

Farming and Wildlife Advisory Group South West Ltd
(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 March 2023

Company Number: 07865031
Charity Registered in England and Wales Number: 1146071

Farming and Wildlife Advisory Group South West Ltd
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For the Year Ended 31 March 2023

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Farming and Wildlife Advisory Group South West Ltd

Reference and Administrative Details

For the Year Ended 31 March 2023

Charity name Farming and Wildlife Advisory Group South West Limited

Other names FWAG SW

Charity number 1146071

Company number 07865031

Trustees and Directors

A Daros	
C Fowle	
A Hosford	(Chair)
M Pope	(resigned 7 September 2022)
M Morris	
S Walker	
M Humphry	(appointed 7 September 2022)
C Wilson	(appointed 7 September 2022)

Chief Executive Officer G Rumbold

Registered Office

Hawkridge House
Summerfield Way
Chelston Business Park
Wellington
Somerset
TA21 9JE

Auditors

Albert Goodman LLP
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Bankers

Natwest Bank PLC
26 - 27 Fore Street
Taunton
Somerset
TA1 1JQ

Farming and Wildlife Advisory Group South West Ltd

Trustees' Annual Report

For the Year Ended 31 March 2023

The trustees, who are also directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the charity's memorandum and articles of association. The provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP FRS 102 – implemented 1 January 2019) have been adopted in preparing the annual report and financial statements of the charity, and they are in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Structure, governance and management

Farming and Wildlife Advisory Group South West Ltd ("FWAG SW"), is a charity registered with the Charity Commission in England and Wales, and is a company limited by guarantee, incorporated on 29 November 2011.

The governing document of FWAG SW is the memorandum and articles of association dated 29 November 2011.

The trustees, who are also the directors for the purpose of company law, who served throughout the year, unless otherwise stated, were:

A Daros	
C Fowle	
AB Hosford	(Chair)
M Morris	
M Pope	(resigned 7 September 2022)
S Walker	(Vice Chair)
M Humphry	(appointed 7 September 2022)
C Wilson	(appointed 7 September 2022)

New trustees are invited to become trustees by the existing trustees and at the subsequent Annual General Meeting they are formally elected to the Board by the existing trustees. Trustees resign after each three-year appointment and can be re-appointed for one further three-year term only.

None of the trustees has any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute £1 in the event of winding up.

Recruitment of Trustees

FWAG SW seeks to have a mix of professional experience on the Board of Trustees (the Board) as well as a broad regional representation from the farming community.

The Memorandum and Articles of Association of FWAG SW state that all members of the Board should give their time voluntarily and receive no benefits from the charity. Trustees may claim reasonable out-of-pocket expenses.

Trustees are elected to the Board at the Annual General Meeting and are put forward by current trustees. Potential trustees are selected to provide a wide range of differing experience and skills that can benefit FWAG SW strategically and to ensure effective governance. Trustees are also being sought based on recommendations from legal and other professional firms.

Trustee induction and training

Trustees are selected from those that have subscribed to a FWAG SW membership package, work, or have worked, in partner organisations or have a specialism that is of practical use to FWAG SW. They are usually dedicated to the conservation of wildlife, alongside their commercial or professional activities. Therefore, new Trustees are already conversant with the aims and objectives of the charity, prior to their appointment.

FWAG SW Farm Environment Advisers are invited to selected agenda items at Extraordinary General Meetings to provide practical experience and training to the Board of Trustees on the activities that FWAG SW is engaged in.

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Trustees are given copies of the Charities Commission's "The Essential Trustee: What you need to know (CC3)", "Public Benefit: the public benefit requirement (PB1)", "Public Benefit: running a charity (PB2)", "Public Benefit: reporting (PB3)" and the Charity Governance Code to provide them with the knowledge to understand their roles and responsibilities as a trustee. Trustees are encouraged to reread this regularly and they are sent to all trustees on an annual basis by the Chief Executive Officer (CEO). Additionally trustees are provided with copies of the Memorandum and Articles of Association of the Charity so that they may familiarise themselves with the governing principles of the charity.

FWAG SW's accountants (Albert Goodman LLP) provide the trustees with an annual overview of the accounts, and training and support is provided to understand the technicalities of charitable accounting and the specialist terms used. The Financial Controller prepares management accounts and presents them to the trustees at board meetings to provide further training and assistance on how the accounts are structured.

Organisational structure of the charity

FWAG SW currently has a Board of seven trustees that meet at least quarterly and are responsible for the strategic direction, policy and governance of the charity. To remain quorate, the Board must have at least three trustees present at any meeting. Meetings are held in person and remotely and the charity's Memorandum and Articles of Association have been amended to reflect this change.

A scheme of delegation is in place and the CEO has day-to-day responsibility for the provision of all aspects of the services of the charity. FWAG SW managers and senior advisers are invited to board meetings regularly to discuss the issues they face and to provide feedback to the board on the charity's activities.

Related parties and cooperation with other organisations

None of the trustees receive remuneration or other benefit from their voluntary role with the charity. Any connection between a trustee or senior manager of the charity and any client, contractor or supplier must be disclosed to the full board of trustees. Any related party transactions would be disclosed in note 7.

The charity is a founding partner of the national FWAG Association, with other FWAG organisations, as well as LEAF and GWCT. FWAG SW advisers have been involved with the DEFRA Agri-Environment Stakeholders Working Group (AESWG) to give feedback on current and future agri-environment schemes as well as providing feedback on policy at all levels.

