	735	828
Wages and salaries	125,118	125,118	167,915
Social security costs	11,310	11,310	15,685
Pension costs	2,662	2,662	2,863
Allocated centrally incurred fundraising and governance costs (note 11)	228,586	228,586	297,269
TOTAL 2024	<u>440,134</u>	<u>440,134</u>	<u>668,736</u>
TOTAL 2023	<u>668,736</u>	<u>668,736</u>	

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. INVESTMENT MANAGEMENT COSTS

	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment management fees	7,481	7,481	10,369
TOTAL 2023	10,369	10,369	

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Conservation	660,008	8,811	668,819	479,004
Education and Demonstration	133,978	-	133,978	208,307
Farm/Land Management	358,634	16,883	375,517	283,559
TOTAL 2024	1,152,620	25,694	1,178,314	970,870
TOTAL 2023	935,395	35,475	970,870	

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Conservation	106,497	562,322	668,819	479,004
Education and Demonstration	42,544	91,434	133,978	208,307
Farm/Land Management	306,942	68,575	375,517	283,559
TOTAL 2024	<u>455,983</u>	<u>722,331</u>	<u>1,178,314</u>	<u>970,870</u>
TOTAL 2023	<u>342,170</u>	<u>628,700</u>	<u>970,870</u>	

ANALYSIS OF DIRECT COSTS

	Conservation 2024 £	Education / Demonstration 2024 £	Farm/Land Management 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	105,735	44,026	34,255	184,016	196,964
Conservation and monitoring	762	-	-	762	263
Property maintenance	-	-	223,826	223,826	75,946
Property management	-	-	18,565	18,565	31,677
Legal and professional	-	-	30,296	30,296	37,320
Other costs	-	(1,482)	-	(1,482)	-
TOTAL 2024	<u>106,497</u>	<u>42,544</u>	<u>306,942</u>	<u>455,983</u>	<u>342,170</u>
TOTAL 2023	<u>109,305</u>	<u>56,701</u>	<u>176,164</u>	<u>342,170</u>	

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. SUPPORT COSTS ANALYSIS

	Fundraising costs	Conservation	Education/ demonstration	Farm/land management	Total funds	Total funds
	2024	2024	2024	2024	2024	2023
	£	£	£	£	£	£
Staff costs	57,113	73,104	22,845	17,134	170,196	155,022
Depreciation	44,167	56,534	17,667	13,250	131,618	160,019
Premises costs	55,904	71,558	22,362	16,771	166,595	134,479
Bank interest and charges	10,833	13,866	4,333	3,250	32,282	19,628
Trustees' expenses	839	1,074	336	252	2,501	4,618
Professional fees	25,055	32,070	10,022	7,516	74,663	155,328
Audit and accountancy	11,170	14,298	4,468	3,351	33,287	40,461
Consultancy	24,738	31,666	9,895	7,421	73,720	110,783
Donations	11	15	5	4	35	-
Governance costs	-	175,322	54,788	41,091	271,201	148,635
	<u>229,830</u>	<u>469,507</u>	<u>146,721</u>	<u>110,040</u>	<u>956,098</u>	<u>928,973</u>

2023 comparatives: Fundraising costs £297,269, Conservation £372,703, Education and Demonstration £151,606, Farm/land Management £107,395.

12. AUDITORS' REMUNERATION

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	18,500	12,500
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<u>26,250</u>	<u>26,950</u>

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. STAFF COSTS

	2024 £	2023 £
Wages and salaries	504,825	501,701
Social security costs	42,798	45,296
Contribution to defined contribution pension schemes	8,072	17,976
	<u>555,695</u>	<u>564,973</u>

Included in the costs above is a settlement payment amounting to £4,000 for one employee (2023: £nil).

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Admin staff	7	6
Field staff	6	7
Management staff	3	5
	<u>16</u>	<u>18</u>

The average headcount expressed as full-time equivalents was 12 (2023: 12).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	-	1

The key management personnel of the charity comprise the Trustees and Chief Executive Officer. The total costs of key management personnel including Employer's national insurance and pension contributions were £99,083 (2023: £115,293).

No Trustees received any direct remuneration or benefits in the year (2023: £NIL). During the year, travel and subsistence expenses totalling £1,516 were reimbursed or paid directly to 4 trustees (2023: £852 to 2 trustees).

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
COST					
At 1 April 2023	18,200,359	23,559	72,057	106,877	18,402,852
Additions	-	-	6,384	1,946	8,330
Disposals	(85,151)	-	-	-	(85,151)
At 31 March 2024	18,115,208	23,559	78,441	108,823	18,326,031
DEPRECIATION					
At 1 April 2023	1,326,160	23,559	57,040	102,688	1,509,447
Charge for the year	171,683	-	8,455	3,596	183,734
On disposals	(15,118)	-	-	-	(15,118)
At 31 March 2024	1,482,725	23,559	65,495	106,284	1,678,063
NET BOOK VALUE					
At 31 March 2024	16,632,483	-	12,946	2,539	16,647,968
At 31 March 2023	16,874,199	-	15,017	4,189	16,893,405

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 April 2023	6,832,500
Disposals	(1,100,000)
Surplus on revaluation	111,500
At 31 March 2024	<u>5,844,000</u>

All investment properties were professionally revalued as at 31 March 2023. Green Farm, Pierrepont Farm and Brays farm were revalued during the year by Alistair Cameron MRICS FAAV of Batcheller Monkhouse, on the basis of Existing Use Value. Bere Marsh Cottage was sold in March 2024.

16. FIXED ASSET INVESTMENTS

	Investment portfolio £	Cash at brokers £	Total £
COST OR VALUATION			
At 1 April 2023	1,007,050	30,693	1,037,743
Additions	189,494	-	189,494
Disposals	(197,948)	-	(197,948)
Revaluations	65,381	-	65,381
Movements in cash	-	(13,453)	(13,453)
AT 31 MARCH 2024	<u>1,063,977</u>	<u>17,240</u>	<u>1,081,217</u>

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. FIXED ASSET INVESTMENTS (CONTINUED)

All the fixed asset investments are held in the UK

VALUATION

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The objectives of the funds held by The Countryside Regeneration Trust are to provide long term growth by investing in a portfolio of other authorised funds, worldwide equities, fixed interest stocks, cash and money market instruments.

The investment managers will take a fundamental and value driven approach to the portfolio allocation, dependant on the relevant attractions of the world equity, fixed interest and currency markets. The fund will take an aggressive view of the stock market weightings in the portfolio, when compared to a neutral world market capitalisation.

The fund has little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risks it faces from its financial instruments are market price, foreign currency and interest rate risk. The policies are reviewed for managing these risks in order to follow and achieve the investment objective.

17. STOCKS

	2024	2023
	£	£
Jersey herd	74,100	74,100

18. DEBTORS

	2024	2023
	£	£
Trade debtors	51,520	24,914
Other debtors	1,462,080	1,989,179
Prepayments and accrued income	62,925	62,962
	1,576,525	2,077,055

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans	17,848	17,176
Trade creditors	63,546	53,830
Amounts owed to group undertakings	2,799	2,799
Other taxation and social security	16,221	2,737
Other creditors	36,768	37,294
Accruals and deferred income	47,852	50,278
	185,034	164,114

Deferred income is represented by rental income received in advance.

	2024	2023
	£	£
DEFERRED INCOME		
Deferred income at 1 April 2023	15,414	36,658
Resources deferred during the year	20,698	15,414
Amounts released from previous periods	(15,414)	(36,658)
	20,698	15,414

The Charity has a mortgage repayable over 25 years that is secured over the property at Turnerstone. The mortgage incurs interest at 5% above base rate.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £	2023 £
Bank loans	552,825	570,344

Included within the above are amounts falling due as follows:

	2024 £	2023 £
BETWEEN ONE AND TWO YEARS		
Bank loans	19,187	18,270
BETWEEN TWO AND FIVE YEARS		
Bank loans	66,629	63,123
OVER FIVE YEARS		
Bank loans	467,009	488,951

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2024 £	2023 £
Payable or repayable by instalments	467,009	488,951

The Charity has a mortgage repayable over 25 years that is secured over the property at Turnastone. The mortgage incurs interest at 5% above base rate.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. PROVISIONS

	Babers Farm £
At 1 April 2023	138,750
Amounts used	(15,000)
	<u>123,750</u>

As part of the agreement to gift the land and property at Babers Farm to the Charity, the Charity gave an undertaking to allow the donor's wife to occupy the farmhouse until her death, or should she vacate the property, a sum equal to the higher of £15,000 or 50% of the rent received on the farmhouse should be paid per annum. In 2018 the property was vacated and an estimate of the amount payable was made using mortality tables. During the year, payments totalling £15,000 (2023 - £15,000) were made under this agreement. No revision to the provision using latest mortality tables has been revised. At the balance sheet date the balance of the provision amounted £123,750 (2023 - £138,750).

22. PRIOR YEAR ADJUSTMENTS

Income amounting to £4,508 which was previously recognised as income from charitable activities has been reclassified to donation income to more accurately reflect the nature of the income.