FWAG SW has partnered and worked with county councils across the south west region, AONBs, DEFRA, The Wildlife Trusts, The Woodland Trust, WWT Slimbridge, Exmoor NPA, The Game and Wildlife Conservancy Trust (GWCT), Bristol Avon River Trusts, Internal Drainage Boards, National Trust, Natural England, The Environment Agency and many others. The charity also worked with partners across national borders to share best practice in finding innovative solutions to environmental issues.

Risk management

The trustees have identified the risks to which the charity is exposed in a Risk Register which is reviewed at least annually. The major threats that the trustees believe could cause a significant impact on the charity and the policies, procedures and other measures that are in place to mitigate those risks are included within the Risk Register.

Key Management Personnel Remuneration

The trustees consider that the key management personnel for FWAG SW is restricted to the CEO. The post is currently held by Gary Rumbold and his remuneration for this financial year is detailed in note 6 of the accounts.

The CEO's starting remuneration was established 10 years ago when Gary Rumbold entered this post and was set based on market considerations and what the charity could afford.

The board have reviewed the CEO's remuneration against other comparable roles within the south west region. Based on this review a cost of living pay increase was awarded to the CEO effective from 1st April 2022.

As more data becomes available for comparable posts at charities of a comparable size and scope, the CEO's salary will be reviewed annually by the board of trustees to ensure that it remains commensurate with the role and within the FWAG SW budget.

Objectives and activities

1. To promote the protection of wildlife and the conservation of nature and landscape, in particular with relation to modern agricultural needs.
2. To promote the delivery of competent, independent advice to the agricultural sector on the protection of wildlife and the conservation of nature and landscape.
3. To promote research on all matters relating to modern farming, the need to conserve nature and landscape, to protect wildlife on farmland and to disseminate the useful results of such research.
4. To encourage understanding between farmers and conservation interests by promoting liaison and the exchange of information, ideas and experience between individuals and organisations who are concerned with or interested in the objects of the charity.
5. To promote the objects of the charity by conferences, exhibitions, practical demonstrations, publications, the delivery of lectures and addresses and the exchange of research experiences and techniques.
6. To support and co-operate with others in proposals and activities which encourage understanding and co-operation between conservation, wildlife and farming interests and which are calculated to assist the promotion of the charity's objects.

Explanation of the charity's aims

FWAG SW is a conservation charity that focuses on the interaction between wildlife and the farmed environment. To do this it seeks to support, enthuse & inspire fellow farmers to value the environmental assets on their land & use them to secure sustainable and profitable businesses for the future.

By using a "Whole Farm" approach FWAG SW seeks to embed conservation into the commercial farming model. Farmer members are passionate about the land that they have stewardship over but may lack the specialist knowledge or resources to implement the best practice that would provide the greatest benefit to the environment. FWAG SW advisers can bridge this knowledge gap and seek possible sources of funding for farmers to implement measures on their land that will have the greatest benefit for wildlife.

As well as assisting farmers to be compliant with environmental legislation, the charity also aims to give farmer members a voice at policy level by feeding back into the processes that determine future legislation changes. By representing the farming community within conservation stakeholder forums FWAG SW can influence practical solutions to wildlife conservation that have a "best fit" with current agricultural practices.

Strategies employed to meet the charitable aims and significant activities

The main aims of FWAG SW are to continue to inspire farmers to value the environmental assets on their land and use them to secure sustainable and profitable businesses for the future.

The strategies used to meet these objectives include:

- Providing a range of advisory services to farmers, partner organisations and local authorities that allow farmers and the wider public to benefit from funding programmes that target environmental benefits for wildlife and the public.
- Maximising the impact FWAG SW has to farmers and the conservation of wildlife by seeking funding from project partnerships that address specific ecological challenges.
- Engaging in research programmes that benefit farmers and the farmed environment.
- The provision of a tiered membership system for farmers, landowners and donors to disseminate information, educate and provide inspiration.
- The organisation of a regional award scheme that recognises the work contributed by commercial farmers to the environment and promotes conservation techniques to all.
- A programme of events across south west England to educate and inspire farmers on how they can deliver ecological benefits on land within their stewardship.
- The publication of literature and newsletters with informative articles on relevant topics.
- The maintenance of a website displaying up to date information regarding agricultural and conservation issues.
- Attendance at local and national stakeholder meetings to represent a farming perspective on conservation measures.

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Trustees' Annual Report

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- To assist in the running of a national FWAG Association to give FWAG SW a voice at a national policy level and input into the delivery aspect of environmental land management schemes.
- To work with volunteer groups to deliver educational events to school children.
- The provision of a farm plastics recycling scheme for farmers within the south west region.

How our activities deliver public benefit

FWAG SW has a farming membership of approximately 1000 farmers in the south west region with various membership level entry points. Members receive the greatest direct benefit from the charity through the provision of free telephone advice, educational / training events, organised environmental competition schemes and regular newsletters.

The wider impact of the charity's advisory work is a benefit to all residents in the south west of England. The conservation measures implemented by farmers following advice from our Farm Environment Advisers have direct benefits that increase biodiversity, reduce diffuse pollution into water courses, mitigate against declining populations of targeted endangered species and reduce the impact of flooding from agricultural land run-off.

As well as educating farmers and landowners on the benefits of wildlife conservation, FWAG SW and its educational arm, the Kingfisher Award Scheme, have delivered educational events and award schemes to schools across Somerset, Wiltshire, Devon and Cornwall. This popular scheme is being expanded to cover Gloucestershire and Dorset in 2023.