Income amounting to £33,243 which was previously recognised as income from trading activities in 2023 has been reclassified to other income to more accurately reflect the nature of the income.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Redundant Farm Buildings	974,725	-	-	305,051	-	1,279,776
Property Assets Fund	22,242,096	-	(160,504)	(1,155,270)	110,999	21,037,321
	<u>23,216,821</u>	<u>-</u>	<u>(160,504)</u>	<u>(850,219)</u>	<u>110,999</u>	<u>22,317,097</u>
GENERAL FUNDS						
General Funds - all funds	<u>1,348,061</u>	<u>1,400,315</u>	<u>(1,432,250)</u>	<u>872,880</u>	<u>-</u>	<u>2,189,006</u>
TOTAL UNRESTRICTED FUNDS	<u>24,564,882</u>	<u>1,400,315</u>	<u>(1,592,754)</u>	<u>22,661</u>	<u>110,999</u>	<u>24,506,103</u>
ENDOWMENT FUNDS						
Green Farm	<u>1,177,993</u>	<u>-</u>	<u>(7,481)</u>	<u>-</u>	<u>47,348</u>	<u>1,217,860</u>

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FUNDS

Sundry Grants/donations	6,950	1,450	(35)	-	-	8,365
Appeals	23,430	-	-	-	-	23,430
Lark Rise	34,128	-	(155)	-	-	33,973
Green Farm	-	39,354	(16,693)	(22,661)	-	-
Awnells Farm	879,319	-	(8,811)	-	-	870,508
Stephen Freeman Fund	900,000	-	-	-	-	900,000
	<u>1,843,827</u>	<u>40,804</u>	<u>(25,694)</u>	<u>(22,661)</u>	<u>-</u>	<u>1,836,276</u>
TOTAL OF FUNDS	<u><u>27,586,702</u></u>	<u><u>1,441,119</u></u>	<u><u>(1,625,929)</u></u>	<u><u>-</u></u>	<u><u>158,347</u></u>	<u><u>27,560,239</u></u>

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. STATEMENT OF FUNDS (CONTINUED)

Unrestricted Funds

General Fund

The general fund represents the free reserves after allowing for all designated funds.

Designated Funds

The Property Assets Fund is the value of unrestricted funds represented by freehold and leasehold land and buildings and investment property owned by the charity, less associated borrowings.

The Redundant Buildings Fund brought forward was the value of unrestricted funds allocated by the trustees for funding renovation of redundant farm buildings at 51 Wimpole Road, Turnastone Court Farm, Pierrepont Farm and Garden Cottage, Twyford. At the year end the carry forward balance represented funding for development projects at Pierrepont and Beremmarsh Farm.

Restricted Funds

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Green Farm. The income generated by the endowment fund is used firstly for the upkeep and maintenance of The Green Farm estate and secondly, if there is a surplus in any one year, for the general benefit of the charity, the use of which are restricted under the terms of the deed of gift. In the first few years the costs in maintaining the estate exceeded the income generated meaning the fund was in deficit. In the last couple of years the income has increased and the surplus generated this year has been transferred to unrestricted funds.

Awnells Farm. This fund represents the land and buildings at Awnells Farm, the use of which are restricted under the terms of the deed of gift.

Appeals. This represents the funds raised by appeals, which are to be applied for specific projects under the terms of the appeals. The year end balance represents the Barn Owl appeal.

Lark Rise. This fund represents monies received for the upkeep and maintenance of Lark Rise Farm.

The Stephen Freeman Fund was established by a legacy received in 2023 to fund a barn conversion at Pierrepont.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. STATEMENT OF FUNDS (CONTINUED)

Relevant for 2023 only

The Mayfields restricted fund was established by gift in 2005. A further gift in kind of £178,000 was made in 2008. The fund was available to be used for the conservation and creation of the Mayfields Shepherding and Countryside Centre within the objects of the Trust. These funds had been spent in prior years and the balance now transferred to unrestricted funds.

The Pierrepont restricted fund was established by gift in 2006. The fund is available to be used for the restoration and conservation of Pierrepont Farm within the objects of the Trust. This money has been fully spent.

Endowment Fund

This fund represents an expendable endowment whereby the income generated by the capital fund should be used firstly for the upkeep and maintenance of The Green Farm estate and secondly, if there is a surplus in any one year, for the general benefit of the charity. The capital fund may only be used for the purposes of maintaining Green Farm Estate if in any given year, the income from the fund is insufficient.

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Redundant Farm Buildings	974,725	-	-	-	-	974,725
Property Assets Fund	22,516,697	-	(167,680)	(589,921)	483,000	22,242,096
	<u>23,491,422</u>	<u>-</u>	<u>(167,680)</u>	<u>(589,921)</u>	<u>483,000</u>	<u>23,216,821</u>
GENERAL FUNDS						
General Funds - all funds	<u>165,608</u>	<u>1,733,609</u>	<u>(1,436,451)</u>	<u>832,212</u>	<u>53,083</u>	<u>1,348,061</u>
TOTAL UNRESTRICTED FUNDS	<u>23,657,030</u>	<u>1,733,609</u>	<u>(1,604,131)</u>	<u>242,291</u>	<u>536,083</u>	<u>24,564,882</u>
ENDOWMENT FUNDS						
Green Farm	<u>1,273,392</u>	<u>-</u>	<u>(10,369)</u>	<u>-</u>	<u>(85,030)</u>	<u>1,177,993</u>

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FUNDS

Mayfields	235,000	975	(596)	(235,379)	-	-
Pierrepont Farm Appeal	3,000	-	-	(3,000)	-	-
Sundry Grants/donations	4,350	2,600	-	-	-	6,950
Appeals	14,085	-	(323)	9,668	-	23,430
Lark Rise	34,128	-	-	-	-	34,128
Green Farm	-	39,325	(25,745)	(13,580)	-	-
Awnells Farm	888,130	-	(8,811)	-	-	879,319
Stephen Freeman Fund	-	900,000	-	-	-	900,000

	<u>1,178,693</u>	<u>942,900</u>	<u>(35,475)</u>	<u>(242,291)</u>	<u>-</u>	<u>1,843,827</u>
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TOTAL OF FUNDS

	<u><u>26,109,115</u></u>	<u><u>2,676,509</u></u>	<u><u>(1,649,975)</u></u>	<u><u>-</u></u>	<u><u>451,053</u></u>	<u><u>27,586,702</u></u>
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THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	15,777,195	870,773	-	16,647,968
Fixed asset investments	1	-	1,081,216	1,081,217
Investment property	5,844,000	-	-	5,844,000
Current assets	3,746,516	965,503	136,644	4,848,663
Creditors due within one year	(185,034)	-	-	(185,034)
Creditors due in more than one year	(552,825)	-	-	(552,825)
Provisions for liabilities and charges	(123,750)	-	-	(123,750)
TOTAL	24,506,103	1,836,276	1,217,860	27,560,239

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	16,013,820	879,585	-	16,893,405
Fixed asset investments	1	-	1,037,742	1,037,743
Investment property	6,832,500	-	-	6,832,500
Current assets	2,591,769	964,242	140,251	3,696,262
Creditors due within one year	(164,114)	-	-	(164,114)
Creditors due in more than one year	(570,344)	-	-	(570,344)
Provisions for liabilities and charges	(138,750)	-	-	(138,750)
TOTAL	24,564,882	1,843,827	1,177,993	27,586,702

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(26,463)	1,477,587
ADJUSTMENTS FOR:		
Depreciation charges	183,735	190,501
Losses on investments	(158,347)	(451,053)
Dividends, interests and rents from investments	(226,209)	(174,494)
Profit on the sale of fixed assets	(198,347)	(275,123)
Decrease/(increase) in debtors	500,530	(1,123,441)
(Decrease)/increase in creditors	45,633	(86,950)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	120,532	(442,973)

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	3,198,038	1,545,107
TOTAL CASH AND CASH EQUIVALENTS	3,198,038	1,545,107

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,545,107	1,652,931	3,198,038
Debt due within 1 year	(17,176)	(672)	(17,848)
Debt due after 1 year	(570,344)	17,519	(552,825)
	957,587	1,669,778	2,627,365

THE COUNTRYSIDE REGENERATION TRUST LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

28. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £8,071 (2023 - £17,976). Contributions totalling £1,783 (2023 - £3,394) were payable to the fund at the balance sheet date and are included in creditors.

29. OPERATING LEASE COMMITMENTS

At 31 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	4,089	14,062
Later than 1 year and not later than 5 years	6,725	10,815
	<u>10,814</u>	<u>24,877</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024 £	2023 £
Operating lease rentals	<u>14,063</u>	<u>11,643</u>

30. RELATED PARTY TRANSACTIONS

One of the trustees is a partner in M&JE Scott which farms land owned by the Trust under a tenancy agreement. Rental income of £19,772 (2023: £19,772 received in year) was outstanding at the year end.

No Trustees received any direct remuneration or benefits in the year (2023: £NIL).