FWAG SW's farm plastics recycling scheme is open to all farmers within the south west, although current coverage is limited by practicality to Somerset, Devon and Dorset. The scheme benefits farmers by providing a simple and cost-effective way of recycling farm plastic materials. The scheme is a benefit to the wider public through the environmental gains of recycling farm plastic into useful goods, as well as the diversion of waste material from costly landfill sites.

The Trustees have been provided with the relevant information regarding the Charity Commission's guidance on Public Benefit. The charity's activities have been reviewed against the Public Benefit requirement.

Achievements and performance

The second phase delivery of the Merriott Stream Enhancement Project was completed within the financial year, representing the largest capital works project that FWAG SW has undertaken to date. The project brought to life a 300m section of the Merriott Stream that had been culverted beneath fields in the late 19th century. The project faced many challenges but now represents a major achievement for FWAG SW that has wide-ranging benefits for wildlife and the local community. Evidence of otters using the site only 3 months after the completion of the project has been a fantastic validation of FWAG SW's work.

During the year we also started to develop our first demonstration and educational site adjacent to the Royal Agricultural University in Cirencester with our partners Zerodig, demonstrating the use of "no dig" techniques that improve soil health and carbon storage in horticultural settings, and beyond.

Our work with partner organisations on local food strategies, especially in Gloucestershire and Somerset has developed strongly in 2022/23 as local authorities develop their plans for local procurement, food waste reduction and sustainable food production in line with their commitments to the 25 Year Environmental Plan.

As part of our strategy to develop a more comprehensive whole farm approach to sustainability we have been working more on our farm business knowledge skills, so that we can better understand the business case for conservation and regenerative farming practices when advising our farmers. Delivery of this approach has been through two projects. The Triple Axe Project is a pioneering pilot in Devon assessing how multiple strands of sometimes conflicting advice can be facilitated to make a coherent plan for environmental sustainability, profitability, and legal compliance. Additionally, we have been working on the Future Farm Resilience Programme of advice delivery in partnership with Devon County Council and the Business Information Point.

Financial performance for the year 2022/23 was significantly below our planned budget for the year. Increasing costs, wage inflation, high post pandemic staff turnover and recruitment difficulties have all played their part in reducing our income and increasing our costs. A lack of suitably experienced and qualified employees to take on

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mid-senior advisory roles in the employee marketplace is a challenge within our sector and we have had to develop a fast-track training programme for graduate employees to meet the demands of the industry. This has placed a significant burden on the charity. We expect that this investment in training of new staff will begin to be rewarded in 2023/24.

How we met our charitable aims, achievements and performance

- FWAG SW delivered advisory services across the whole region including an advisory service for Countryside Stewardship applications throughout the south west. Under the Natural England Farm and Land Management Advice Framework contract, the charity delivered 235 one-to-one advice sessions, 2 group online events and we endorsed over 90 Mid-Tier options on behalf of Natural England. Additionally, we conducted 20 Catchment Sensitive Farming (CSF) visits to farmers on behalf of CSF.
- Advice delivery was made to 136 south west farmers on Natural England's Countryside Stewardship 2022 application round. The total area covered by the farms was 20,328 ha (application area 8,815 ha), securing grants for farmers of over £10m over the next 5 years, plus £5.2m for capital works. FWAG SW received grant and project funding from European and UK agencies, partner organisations and grant giving trusts and foundations.
- FWAG SW partnered and worked with county councils across the south west region, AONBs, DEFRA, The Wildlife Trusts, West Country Rivers Trust, The Woodland Trust, WWT Slimbridge, Exmoor NPA, The Game and Wildlife Conservancy Trust (GWCT), Bristol Avon River Trusts, Internal Drainage Boards, National Trust, Natural England, The Environment Agency and many others. The charity also worked with partners across national borders to share best practice in finding innovative solutions to environmental issues.
- The Hills 2 Levels project in Somerset has continued to form a significant part of FWAG SW's work during 2022/23. The project is a partnership project which received funding from several different sources in this financial year, including Somerset Rivers Authority, EU Interreg and the Environment Agency.
- The Gloucestershire Regenerative Environment and Agriculture Transition project (GREAT), is a three-year project which started in January 2021, aiming to boost the transition to farming methods that restore the soil, water and air, commonly referred to as Regenerative Farming / Agriculture. The project aims to facilitate the changes needed to move towards a resilient future for farms, nature and the earth by working with farmers, communities, advisors and the wider food supply chain to meet these aims. The project has three core aims: build evidence, facilitate knowledge exchange and nurture enterprise.
- In 2022/23 FWAG SW continued to deliver ponds suitable for colonisation by great crested newt in Somerset, Gloucestershire and Wiltshire to mitigate against sites lost to development under the new District Level Licencing scheme - a type of biodiversity offsetting. A total of 49 ponds were created in the 2022/23 financial year.
- FWAG SW continue to work with the Exmoor National Park to deliver the Headwaters of the Exe Catchment Programme, specifically providing farm advice through one-to-one on-farm visits and group workshops to address water quality issues in the upper Exe catchment.
- A four-tiered membership programme is in place for farmers, landowners and others with an interest in farmland conservation.
- During the year FWAG SW hosted more than 40 events on a wide variety of agricultural and conservation subjects, some for our various projects, as well as multiple small group meetings held with catchment member groups (facilitation funds). As well as this, FWAG SW ran a number of regional and National FWAG Association webinars, via Zoom, on a variety of agriculture and conservation subjects.
- FWAG SW was very pleased to resume its four county farmer trophy competitions in 2022. The competitions normally recognise environmental best practice and the regional Barn Owl Award Trophy encourages farmers to showcase the ecological conservation measures they have introduced on their farms, with the winner entered into the FWAG Association National Silver Lapwing Trophy. It has been great to see everyone returning to these events after the restrictions of recent years.
- FWAG SW staff have attended multi-agency meetings with a regional focus, as well as at a national level, representing farmers' interests.
- The charity is a founding partner of the national FWAG Association, with other FWAG organisations, as well as LEAF and GWCT. FWAG SW advisers have been involved with the DEFRA Agri-Environment Stakeholders Group (AESG) to give feedback on current and future agri-environment schemes as well as providing feedback on policy at all levels.
- Each year FWAG SW partners with the volunteer led Kingfisher Award Scheme (KAS) to deliver educational visits to farms and run a competition to encourage school children to investigate the farmed environment for themselves. In 2022 FWAGSW partners and their teams of volunteers have been delighted to be able to return to hosting schools at four different farms across the region. Almost 900 children from 29 schools and were able to participate in the farm field visits over 15 days.
- In spring 2022 the charity organised 12 waste farm plastic recycling events across the Somerset, Dorset and Devon region with 436 farmers participating, successfully recycling a total of 215 tonnes of plastic.

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Financial review

With the ongoing impacts of the current economic climate and the cost of living crisis on our activities, the year end accounts were put into deficit in 2022/23 for the first time in three years.

To comply with the requirements of charitable accounting, in certain situations, such as when accounting for restricted funds, income must be recorded in the year in which it is received, despite the delivery under such projects occurring in future periods. For this reason, it is beneficial to view income and expenditure over a much longer period than a single year in order to get a balanced view of the financial situation.

The accumulation of the charity's current reserves of £584,609 (2022/23: £874,517) and the split of recent years' retained income between restricted and unrestricted funds are shown in table 1.

Restricted funding received in the year can be seen in note 12 on page 28. Total restricted funds at 31st March 2023 amount to £288,904 (2022/23: £427,561).

Table 1: Income, expenditure and retained income 2011 to 2023

	To 31st Mar 2018	2019	2020	2021	2022	2023	To date
	£	£	£	£	£	£	£
Income	6,410,367	1,531,096	1,929,046	2,918,030	3,859,059	3,549,393	
Expenditure	6,018,896	1,584,517	1,935,357	2,584,305	3,650,006	3,839,301	
Retained income	391,471	(53,421)	(6,311)	333,725	209,053	(289,908)	
Restricted funds	185,749	(47,717)	(17,031)	74,270	232,290	(138,657)	288,904
Unrestricted funds	205,722	(5,704)	10,720	259,455	(23,237)	(151,251)	295,705
Retained income	391,471	(53,421)	(6,311)	333,725	209,053	(289,908)	584,609

Following several years of growth in income, reflecting the steadily growing delivery of the charity over time, but also some significant one-off restricted funding projects that the charity has been engaged in, this year's income was significantly below our budgeted £4m in 2022/23. This was largely due to lower than expected uptake by developers of Great Crested Newt compensation ponds creation but also impacted by a high staff turnover (18 joiners and 10 leavers out of an average workforce of around 70 staff) during the reporting period.

Retained income for 2022/23 is disappointing for the charity and will have a significant impact on finances in 2023/24 but was partially mitigated by income accounted for in 2021/22, which was subsequently drawn down on to fund projects in 2022/23. Inflationary pressures, especially on wages has been significant for the charity and we have tried to offset this with increased day rates and membership fees.

The recent growth rate and increasing costs are both challenging for a small charity in different ways and increasing reserves significantly has been particularly difficult. The charity is focussed on increasing core, unrestricted income to address this, whilst continuing to prioritise our key aims and objectives and embracing new restricted funding income streams. The charity continued to pursue a mix of contract, grant and consultancy revenues for 2023/24 to maintain a balance of diverse income streams, which remains a core strand of our risk management.

The statement of financial activities is set out on page 15.

Reserves policy

The Board has examined the charity's requirements for reserves, considering the main risks to the organisation. It has established a policy whereby the charity's unrestricted funds not committed or invested in tangible fixed assets should be equivalent to three months of overhead expenditure. Overhead expenditure is budgeted to increase from £2.3m in 2022/23 to £2.57m in 2023/24 and therefore the target reserves level is increasing from £574,041 to £643,255 for the coming year. The level of unrestricted reserves, in the form of general funds, available to the charity of £276,977 at 31st March 2023, as shown in note 12, achieves 43% (2021/22: 75%) of the target level.

The cost of living crisis over the past year has impacted the charity's ability to build its reserves, but has also resulted in cost inflation, thus increasing the gap between unrestricted reserves and the target reserves level.

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The reserves are needed to meet the working capital requirements of the charity and the Board are confident that, at this level, they would be able to continue the activities of the charity in the event of a significant drop in funding, albeit it to a prudently lesser extent. The Board has also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

The strategy is to build reserves through planned operating surpluses as market conditions allow, helping to ensure the longer term financial stability of the charity. Where reserves held are greater than three months of overhead expenditure the charity will seek to use the excess as match funding for projects, to leverage resources to the greatest extent possible.

The Reserves Policy is reviewed annually by the Board to reflect the changing requirements of the Charities Commission.

Principal funding sources

The principal funding sources for FWAG SW come from fee earning chargeable consultancy work, the completion of contracts on behalf of NGO's, agencies and water companies, grant funding for project related work and, to a lesser extent, income from membership. All the charity's funding sources and the contractual / project work that FWAG SW undertakes fit with its charitable aims and objectives.