At 31 March 2024 the Charity owed its subsidiary Lark Trading Limited £2,799 (2023 - £2,799).

LARK TRADING LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2024

LARK TRADING LIMITED
REGISTERED NUMBER: 03800255

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
FIXED ASSETS			
CURRENT ASSETS			
Debtors: amounts falling due within one year	3	2,799	2,799
		2,799	2,799
TOTAL ASSETS LESS CURRENT LIABILITIES		2,799	2,799
NET ASSETS EXCLUDING PENSION ASSET			
		2,799	2,799
NET ASSETS		2,799	2,799
CAPITAL AND RESERVES			
Called up share capital	4	1	1
Profit and loss account		2,798	2,798
		2,799	2,799

For the year ended 31 March 2024 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Tim Scott
T Scott
Director

Date: 2 October 2024

The notes on page 2 form part of these financial statements.

LARK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

1.2 DEBTORS

Short term debtors are measured at transaction price, less any impairment.

2. GENERAL INFORMATION

Lark Trading Limited is a private limited company incorporated in England. The company's registered office is Unit 12 Bennell Court, West Street, Comberton, Cambridge, CB23 7EN.

The immediate parent company and ultimate parent undertaking and controlling party is The Countryside Regeneration Trust, a registered charity.

The company's functional and presentational currency is GBP.

3. DEBTORS

	2024 £	2023 £
Amounts owed by group undertakings	2,799	2,799

4. SHARE CAPITAL

	2024 £	2023 £
ALLOTTED, CALLED UP AND FULLY PAID		
1 (2023 - 1) ordinary share of £1.00	1	1

Countryside Regeneration Trust.

Audit matters for year ended
31 March 2024

pem.



Dear Board of Trustees

Audit Matters for Countryside Regeneration Trust for the year ended 31 March 2024

This report presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260. Its contents have been discussed with management.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters that came to our attention during the conduct of our normal audit procedures, which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you.

Consequently, our work cannot be relied upon to disclose all defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Specific roles and responsibilities are outlined in the terms of engagement agreed in the PEM Engagement Letter dated 31 May 2024, which covers the audit of the 2024 accounts and future years' audits. General terms of engagement may be found on our website www.pem.co.uk.

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Yours faithfully

Michael Hewett

Michael Hewett

For PEM

4 October 2024



Contents.

1. Audit status and independence
2. Audit risks and our findings
3. Matters arising from our work
4. Matters for the attention of trustees
5. Internal controls
6. Internal controls – review of prior years
7. Summary of adjustments
8. Summary of potential adjustments
9. Communication of audit matters
10. Independence and fees
11. Emerging issues



Your team.



Michael Hewett

Responsible Individual

mhewett@pem.co.uk



Gemma Baratte

Senior Audit Manger

gbaratte@pem.co.uk



Harry Oughton

Audit Senior

Houghton@pem.co.uk

1. Audit status.

Audit opinion

Our audit work complete.

We confirm that our audit has not revealed any matters that will require modifications to our audit report opinion and therefore an unqualified audit opinion will be issued for Countryside Regeneration Trust. The original audit report will be signed by Michael Hewett, on behalf of Peters Elworthy & Moore.

Letter of representation

We have received a letter of representation from you. The letter provides us with additional evidence in areas where we have relied upon representations from you during the audit. We suggest that you make your own enquiries of staff to verify that you support the representations that have been made.

Specific representations have been requested from management in respect of:

- The value of properties not valued by Batcheller Monkhouse have not materially changed
- The calculation of the disposal value of the Granary at Turnastone
- Bank balances are materially correct where bank letters have not been obtained and statements cannot be provided; and
- The sale of the farm equipment at Pierrepont farm will be recognised in 24/25.

Subsequent events (ISA 560)

We must ensure that all the events up to the reporting date that need to be reported in the financial statements have been identified and accounted for appropriately. For events that come to our attention after the reporting date, but before auditor's report is issued, we must ensure that events requiring adjustments have been accounted for.

We have received confirmation from you that there are subsequent events have occurred.



2. Audit risks and our findings.

Audit approach

Our audit approach was outlined in our Audit Plan. We have not had to alter our Audit Plan as previously communicated to you on 31 May 2023.

In accordance with the ISAs there are two presumed significant risks, which we are required to consider for all organisations: the risk of management override of controls and the risk of fraud or error in revenue recognition. As part of our planning we also identified a significant risk in relation to restricted funds.

Our audit findings are set out below.

Significant risk

Management override of controls

Assertions – none (presumed risk at financial statement level)

Management is typically in a powerful position to perpetrate fraud due to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Our approach and findings

We tested the design and implementation of controls around journal entries and those relevant to the production of the financial statements.

We carried out appropriate substantive procedures including

- review of journal entries to identify and test significant or unusual items;
- review of accounting estimates (see section 3); and
- review for significant transactions that were outside the normal course of business, or were otherwise unusual.

Our D&I testing did not highlight any significant issues.



2. Audit risks and our findings.

Significant Risk

Revenue recognition

Under ISA 240, there is a presumed risk of fraud present within revenue recognition.

Assertions considered

- **completeness** (whether all the income to which the Charity is entitled has been included)
- **occurrence** (whether the income is recorded in the period have really occurred)
- **cut-off** (whether the correct amount has been recognised in the accounting period under consideration).

We have assessed the inherent risk factors of each assertion and how they affect the susceptibility to misstatement. In addition, we have assessed the likelihood and magnitude of misstatement for each assertion.

We have reviewed the controls you have in place but will not be specifically testing the operating effectiveness of controls. We will adopt a substantive approach.

Whilst the assertions are relevant to all of the Charity's income streams, we consider that the significant risk relates to the completeness/cut off of legacy and donation income streams for the Charity.

Our approach and findings

We have reviewed the design and implementation (D&I) of controls around each significant income stream. We adopted a substantive testing approach in line with our plan consisting of detailed testing and analytical procedures, to satisfy ourselves that total income for the year was in line with expectation and supporting documentation and accordingly assessed the completeness of the reported revenue balances.

As part of our audit procedures to address the significant risk we have:

- Reviewed and tested income recognition policies to ensure that they are appropriate for the Charity's activities and being consistently applied.
- We reviewed and tested a sample of transactions to ensure that income is only being recognised when all of the criteria are met (entitlement, probable and measurement).
- We performed detailed testing on material revenue streams to assess **completeness**. For legacy income we:
 - reviewed the movement on legacies which had a b/f debtor to establish if these had been received or the c/f debtor needing adjusting for an update on the legacy during the year;
 - reviewed documentation for new legacies received in the year – assessing the completeness and occurrence of these balances
 - reviewed the nominal ledger for any income posted for which no supporting documentation seen
 - reviewed your legacy pipeline to ensure all amounts listed had been identified from the above

In addition we have:

- We performed detailed testing on material debtors related to the above revenue streams to assess **occurrence**. In conjunction with the detailed legacy testing above – we have reviewed recoverability of b/f amounts and looked at after date receipts for debtors outstanding at the year end.
- We performed detailed testing on material revenue streams around the year end to agree **cut-off**. We obtained the post year end ThanQ report to identify any donations which should have been recognised to 31 March 2024. We also reviewed the latest legacy pipeline post y/e to ensure there were no further legacies to be recognised.

From our D&I testing, the systems in place over the recording and recognition of income are working as documented.

A number of adjustments have been made to the legacy income recognised as discussed further in section 3 and detailed in section 7.



2. Audit risks and our findings.

Significant risk

Our approach and findings

Restricted funds

Assertions – Classification

The risk that restricted income has not been correctly identified or that restricted expenditure is not in line with the specified purposes.

We reviewed the systems in place with regard to the identification of restricted income and completed substantive testing. We also reviewed the allocation of expenditure to restricted funds and tested a sample to ensure that they were applied in line with the terms of the fund.

Our testing did not highlight any issues.



3. Matters arising from our work.

Materiality assessment (ISA 320)

Our initial or planning materiality was set out in our audit plan shared with the trustees on 31 May 2024.

Our planning materiality was set using a benchmark 2% of turnover based on March 24 management accounts. The final outturn was lower than our initial calculation and as a result we have recalculated materiality based on the final income.

The revised figures are set out below.

	SOFA and related balances (debtors & creditors)			Other areas		
	Benchmark applied	Planning materiality	Final materiality	Benchmark applied	Planning materiality	Final materiality
Materiality	2% of turnover	£ 19,800	£28,800	3% of net assets	£ 836,200	£820,000
Performance materiality		£ 14,900	£21,600		£ 627,200	£615,700
Clearly trivial threshold		£ 600	£900		£ 25,100	£24,600

3. Matters arising from our work.

Disposals at Turnastone and Beremmarsh

During the year, the Granary at Turnastone was disposed of. Only the proceeds were recorded in the accounting records, with no adjustment made to remove the asset from the fixed asset register.

We discussed with management an appropriate methodology to establish an approximate allocation of the historic cost and accumulated depreciation to be shown as a disposal. We calculated that the Granary forms 8% of the total valuation of Turnastone (excluding land) and as such this amount of the total cost has been reflected as a disposal. The profit on disposal of £198k has been shown as an adjustment in section 7 of this document. Specific representation of the basis of this calculation has been included in the Letter of Representation.