Financial Effect of Significant Events and Going Concern

Inflationary Pressures and Cost of Living Crisis

We continue to keep a watchful eye on inflationary pressures, the largest impact to the charity being on salaries as our main overhead. We have always aimed to provide a cost-of-living increase to staff and in 2023/24 we have provided a minimum 7% cost of living increase to staff, with many staff receiving an enhanced incremental pay reward above this, based on performance, resulting in an 11% average increase. Similarly, consultant and subcontractor rates have substantially increased. Energy price increases have also impacted the charity to a lesser extent, with increased electricity and heating bills.

Recruitment

Arguably, Covid, along with Brexit, has impacted on the ability to recruit staff across all sectors. A simultaneous increase in funding availability in the conservation sector has also increased recruitment competition for FWAG SW, impacting both retention and recruitment for the charity, particularly when looking for recruits with more experience. The charity has developed an enhanced and accelerated training programme for new employees so that they can be upskilled quickly to meet the demand for our services and fulfil their own development needs.

Recruitment issues have forced us to look in more detail at our salary ranges and we invested a significant amount in increasing pay in 2022/23 to mitigate against the effects of a shortage in skilled staff. This has an ongoing impact on our largest cost and, as a result, we have been forced to increase our chargeable rates and membership rates accordingly.

At present the charity continues to pay mileage expenses based on HMRC's limits and we will review this in line with any changes to mileage allowances that HMRC introduce, which will impact on our travel and subsistence budgets.

Brexit

Although the effects of Brexit do continue to have some negative impacts on the charity, mainly with regard to recruitment (see above), largely we believe there are good opportunities for the farming sector and for FWAG SW.

The impact on farmers of losing their Basic Payment Scheme payments is both a risk and an opportunity for the charity. Reduced payments will impact on farmers' ability to pay for advice, but we believe it is vital we support farmers in accessing novel funding streams to increase their financial viability in the future. We are upskilling our advisers to be able to provide an integrated service that provides both business support and conservation advice, thus offering a rounded package of whole farm advice.

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Going Concern

The trustees believe that there are no material uncertainties regarding the charity's ability to continue in operational existence for the foreseeable future, having reviewed the financial position, level of reserves and future plans. In forming this opinion, the trustees have considered the ongoing financial impact of the cost of living crisis, inflation, Brexit and other risks to the charity. Trustees continue to believe that the charity remains a going concern and that no adjustments to the accounts are necessary.

Significant income streams (in excess of 5% of total income) during 2022/23 were through contracts and grant funding from Natural England (£768k), Somerset Rivers Authority (£365k), The Environment Agency (£297k) and The Wildfowl & Wetlands Trust (£231k).

Plans for future periods

The Countryside Stewardship application window in the past 6 years has offered an increasing amount of work for FWAG SW and we will continue to ensure we have the resources to meet this increasing demand during 2023/24.

The main focus of our work is tackling the climate emergency and the biodiversity crisis by influencing and advising on measures that can jointly tackle these problems on farmland. To this end we anticipate increased demand for advisory services on woodlands and trees outside of woodlands. We will continue to invest in this important aspect of our work. Soil carbon sequestration and soil health generally are also a priority for the charity and we will develop more projects around these joint themes in future periods.

The charity has developed a staged training programme with salary reviews based on knowledge uptake for new and trainee advisers, aiming to mitigate against recruitment and retention issues being faced by our industry, and many others. This programme is now being delivered as a rolling programme and its first year has been hugely successful and well received. We hope to learn from the development of the programme to provide industry leading training for the development of highly qualified Farm Environment Advisers.

Further project funding will be sought from a variety of sources to supplement the potential increase in chargeable work and to find replacement funding streams for projects where funding is coming to a close.

The strategies that have been employed to date to meet our charitable objectives will continue for the foreseeable future.

Fundraising

FWAG SW predominantly seek grant funding from government agencies and from charitable trusts. To this end, we employ a part-time fundraiser who is directly managed by the CEO.

Fundraising from the public is not a core strategy of the charity. We do not engage in large scale public fundraising campaigns or in street, door-to-door or private site fundraising. In some instances, donation buckets will be displayed at FWAG SW membership events, for people who may wish to make an additional contribution.

In future periods it is anticipated that we will embark on some targeted donation campaigns through our website and directly with our membership.

The trustees monitor this situation and will adapt their fundraising policy accordingly should the situation change. No third party fundraisers have been employed, and no complaints have been received in respect of the charity's fundraising activities.

Our Supporters

In addition to the many grant makers and collaborators who have supported FWAG SW's work in 2022/23, the FWAG SW trustees wish to give special thanks to the following individuals and organisations for their financial support during 2022/23:

Thames Water Community Fund, Wessex Water Services Limited, Environment Agency, Natural England, Lucozade Ribena Suntory, Waitrose Partnership Services Ltd, Albert Goodman, Alice Ellen Cooper Dean Charitable

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Foundation, Ashtons Legal, Bridgwater Agricultural Society, Cecil Pilkington Charitable Trust, CLA Charitable Trust, Clarke Willmott Clarke, Cornish Mutual Assurance Co, Cornwall Food and Farming Group, Daglingworth PC, Dartington Cattle Breeding Trust, JHW Davis, Dorset Council, Henry Hoare Charitable Trust, John Douglas-Cooper, Evelyn Partners, Felix Foundation, Kings Seeds, Lloyds Bank, Lord Clinton's Charitable Trust, Nedbank Private Wealth, PKF Francis Clark, Port & Starboard, Royal Bath & West Society, Royal Cornwall Agricultural Association, Samuel William Farmer Trust, Silverlake Conservation & Community Fund, The Soil Association, Somerset County Council, Somerset Rivers Authority, Thirty Percy, Bill Tucker, Upper Thames Protection Society, The Valentine Charitable Trust.