An investment property, Beremmarsh Farm, was also sold in the year, and although the cash receipt had been recorded the disposal of the investment property had not been reflected. An adjustment is shown in section 7 for this amounting to £1.1m.

Pierrepoint farm– change of tenants

The tenant in the above farm vacated the property on 31 March 2024 at the end of their farm tenancy. Prior to the year end, 10 cows from the herd were sold, valued at £1,250 each. Except for this sale there has been no change to the remaining value of the herd. If the current sales price was applied to the herd, then the stock should be increased by £34k and this is shown as a potential adjustment in section 8. We challenged this value with management who explained that it was unlikely all cows in the herd would be valued at this price. Management noted a detailed valuation of the cows would be conducted for the year ended 31 March 2025.

Farm equipment worth £104k was also sold to the Trust on departure of the tenant (which was subsequently purchased by the new tenant). This purchase was recorded at the start of April 2024. This is an area of judgement as it was always the intention for the equipment to be sold to the Trust on departure of the tenant but the transaction was recorded subsequent to the departure date on the basis that the equipment belonged to the tenant until mid-night on 31 March. Specific representation on this point has been included in the Letter of Representation.

Bank letters

Due to issues with updating the signatories on the bank mandates, no letters have been received for the accounts listed below. Bank statements have been obtained but these do not correspond directly with the year end date. We understand management have been trying to update the bank mandates to reflect the correct signatories and since the year end have sought the help of their solicitors to aid the process with the banks. There remains an overall trivial difference between the bank statements and amount per the accounts for these accounts as a result of accrued interest over a couple of years. We have included a specific point in the Letter of Representation confirming that the account balance is not materially different to the bank statement balance given we have been unable to obtain third party confirmation.

▪ Nationwide Business Saver	£101,697
▪ Saffron Walden Building Society	£153,843
▪ Scottish Widows	£513
▪ Virgin Charity Deposit	£15,025

Designated building Consideration has been given to the value of the redundant farm designated fund this year. Note 23 reflects an increase in the fund of £305,051 to £1,279,776. The fund mainly consists of specific projects at Pierrepoint which were agreed on in the 2024-25 budget. There is also the b/f balance relating to Beremmarsh of £474,725 which has been increased to £571,914 and a contingency which equates to 20% of the budgeted costs of the projects.

fund

Recoverability of debtors

One of the trustees is a partner in M&JE Scott which farms land owned by the Trust under a tenancy agreement. Rental income of £19,772 from 2023/24 remains outstanding as disclosed in note 27 of the accounts.

4. Matters for the attention of the trustees.

Accounting and internal controls

Your assessment

Management should keep their understanding of internal controls up to date to identify which controls are still operating effectively and which might now show areas of weakness, particularly given the hybrid working environment with staff often working remotely. This regular re-assessment should consider the heightened risk of fraud as a result of such changes in the operational environment. Plans should be put in place to implement controls to cover any gaps identified.

Strengthening and maintaining the control could include:

- Maintaining segregation of duties as far as possible so that no one individual has too much authority;
- With increased remote working, making sure that only the right people are accessing the right systems; and
- Increasing cyber awareness is recommended to identify unexpected behaviour.

It is the Trustees' responsibility to satisfy themselves that they have met their financial duties as Trustees by having robust and effective financial controls in place and protecting the business from financial crime. The assessment and evidence of challenge by management and trustees should be clearly documented and regularly reviewed.

Our work

We consider management's assessments of controls as part of our assessment of significant audit risk and we consider the design and implementation of relevant controls around significant audit risks as part of our audit work.

We understand from discussion with management that controls are mainly exercised through

- Review of monthly management accounts
- Approval of journals
- Approval of payments
- Outsourcing key elements in managing and administering the pension funds.

As noted in the prior year we recommend that management review their arrangements annually to ensure that provision remains appropriate.

Recommendations

We have found the Charity's accounting and internal control systems in relation to the significant audit risks to be designed and implemented as documented. No significant deficiencies have come to our attention during the course of our work. There are, however, a number of recommendations that we have made regarding the accounting and internal control systems, which are set out in section 5. We have also revisited the recommendations made in prior years and an update is provided in section 6.



4. Matters for the attention of the trustees.

Financial statements

As part of our audit we have considered and reviewed the Charity's accounting policies and the disclosures in accordance with UK Generally Accepted Accounting Practice and we have not encountered any material departures. In previous years we recommended that a capitalisation policy was set. Management have confirmed assets over £1k are capitalised and the accounting policy in the accounts has been updated to reflect this. In our opinion the accounting policies selected are appropriate to the circumstances of the Charity.

Our review found no material omissions in the financial statements. Our disclosure checklist has yet to be completed and we will discuss with management and trustees, as appropriate, any matters arising (check checklist listed as outstanding in section 1).

Judgements and estimates (ISA 540)

ISA (UK) 540 'Auditing Accounting Estimates and Related Disclosures' includes number of more prescriptive documentation requirements around risk assessment, linking audit procedures with the assessed risk and judgements related to accounting estimates.

There are some areas which involve a large degree of judgement and estimation, and which were given increased scrutiny during our audit. These were:

- Income recognition, including the value and timing of recognition of legacies;
- Useful lives of property, plant and equipment;
- Valuation of investment property;
- Valuation of listed investments, and;
- Valuation of provisions

Income recognition, specifically legacy income was considered to be significant audit risk to the level of complexity in their calculation/subjectivity in making assumptions and management judgment involved and have been discussed in more detail in section 2.

A professional valuation was obtained from Batcheller Monkhouse for the investment properties. Elements of these sites were not included on the external valuation including yard and garage complex, orchard, grazing land and flower growing land / agricultural building at Green Farm and Buildings J and K Pierrepont Farm. Discussions with management indicate the properties at Green Farm are undervalued by 15%-20% which equates to £110,600 if an uplift is applied to the 2023 values. This is an area of significant judgement, as opposed to an error in the financial statements and is an immaterial uplift based on materiality of net assets.

We have included a specific representation point that the value of properties at Green Farm and Pierrepont Farm which were not externally re-valued have not materially changed in value since the last valuation completed in 2023.



4. Matters for the attention of the trustees.

Fraud (ISA 240)

As set out in our audit plan, we are required to consider fraud and the impact that this has on our audit approach. We have updated our risk assessment throughout the audit process and adapt our approach accordingly.

We have received your assessment of the risk and effectiveness of the internal controls relating to the processes and procedures that you have in place through your completion of our planning questionnaires.

It is the Trustees' responsibility to satisfy themselves that they have met their financial duties as Trustees by having robust and effective financial controls in place and protecting the business from financial crime. We would recommend that trustees document their procedures to address the risks of fraud to demonstrate that management and trustees understand their role in the prevention of fraud. Regular review of this assessment will help trustees and management identify gaps and implement stronger internal controls as discussed above.

We have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit.

Our standard letter of representation has one change from previous years. Previously, we obtained representations from you that you acknowledge your responsibilities. This year a representation has been requested that Trustees and management believe that they have appropriately fulfilled these responsibilities. As in the prior year we request from you not only an acknowledgement of your responsibilities in relation to fraud but also that you believe that you have appropriately fulfilled these responsibilities.

Laws and regulations (ISA 250)

As set out in our audit plan, we have discussed with management the procedures in place for identifying laws and regulations critical to the charity and the procedures you have in place to prevent non-compliance. You have not informed us of any incidents in the period and no other issues have been identified during the course of our audit.

Related parties (ISA 550)

As set out in our audit plan, our audit procedures involved enquiry of management about the identity of related parties, the nature of relationships and the type and purpose of related party transactions. We have received confirmation forms of the related party relationships and transactions from all identified related parties.

We have not identified any non-disclosed material related party transactions during the course of our audit work. We note that the disclosures in note 26 to the accounts are consistent with completed related party forms.



5. Internal controls.

During our audit work we have identified a number of recommendations that are set out below. We would recommend that high priority recommendations are addressed within the next 3-6 months, medium priority within the next year and that management consider implementing low priority findings by the next audit (or identify other controls which they believe address the risks).

PEM findings	Priority	Recommendation	Your comments
Legacy income We noted a number of instances where cash receipts had been coded to donations rather than offsetting the legacy debtor brought forward. In particular, this was noted where distributions from the deceased's estate were received as a cheque.	High	We recommend that management pay close attention to money received and ensure income is not double counted from legacy income already recognised in previous years. This will ensure more accurate management accounts and allow for more precise monitoring of results against budgets.	
Rental income documentation One tenancy was identified (Coppack) where the rent had clearly increased from £2,600 to £2,700. However, there was no documentation available to corroborate this increase.	Low	We recommend that an update agreement is signed for any changes in rental amounts.	
Register of interests No separate register of interests is maintained. Trustees are required to declare any interests at the start of meeting but there is no separate register of all interests kept.	Low	To collate a separate register of connected interests with Trust which can be used as a point of reference to check any future transactions.	