Thank you also to all our members and Friends, sponsors, donors, volunteers and supporters, old and new, who continued to generously help FWAG SW in what has been, financially, a very challenging year.

Auditors

Albert Goodman LLP are deemed to be re-appointed in accordance with Section 487(2) of the Companies Act 2006.

Small company provisions

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

Statement of Trustees' Responsibilities

The trustees (who are also directors of Farming and Wildlife Advisory Group South West Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Directors' Report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the 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 estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

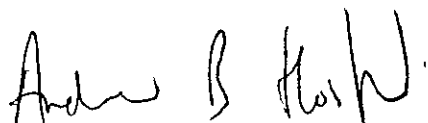
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

There is no relevant audit information of which the charitable company's auditors are unaware; and

The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees on 6th September 2023 and signed on its behalf by:



A Hosford, Chair of trustees

Farming and Wildlife Advisory Group South West Ltd
Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 March 2023

Opinion

We have audited the financial statements of Farming and Wildlife Advisory Group South West Ltd (the 'charitable company') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice, 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 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Farming and Wildlife Advisory Group South West Ltd
Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 March 2023

Opinion on other matter prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Farming and Wildlife Advisory Group South West Ltd
Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 March 2023

The extent to which the audit was considered capable of detecting irregularities including fraud

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 company through discussions with management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charity Act 2011, Charities SORP 2019, anti-bribery, employment, data protection and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- 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.

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation, claims and breaches of relevant legislation; and
- reviewing correspondence with the Charity Commission and other relevant regulators including the company's legal advisors and insurers.

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 auditor's report.

Farming and Wildlife Advisory Group South West Ltd
Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 March 2023

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 and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michelle Ferris BSc (Hons) FCA DChA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Chartered Accountants, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 06/09/2023

Farming and Wildlife Advisory Group South West Ltd
Statement of Financial Activities including Income and Expenditure Account
For the Year Ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 Funds £	TOTAL 2022 Funds £
Income from:					
Donations and legacies	3	131,275	37,173	168,448	127,858
Trading activities: event income		11,966	-	11,966	7,488
Investment income: bank interest		442	-	442	19
Other income		2,044	-	2,044	-
		145,727	37,173	182,900	135,365
Charitable activities	4	2,600,908	765,585	3,366,493	3,723,694
Total income		2,746,635	802,758	3,549,393	3,859,059
Expenditure on:					
Raising funds		11,294	28,898	40,192	15,984
Charitable activities	5	3,061,258	737,851	3,799,109	3,634,022
Total expenditure		3,072,552	766,749	3,839,301	3,650,006
Net income/(expenditure) before transfers		(325,917)	36,009	(289,908)	209,053
Transfer between funds	12	174,666	(174,666)	-	-
Net movement in funds		(151,251)	(138,657)	(289,908)	209,053
Reconciliation of funds:					
Total funds brought forward	12	446,956	427,561	874,517	665,464
Total funds carried forward	12	295,705	288,904	584,609	874,517

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

Farming and Wildlife Advisory Group South West Ltd
Statement of Financial Activities including Income and Expenditure Account
For the Year Ended 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 Funds £	TOTAL 2021 Funds £
Income from:					
Donations and legacies	3	121,497	6,361	127,858	142,652
Trading activities: event income		7,488	-	7,488	11,022
Investment income: bank interest		19	-	19	41
Other income		-	-	-	580
		129,004	6,361	135,365	154,295
Charitable activities	4	2,680,221	1,043,473	3,723,694	2,763,735
Total income		2,809,225	1,049,834	3,859,059	2,918,030
Expenditure on:					
Raising funds		2,610	13,374	15,984	4,224
Charitable activities	5	2,843,242	790,780	3,634,022	2,580,081
Total expenditure		2,845,852	804,154	3,650,006	2,584,305
Net income/(expenditure) before transfers		(36,627)	245,680	209,053	333,725
Transfer between funds	12	13,390	(13,390)	-	-
Net movement in funds		(23,237)	232,290	209,053	333,725
Reconciliation of funds:					
Total funds brought forward	12	470,193	195,271	665,464	331,739
Total funds carried forward	12	446,956	427,561	874,517	665,464

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.


Farming and Wildlife Advisory Group South West Ltd
Company Registration Number: 07865031
Balance sheet
As at 31 March 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible Assets	8	18,728	17,267
Current Assets			
Debtors	9	1,058,603	1,553,642
Cash at bank and in hand		236,921	370,865
		<u>1,295,524</u>	<u>1,924,507</u>
Creditors falling due within one year	10	<u>(694,190)</u>	<u>(1,026,552)</u>
Net Current Assets		<u>601,334</u>	<u>897,955</u>
Creditors falling after more than one year	10	<u>(35,453)</u>	<u>(40,705)</u>
Total Net Assets	13	<u>584,609</u>	<u>874,517</u>
Funds of the charity			
Restricted Funds	12	288,904	427,561
Unrestricted Designated Funds	12	18,728	17,267
Unrestricted General Funds	12	276,977	429,689
Total Charity Funds	13	<u>584,609</u>	<u>874,517</u>

The financial statements have been prepared and delivered in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The notes on pages 19 to 32 form part of these accounts

Approved by the Board for issue on 6th September 2023 and signed on its behalf by:


A Hosford
Trustee


A Daros
Trustee

Farming and Wildlife Advisory Group South West Ltd
Statement of Cash Flows
For the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Net cash provided by / (used in) operating activities	16	(117,512)	(113,611)
Cash flows from Investing activities			
Interest income		442	19
Purchases of tangible and intangible fixed assets	8	(17,124)	(19,137)
Proceeds from sale of fixed assets		250	-
Net cash provided by / (used in) investing activities		<u>(16,432)</u>	<u>(19,118)</u>
Cash flows from financing activities			
Cash inflows/(outflows) from new borrowing	10	-	-
Change in cash and cash equivalents in the year		<u>(133,944)</u>	<u>(132,729)</u>
Cash and cash equivalent at the beginning of the year	17	370,865	503,594
Total cash and cash equivalent at the end of the year	17	<u>236,921</u>	<u>370,865</u>

1 Accounting policies

1.1 General information and basis of accounting

Farming and Wildlife Advisory Group South West Limited is a company limited by guarantee incorporated in the United Kingdom under the Companies Act. The maximum liability of each member is limited to £1. The address of the registered office is given on page 1. The nature of the charity's operations and its principal activities are set out in the Trustees' Report on pages 2-10.

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

The charity 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.

1.2 Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donation income is received by way of general grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Membership amounts are deferred across the duration of the membership.
- Other trading activities income includes income in relation to fundraising and is included in the Statement of Financial Activities when receivable.
- Investment income is included in the Statement of Financial Activities when receivable.
- Income from grants (including government grants), relating specifically to the provision of goods or services as part of charitable activities are included in full in the Statement of Financial Activities when receivable and in the period to which they relate. Grants are deferred when monies have been received in advance of the period to which they relate. Where no period is specified, grants are recognised to the extent to which the charity has the ability to carry out the activities within their control. Performance related grants are included within Charitable Activities income.

1.3 Donated services

In accordance with the Charities SORP (FRS 102), the unpaid volunteer time is not recognised in the financial statements.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. All expenditure, gross of any irrecoverable VAT, is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to clients. Costs that can be allocated directly to activities and costs of an indirect nature necessary to support them are allocated across individual expenses.

Admin services relates to costs which the charity charge to projects for administrative time where permitted by the funding.

1.5 Fixed assets

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

Furniture and fixtures	over 4 years straight line
Computers and equipment	over 3 years straight line

1.6 Debtors

Trade debtors are recognised at the settlement amount due after any trade discount offered. Accrued income is recognised at the settlement amount due. Other debtors comprise prepayments, which are valued at the amount of expense relevant to future periods and other debtors, which are recognised at the settlement amount due.

1.7 Cash at bank and in hand

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

1.8 Creditors

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

1.9 Taxation

The company is a registered charity applying all income and gains to charitable purposes and is therefore not liable to corporation tax.

1.10 Pension contributions

The charity operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. Contributions are recognised in the Statement of Financial Activities in the period in which they become payable in accordance with the rules of the scheme.

1.11 Fund accounting

General funds are unrestricted funds receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. The trustees have designated certain unrestricted funds, representing the net book value of the unrestricted fixed assets used to enable FWAGSW to fulfil its charitable activities.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criterion is charged to the fund, together with a fair allocation of management and support costs.

1.12 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period. Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

1.13 VAT

The charity has a partial exemption from VAT. Irrecoverable VAT is included in the costs of those items to which it relates.

1.15 Going Concern

The trustees believe that there are no material uncertainties regarding the charity's ability to continue in operational existence for the foreseeable future, having reviewed the financial position, level of reserves and future plans. In forming this opinion, the trustees have considered the ongoing financial impact of the cost of living crisis, inflationary pressures, Brexit and other risks to the charity. Trustees continue to believe that the charity remains a going concern, that the going concern basis of accounting is appropriate and that no adjustments to the accounts are necessary.

1.16 Financial Instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – loans, trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2 Net income/ (expenditure) before transfers

The net incoming resources for the year are stated after charging:

	2023	2022
	£	£
Operating lease rentals	34,106	26,956
Depreciation and amortisation of owned tangible & intangible fixed assets	15,447	13,338
Loss/(profit) on disposal of fixed assets	34	-
Auditor's remuneration - audit fees	5,570	5,250
- other services and irrecoverable VAT	998	2,075
	<hr/>	<hr/>

Income from government grants comprises grants made by Government agencies and local authorities to fund specific projects.

No performance related grants recognised in income have had any unfulfilled conditions or any other contingencies attaching to them.

Coronavirus grants for 2021/22 are included within donations and legacies on the SOFA and are detailed in note 3. There are no other forms of government assistance from which the charity has directly benefited.

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
For the Year Ended 31 March 2023

3 Donations and legacies

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Donations and gifts	17,883	1,450	19,333
Kingfisher scheme	-	35,723	35,723
Membership subscriptions	113,392	-	113,392
	<u>131,275</u>	<u>37,173</u>	<u>168,448</u>

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Donations and gifts	23,721	200	23,921
Kingfisher scheme	-	6,161	6,161
Membership subscriptions	97,519	-	97,519
Exceptional government funding: Coronavirus Job Retention Scheme	257	-	257
	<u>121,497</u>	<u>6,361</u>	<u>127,858</u>

The charity was eligible to claim additional funding in 2021/22 from government support schemes in response to the coronavirus pandemic. This is shown above as exceptional government funding. We made use of the Government's Coronavirus Job Retention Scheme (CJRS) where necessary. This only ever affected less than 10% of our workforce (FTE) for short periods during the year, mainly as a result of childcare commitments and where staff were solely engaged on group event type activity within our Membership and Communication roles. We are proud that we managed to maintain a high level of economic activity throughout the year and keep most of our staff in full employment throughout the pandemic by using novel solutions to advice delivery.