5. Internal controls.

During our audit work we have identified a number of recommendations that are set out below. We would recommend that high priority recommendations are addressed within the next 3-6 months, medium priority within the next year and that management consider implementing low priority findings by the next audit (or identify other controls which they believe address the risks).

PEM findings	Priority	Recommendation	Your comments
<p>Rental income Several instances were identified (Bathsheba's Cottage and BereMarsh Cottage) where an additional month's income had been recorded and not deferred until the next financial year</p> <p>We reviewed the income per Re-Leased data compared to the amounts recorded in the nominal. There were a number of reconciling items including rural payments and insurance. This income may need to be posted and recognised separately.</p>	Low	<p>Rental income should be recognised in the correct period . We would expect any income received in advance to be deferred.</p> <p>We recommended that care should be taken to ensure that income is posted correctly as this will allow the CRT to better assess each income stream.</p>	
<p>Holiday pay accrual The holiday pay accrual has not been reconsidered – there has been no movement on the y/e accrual for several years.</p>	Low	<p>Although any movement is likely to be immaterial it is important management re-calculate the year end holiday pay accrual based on accurate information for 2024.</p>	



6. Internal controls.

Review of prior year recommendations.

PEM findings	Recommendation and your comment	Update this year	Outcome
Approval of purchase invoices There is no approval process in place for the approval of purchase invoices, with one individual being able to process these through Dextand post to Xero independently	<p>We recommend that a formal approval process is in place using automated controls available within Xero or Dext.</p> <p>Managements comment in 2023; Our comments have been noted by you and we understand that The CRT is actively recruiting for new positions which would help to enable this control</p>	<p>Additional controls have been implemented – relevant invoices are approved by Head of Development (prior to departure) and Finance Manager which is considered sufficient given the size of the organization.</p>	CLOSED
Capitalisation of fixed assets A review of the nominal transaction listing revealed several instances where items that were capital in nature (e.g. laptops) had been expensed in profit or loss. While the matter was trivial, we recommend that management pay close attention to ensure that capital items are correctly reflected in the financial statements.	<p>We believe it would be beneficial for the CRT to introduce a capitalisation policy threshold and ensure it is implemented appropriately.</p>	<p>We understand management have a agreed a policy to capitalise items of a capital nature which exceed £1,000 in value. The fixed asset accounting policy has been updated in the statutory accounts accordingly.</p>	CLOSED
Disposal of Turnastone Garage While the proceeds had been recorded in the financial statements, the disposal from the fixed asset register had not been recorded, as the individual cost and depreciation could not be reliably determined	<p>Although the matter was immaterial, it is important that sufficient detail is recorded on new items capitalised in fixed assets to ensure that component disposals can be clearly identified and reflected.</p>	<p>No disposal has been made from the fixed asset register as the individual cost and depreciation can not be reliably determined.</p>	ONGOING



7. Summary of adjustments.

We are required to inform you of any significant adjustments made to the financial statements presented for audit that have been identified during the course of our audit, following discussions with you and your staff. You should review these adjustments in order to satisfy yourselves that they have been properly made. Confirmation that you have done so should be communicated to us within the letter of representation.

**Total
£**

Surplus per accounts presented for audit	707,212
Adjustment to C Evans Legacy	(11,474)
Adjustment to Freeman legacy	50,000
Adjustment to D Gibson legacy	11,977
Adjustment to Hurl Legacy	2,526
Adjustment to Forbes legacy	3,504
Adjustment to Belfield legacy	17,781
Adjustment to Chance legacy	7,635
Adjustment to M McCarthy legacy	(40,000)
Adjustment to Duncan legacy	8,155
Adjustment To Birky Legacy	2,000
Adjustment to Dunn legacy	1,000
Investment property revaluation	111,500
Investment unrealized gain	3,193
Disposal of Beremmarsh Cottage	(1,100,000)
Disposal of the Granary at Turnastone	198,347
Write off balance on b/f funds	181
Deficit per draft accounts	(26,463)



7. Summary of adjustments (continued).

Classification adjustments – these adjustments have had no impact on the loss reported, they are purely classifications between account headings.

	Total £
Reclassify legacy coded to other income	150,000
Reclassify sale of silverware from donations to legacies	15,000
Reclassify Belfield legacy from donations	20,000



8. Summary of potential adjustments.

In addition, a number of non-trivial potential adjustments were identified during the course of our audit and we would request that you review these potential adjustments and consider amending the financial statements accordingly. If you decide not to amend the financial statements then your reasons for doing so should be communicated to us within the letter or representation.

	Total £
Deficit per draft accounts	(26,463)
Additional accruals noted in after date invoice review	(4,149)
Increase in stock valuation	34,650
Awnell farm capital items expensed	7,237
Write off 'Red Calm' debtor	(8,500)
Deferral of income on Bathshebas cottage	(1,800)
Gift aid debtor	4,213
Deferral of income for Beremmarsh Cottage (13m recognised)	(2,800)
Property valuation fee accrual	(2,408)
Purchase invoice duplicated on aged creditors report	2,783
Investment managers fee accrual for Jan – March quarter	(1,335)
Surplus per draft accounts, if adjusted	1,427



9. Communication of audit matters.

International Standard on Auditing (ISA)(UK and Ireland) 260, as well as other ISAs (UK and Ireland), prescribe matters which we are required to communicate with those charged with governance, and which we set out below

	Audit Plan	Audit Matters
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications	✓	
Views about the qualitative aspects of your accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of objectivity and independence	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters that might be thought to bear on independence. Details of non-audit work performed by us together with details of safeguards applied to threats to independence	✓	
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		✓
Non-compliance with laws and regulations		✓
Expected modifications to the auditors' report, or emphasis of matter		✓
Unadjusted misstatements and material disclosure omissions		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓



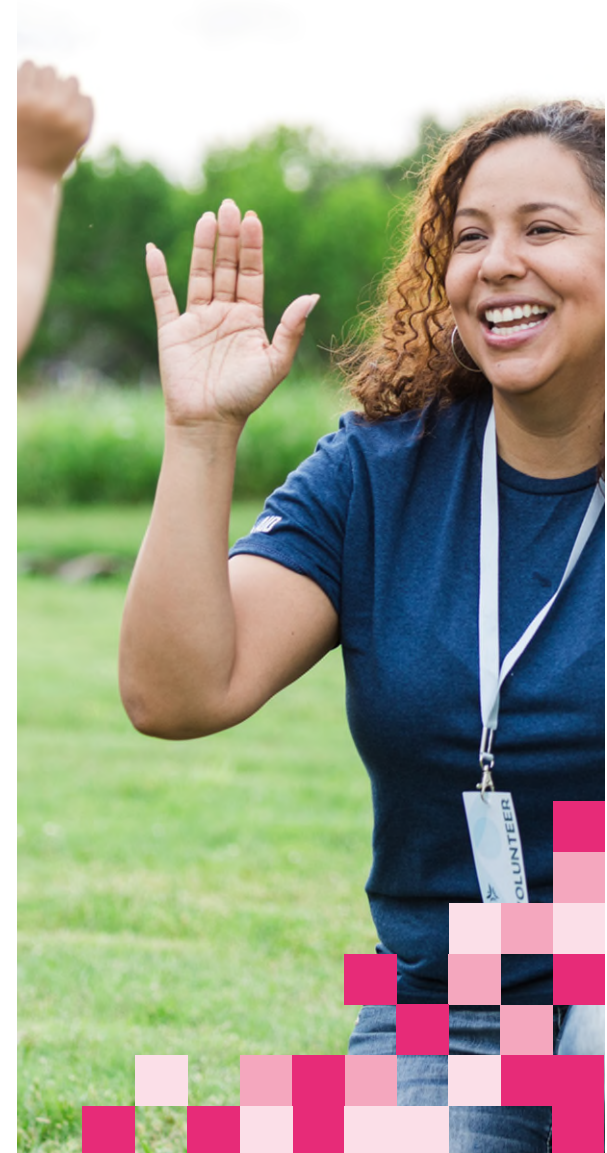
10. Independence.

Independence

In line with ISA 260 and the Auditing Practices Board (APB) Ethical Standard, we communicate to those charged with governance our independence and any other relevant factors.

We are required to write to you to give you full and fair disclosure of any matters that may relate to our independence, or the perception of our independence, as your auditors. We considered our objectivity and independence before commencing planning our audit and communicated with you regarding these matters in our Audit Plan. We have reconsidered the relationship between you and our firm and have not identified any additional factors that have an impact on our ability to maintain our objectivity and independence.

We confirm we are independent and able to express an objective opinion on the financial statements.



Emerging issues.

pem.



11. Audit and accounting developments.

UK GAAP preparing for change

The FRC has issued substantial amendments to FRS 102, that aim to 'enhance the quality of UK financial reporting' by more closely aligning UK GAAP with IFRS in key areas, including new revenue recognition and lease accounting models.

This follows the extensive outreach carried out by the FRC as part of FRED 82, the second periodic review of UK GAAP.

Consequential amendments have also been made to the suite of other UK FRSS, including FRS 100, 101, 103, 104 and 105, which move UK GAAP closer than ever to IFRS.

The new Charity SORP, incorporating these changes, has not yet been published.

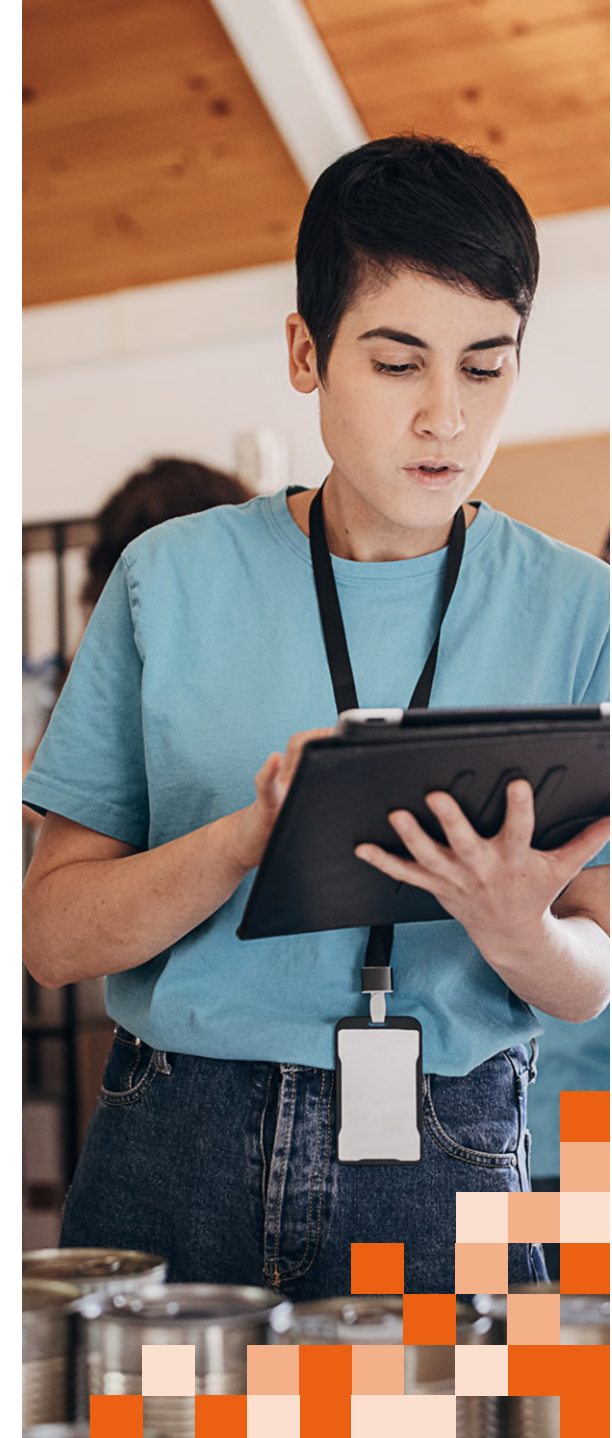
What are the major changes to UK GAAP?

The two headline changes are to:

- **Revenue recognition** – there is a new model based on IFRS 15's five-step model, with appropriate simplifications. How entities will be impacted will depend on the form of their contracts with customers; and
- **Lease accounting requirements** – there is a new model for lease accounting, based on IFRS 16's on-balance sheet model, with some simplifications. Many businesses that use operating leases will be impacted.

Other improvements and clarifications in the periodic review to FRS 102 include (but are not limited to):

- greater clarity for UK small entities applying Section 1A, regarding which disclosures need to be provided in order to give a true and fair view;
- revised Section 2 Concepts and Pervasive Principles to align with the IASB's Conceptual Framework for Financial Reporting;
- new Section 2A Fair Value Measurement, replacing the Appendix to Section 2 and updated to reflect the principles of international standards;
- revisions to Section 7 Statement of Cash Flows, to include new disclosures for supplier finance arrangements that promote consistency with IFRS;
- additional guidance in Section 26 Share-Based Payments for specific situations, such as equity instruments issued as part of a business combination;
- additional guidance in Section 29 Income Tax on uncertain tax positions;
- various amendments to Section 34 Specialised Activities, such as agricultural activities, service concession arrangements, heritage assets and public benefit entity accounting; and
- additions and amendments to the defined terms in the glossary.



11. Audit and accounting developments.

UK GAAP preparing for change (continued)

What hasn't changed?

The FRC have listened to feedback, and in a welcome move for many preparers, have chosen not to align FRS 102 with the expected credit loss model of financial asset impairment in IFRS 9, nor introduce any alignment with IFRS 17 Insurance contracts. Any such changes will be part of a future consultation.

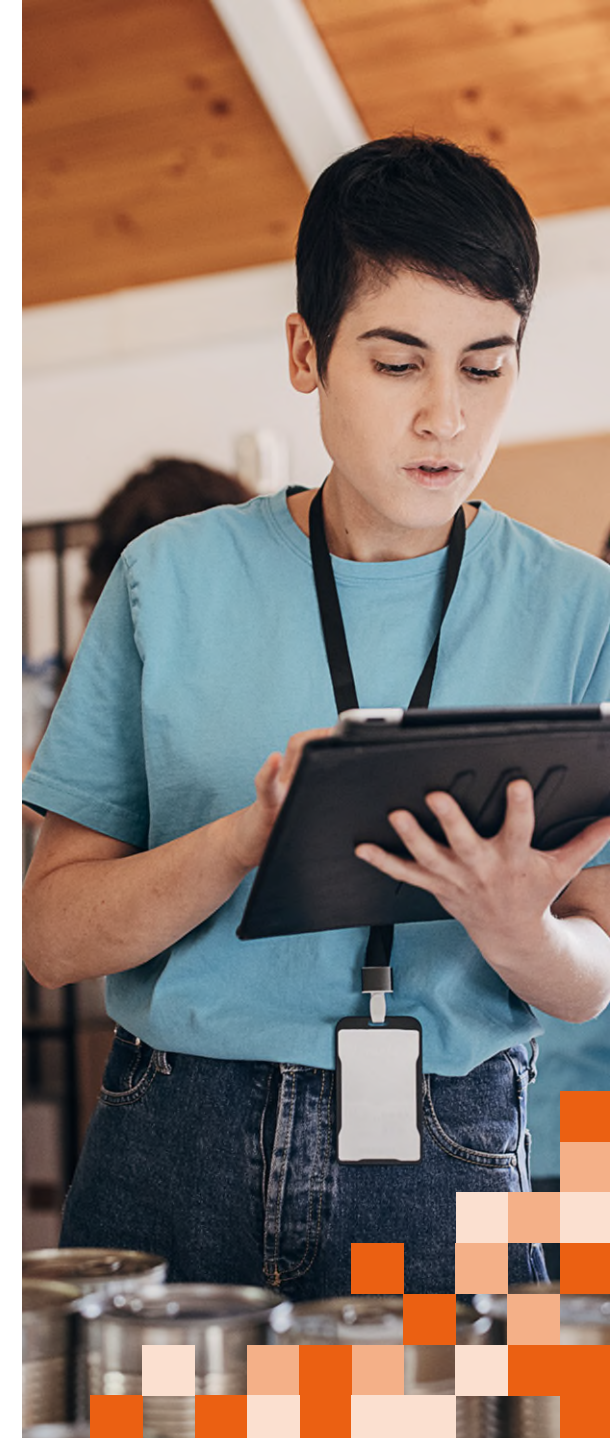
When will the changes to UK GAAP become effective?

While the bulk of the standard has retained the expected effective date of accounting periods commencing on or after **1 January 2026**, with early application permitted, there is one exception.

- New disclosure requirements about supplier finance arrangements must be provided for periods commencing on or after **1 January 2025** – again these promote consistency with IFRS in what is a rare area.

What do UK GAAP changes mean for you?

- Entities should now start to assess the impact of the new standards on their financial statements, systems and processes and to plan their communications with stakeholders, such as investors, lenders and employees. Preparing for this communication may include collecting, summarising and analysing all leases and revenue contracts, as well as understanding what contracts, such as lending and remuneration arrangements, are reliant on figures reported in the financial statements.
- Changes to the timing of revenue recognition, as well as bringing leases on balance sheet, may affect leverage ratios, debt covenants, EBITDA, and the tax position. For some, it may also affect the ability to take small company exemptions.



11. Audit and accounting developments.

Proposed changes to company size limits, audit thresholds and other reporting requirements

In March 2024, the UK government set out intended regulatory changes to the non-financial reporting framework, focusing on reducing regulation on companies with the objective of ensuring reporting requirements remain proportionate to size. The government will propose legislation to lift the monetary thresholds that determine company size by 50%.

This change is anticipated in October 2024, but there is not currently a proposal to increase the charity audit threshold. The change may however mean that some charity groups may now be classed as small. Where this is the case, the subsidiary may become exempt from audit.

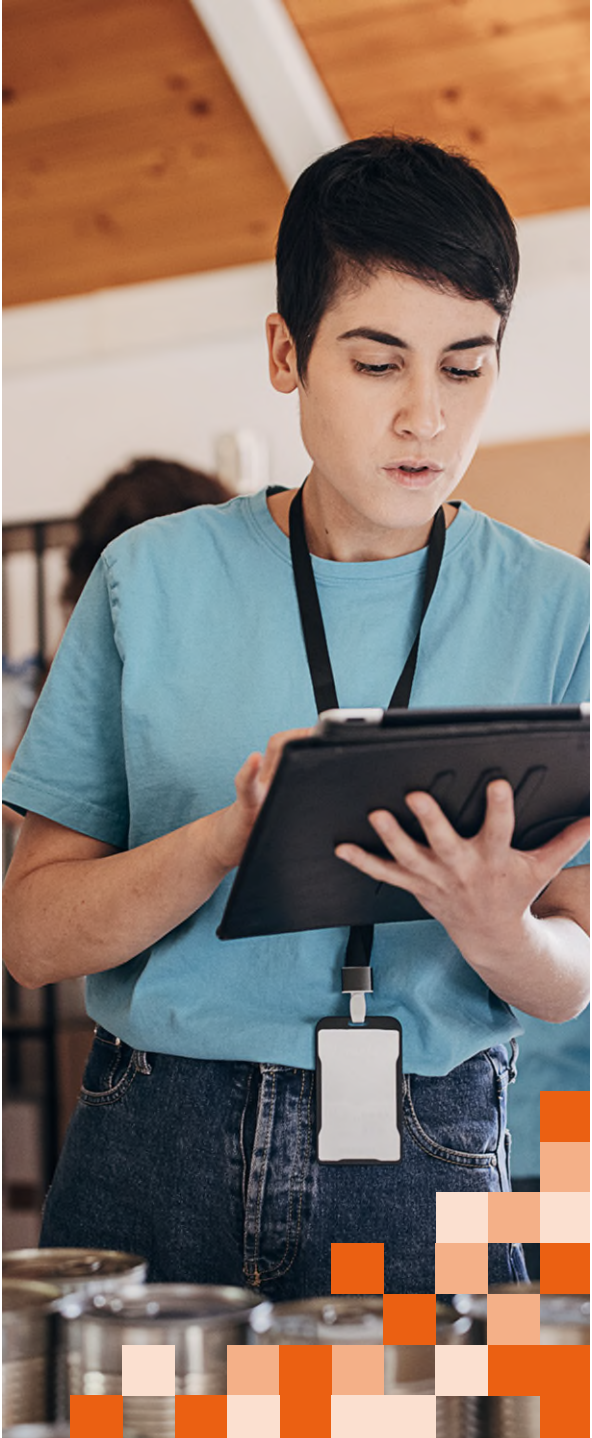
Thresholds	Old Micro	New Micro	Old Small	New Small	Old Medium	New Medium
Annual turnover	£632k	£1m	£10.2m	£15m	£36m	£54m
Balance sheet total	£316k	£500k	£5.1m	£7.5m	£18m	£27m
Average number of employees	10	10	50	50	250	250

Small and micro entities will be exempt from statutory audit requirements and will be able to file simpler accounts, including the use of FRS 105 (micro) and FRS 102 1A (small). However, companies are also reminded that other legislation is likely to come into force later in 2024 requiring all entities to file a profit and loss account at Companies House (Economic Crime and Corporate Transparency Act), alongside numerous other changes to Companies House filing, including the verification of Directors. Entities that will no longer be classified as large will be able to take advantage of large company disclosure reporting exemptions. This includes an exemption from carbon reporting.

Are there any other proposed changes coming down the line?

Later in 2024, the government propose to consult on the following:

- Amending the definition of a medium-sized company for reporting purposes, so the threshold on the maximum number of employees will be increased from 250 to 500
- Exempting medium-sized companies from having to produce a strategic report
- Exempting smaller public interest entities (PIEs) from audit tendering and rotation requirements



11. Emerging sector issues.

Royal Institution of Chartered Surveyors (RICS) introduces mandatory rotation rules

A new UK supplement has been published to the 'Red Book' used by RICS valuers. The new rules will prevent valuation firms from valuing an asset for regulated purposes for more than ten consecutive years, requiring a change or "rotation" to a different valuation firm. RICS believes that these critical changes will improve transparency, ultimately serving the public interest.

These key changes which will have a direct impact on Charities and others engaging a valuer as they will need to assess whether they remain with the rules or require a change. The changes will become effective 1 May 2024.

The key to assessing the periods of engagement is the asset being valued.

- A maximum single engagement period of five years.
- A maximum period of ten years before the rotation of a valuation firm - this might include multiple engagements.
- A maximum period of five years before the rotation of an individual 'responsible' valuer.
- A minimum three-year break after rotating off an engagement.
- A two-year transition policy (simplified from the consultation version).
- Where there are truly exceptional circumstances, the valuation firm can notify RICS Regulation that they are not adhering to the normal rotation policy.



11. Emerging sector issues.

Cyber security breaches survey 2024

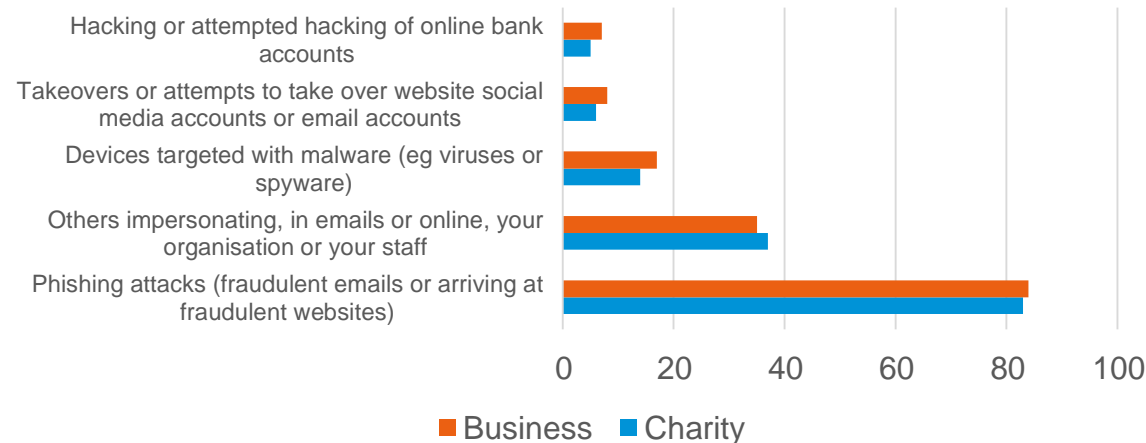
On the 9 April 2024, The Department for Science, Innovation and Technology and the Home Office published their latest annual survey on UK cyber resilience, the [Cyber Security Breaches Survey](#). This year a supplement relating to education was also released.

The highlights are that half of business and around a third of charities surveyed reported having experiences some form of cyber breach or attack in the last 12 months. The survey was based on data collected in the winter 2023/24. For large and medium business and high income charities (charities with £500,000 or more in annual income), the figures rose to 74%, 70% and 66%. This means that charities with relatively low levels of income are suffering the same number of attacks as businesses with over 20 times the level of income.

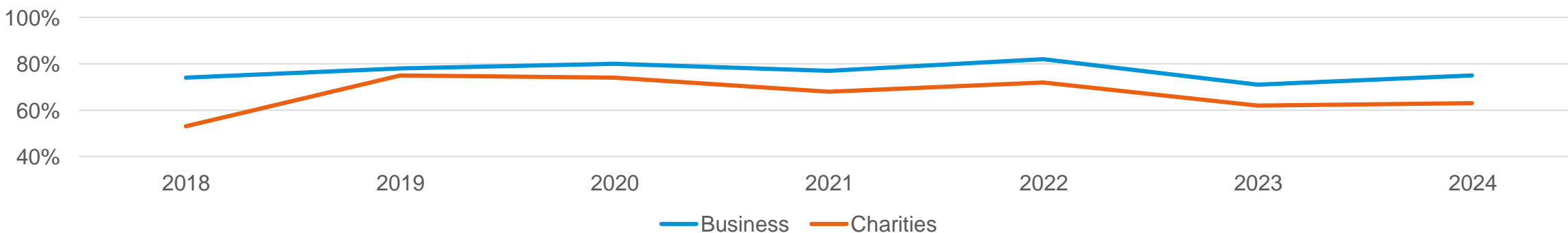
The most common type of breach is phishing, with impersonation of organisation or staff significantly lower. Organisations did report that the vast majority of breaches could be managed within 24 hours and costs of charity breaches were estimated at £460 per charity (compared to just over £10,000 for large businesses).

Cyber security remains a high priority for director trustees and managers, although this has fallen from a peak in the 2022 survey. Although worryingly the survey has identified a pattern of declining awareness of government initiatives and schemes over the last two to three years and fewer charities are aware of schemes such as [cyber essentials](#) compared to the previous year.

Top 5 types of attack



Percentage of organisations seeing cyber security as a high priority



11. Emerging sector issues.

Fundraising regulator update

In a blog published in February 2024, the Regulator indicated that the Annual Complaints Report will be published in 2024 as normal but after that changes will be made to part two of the report. The 2022/23 report is linked [here](#).

Currently part one of the report shares learning from the Regulator’s casework that is relevant to the wider fundraising sector and part two shares information about complaints reported by a sample of the UK’s largest fundraising charities. Following a survey in the summer of 2023 the Regulator intends to pause the publication of data in 2025 and 2026 to develop improvements in the way the information is collected and shared, this will include increasing the number of charities surveyed.

The Top five methods complained about in 2022/23 when compared to 2021/22 were:

2022/23	2021/22
1 Door-to-door fundraising	Charity bags or clothing banks
2 Charity bags or clothing banks	Digital
3 Addressed mail	Collection
4 Digital	Addressed mail
5 Collection	Advertisements

Significantly following the pandemic increases in door-to-door fundraising activity have also meant increases in complaints. Misleading information was also identified as a recurring theme and cause of complaint across different types of fundraising. The Regulator recommended the need for clear and considered wording in material and scripts as well as appropriate oversight and control of subcontractors. In October 2023 it announced its first market inquiry to be made into the use of subcontracting in face-to-face fundraising by charities and agencies. The post workshop report was published in March 2024.

Updated guidance and support for charities is expected to follow the report. The workshops highlighted the following issues to consider when planning face-to-face campaigns:

- Due diligence
- Fundraiser payment models, contracts, sub-contracts and service level agreements
- Registration with the Fundraising Regulator and Chartered Institute of Fundraising
- Licensing, DBS checks and accreditation of fundraisers or agencies



11. Emerging sector issues.

New guidance to help charities when deciding whether to accept, refuse or return a donation

The Charity Commission published a new guidance on 4 March 2024. The guidance makes clear that the default position is one of accepting donations, however it sets out an approach for trustees to take when they believe that accepting a donation could have potentially significant consequences.

Trustees should:

- consider the risks involved in refusing or returning the donation, and how likely and serious these are. These include negative financial impact, ability to deliver services and ability to attract donations in future.
- consider the risks involved in accepting or keeping the donation, and how likely and serious these are. These include the likelihood of reduced support or reputational harm, particularly among supporters or beneficiaries.
- determine how any decision aligns with their charity's purposes.
- determine what steps they can take to mitigate the risks. These include negotiating the terms of a conditional donation with the donor or developing a public explanation for a decision.

There is a reminder that donations coming from illegal sources or with illegal conditions must be refused and therefore it remains important to do due diligence on your donors such as taking:

- reasonable steps to know who your charity's donors are
- spotting a donation with suspicious features
- reporting a suspicious donation to the Commission and other relevant authorities

Donations may also need to be returned: if the charity has not fully used a grant and must return unused funds; if the donor does not have the mental capacity to donate; or if the donation is not the property of the donor. Donations may also be returned if the donation is for a purpose which is outside your charitable purposes (and cannot be renegotiated), may undermine your charity's independence, creates an unacceptable burden (for example a property with an unaffordable mortgage or too expensive to insure) or involves some private benefit to an individual or organisation (for example the donor keeps some rights to an asset).

Trustees should consider their due diligence processes and decision making criteria so that a framework is in place to assess any new donations.



11. Emerging sector issues.

Annual return update

Regulation 3 of the Charities (Annual Return) Regulations 2022 originally had provisions to the effect that the information in questions 26 to 29 (Charity Addresses) and 31 to 32 (Structure and Membership) in Part A of the Schedule to the Charities (Annual Return) Regulations 2022 would not be required beyond annual returns relating to financial years ending on or after 1 January 2023. However the Charities (Annual Return) (Amendment) Regulations 2023 revoke that provision and the information will be prescribed in respect of annual returns relating to financial years ending on or after 1 January 2024.

The questions cover:

- Charity Addresses, that is confirming that the charities public address is correct in the register and that any administrative address (if different) is known to the Charity Commission and
- Structure, to the extent that charities must confirm whether they are part of a wider group; and whether the charity has members other than trustees who are entitled to vote under the charity's governing document.

There are no other changes to note for 2024.



11. Emerging sector issues.

Charities Act: March 2024 update

The Charities Act 2022 amends the Charities Act 2011. The Charities Act 2022: implementation timetable was summarised in the August 2022 Newsletter. And we set out below a summary of those elements which came into for in October 2022 in our [January newsletter](#). A further tranche of amendments have now been implemented and we set out below a summary of those changes which [came into force on 14 June 2023](#). Further guidance and information can be found on the [Charity Commission](#) website.

The Charity Commission website states that phase 3 of the implementation will come into force on [7 March 2024](#). The key changes in this phase include:

- **Making changes to governing documents** - The Act is introducing a new statutory power to give unincorporated associations and trusts the same powers to make 'regulated alterations' as charitable companies and CIOs.
- **Selling, leasing or otherwise disposing of charity land** - These provisions were due to come into force on 14 June 2023 and include changes about what must be included in statements and certification for both disposals and mortgages. They include exemptions for liquidators, receivers, administrators from having to comply with the restrictions on dispositions and mortgages such as having to obtain a Designated Advisors Report.
- **Charity mergers** - New rules will allow most gifts to charities that merge to take effect as gifts to the charity they have merged with. This means that shell entities will not need to be left registered in case of future bequests.
- **Payment of trustees** - The Act will enable the Commission to authorize a trustee to receive or retain a payment for work completed for the charity, where the Commission decides it would be inequitable for a trustee not to be paid.

Section 24 and Sch 1: Amendments of the Universities and College Estates Act 1925 which give a simpler general power for Universities and the Colleges of Eton and Winchester to managing land and mortgages without Parliamentary or Ministerial oversight are expected to be included in the phase 3 commencement regulations but will come into force in spring 2025.



11. Emerging sector issues.

Charities Act: ex gratia payments

An ex gratia payment is a payment that a charity wishes to make but where there are no powers available to make a payment. Examples include a bonus for a member of staff on retirement, returning a donation, making a payment to a neglected potential beneficiary when settling an estate following a legacy, or restitution of an item to its country of origin.

Discussions in parliament over the impact of the ex gratia terms on museums and other institutions holding historic artifacts, including concerns that national museums may be able to return items to the country of original without Charity Commission approval, have lead to the delay in the implementation of these provisions.

The government's intention set out [a letter from the Minster for Arts and Heritage, Lord Parkison of Whitley Bay, to the Chair of the Charity Commission, Orlando Fraser KC](#) explains the government's intention to commence these sections subject to an exclusion for relevant national museums and galleries. DCMS is in contact with those organisations falling within the scope if this exclusion. There will also be further exclusions to ensure that Charity Commission approval will continue to be required for decisions made by charities concerning ex gratia payments to recipients outside the UK.

The proposed limits are linked to a charity's income.

Gross income of charity in last financial year	Size of ex gratia payment permitted without Commission authorisation
£25,000 or less	£1,000
Over £25,000 but not over £250,000	£2,500
Over £250,001 but not over £1 million	£10,000
Over £1 million	£20,000

Additional guidance will be made available when these provisions commence, however trustees should remember final responsibility will rest with them and they must be able to justify any decisions. Statutory charities (those incorporated or governed by a specific Act of Parliament may still be limited in what they can do a payment could still not breach a statutory provision.



11. Emerging sector issues.

FRC postpones FRED 82 periodic review

The FRC published a project update in September 2023 which confirmed that the implementation date was to be delayed for a year. The FRC currently expect to issue the final amendments in the first half of 2024, with an effective date not before 1 January 2026.

Key points in the update were that the FRC are:

- Preparing final amendments for issue, taking into account the responses received. The final amendments are likely to differ in a number of respects from the FRED 82 proposals; the basis for conclusions will explain key judgements and decisions;
- Continuing to work towards a 'five-step model' for all FRS 102 and FRS 105 preparers;
- Working on fine-tuning the FRS 102 amendments in light of feedback received, and monitoring with interest the progress of the IASB's IFRS for SMEs project, which includes similar proposals and seeking further simplifications to ensure proportionality for micro-entities;
- Continuing to work towards bringing leases on balance sheet for all FRS 102 preparers, including reconsidering how to ensure that the model is proportionate and understandable for FRS 102 preparers of all sizes. This may include, for example, clarifying the scope of the recognition exemption for leases of low value assets.

The update also refers to the UK Government's **Smarter regulation non-financial report review** which is considering whether the current company thresholds remain appropriate. The FRC state that "the publication and/or effective date of our final amendments will take into account the progress of this review." The call for evidence on that closed in August 2023.

The publication of the revised charity SORP will necessarily follow the publication of the amendments. The consultation response from the SORP committee is available on the [charity sorp website](#) and highlights alongside the increasing burden for small charities accounting under FRS 102 two particular concerns around leases and non-exchange transactions, where they have called for additional guidance to be included in the final SORP.





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