The CJRS funding relates to staff costs which are included in note 6.

4 Income from charitable activities

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Core work	340,928	-	340,928
Project work	2,259,980	765,585	3,025,565
Total income from charitable activities	<u>2,600,908</u>	<u>765,585</u>	<u>3,366,493</u>

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
For the Year Ended 31 March 2023

Project work consists of:	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Government grants	1,150,704	450,397	1,601,101
Other grants	34,257	301,197	335,454
Government contracts	714,115	3,991	718,106
Other contracts	306,722	10,000	316,722
Farm Plastic Recycling	54,182	-	54,182
	<u>2,259,980</u>	<u>765,585</u>	<u>3,025,565</u>

Income from charitable activities – 2022

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Core work	235,180	-	235,180
Project work	2,445,041	1,043,473	3,488,514
Total income from charitable activities	<u>2,680,221</u>	<u>1,043,473</u>	<u>3,723,694</u>

Project work consists of:	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Government grants	1,119,274	880,485	1,999,759
Other grants	91,305	157,948	249,253
Government contracts	831,918	-	831,918
Other contracts	349,921	5,040	354,961
Farm Plastic Recycling	52,623	-	52,623
	<u>2,445,041</u>	<u>1,043,473</u>	<u>3,488,514</u>

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
For the Year Ended 31 March 2023

5 Expenditure on charitable activities

	Unrestricted £	Restricted £	2023 £
Salary costs	1,520,013	299,345	1,819,358
Subcontractor costs	31,753	1,853	33,606
Project and core direct costs	1,198,753	408,083	1,606,836
Travel and subsistence	56,673	17,379	74,052
Office costs	148,563	-	148,563
Admin costs	116,694	-	116,694
Admin services	(11,191)	11,191	-
	<u>3,061,258</u>	<u>737,851</u>	<u>3,799,109</u>

	Unrestricted £	Restricted £	2022 £
Salary costs	1,303,962	224,215	1,528,177
Subcontractor costs	39,072	200	39,272
Project and core direct costs	1,231,425	550,557	1,781,982
Travel and subsistence	47,896	12,283	60,179
Office costs	127,882	13	127,895
Admin costs	95,572	945	96,517
Admin services	(2,567)	2,567	-
	<u>2,843,242</u>	<u>790,780</u>	<u>3,634,022</u>

Admin services are the transfer of costs to restricted funds in line with the individual funding agreements.

In 2022/23 grants of £136,811 were paid to landowners (2021/22: £168,545) and £34,511 to institutions (2021/22: £4,400) on behalf of grant making Government agencies, charities and water companies.

Governance costs of £9,856 (2021/22: £9,664) have been incurred, including external audit £6,127 (2021/22: £5,775), accountancy fees £441 (2021/22: £1,550) and trustee indemnity insurance £3,125 (2021/22: £2,241). The cost of trustee meetings in 2022/23 was £163 (2021/22: £98). Governance costs are included within expenditure on charitable activities in the Statement of Financial Activities.

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
For the Year Ended 31 March 2023

6 Wages and salaries

	2023	2022
	£	£
Salaries and wages	1,620,276	1,373,051
Social Security costs	134,017	101,528
Pension costs	65,065	53,598
	<u>1,819,358</u>	<u>1,528,177</u>

The charity operates a defined contribution pension scheme. The pension charge for the year represents contributions payable by the charity to the scheme and amounted to £65,065 (2021/22: £53,478). Contributions of £5,800 (2022: £4,978) were payable to the scheme at the end of the year.

No individual employee was paid over £60,000 (2021/22: none).

During the year, no trustees were reimbursed travel expenses (2021/22: none). No remuneration was paid to any trustees during the year (2021/22: none).

The key management personnel of the charity are considered to be the CEO. The total cost to the charity of employee benefits for the key management personnel was £57,227 (2021/22: £54,481).

During the year, settlement payments of £2,688 and enhanced notice payments of £4,481 (2021/22: £nil) were made in full and final settlement of employment issues. At 31st March 2023, the payments outstanding were £nil (2021/22: £nil).

The average monthly number of employees during the year, and their full-time equivalents (FTE) were:

	2023		2022	
	FTE	Total	FTE	Total
Project work	46	56	40	48
Administration	7	10	5	8
	<u>53</u>	<u>66</u>	<u>45</u>	<u>56</u>

7 Related parties

There were no related party transactions requiring disclosure (2021/22: none).

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
For the Year Ended 31 March 2023

8 Tangible assets

	Furniture and fixtures £	Computer and other equipment £	Total £
Cost:			
At 1 April 2022	5,029	68,478	73,507
Additions	2,430	14,694	17,124
Disposals	-	(6,054)	(6,054)
At 31 March 2023	<u>7,459</u>	<u>77,118</u>	<u>84,577</u>
Depreciation:			
At 1 April 2022	3,141	53,099	56,240
Charged in the year	1,309	14,138	15,447
Disposals	-	(5,838)	(5,838)
At 31 March 2023	<u>4,450</u>	<u>61,399</u>	<u>65,849</u>
Net book value:			
At 31 March 2023	<u>3,009</u>	<u>15,719</u>	<u>18,728</u>
At 31 March 2022	<u>1,888</u>	<u>15,379</u>	<u>17,267</u>

9 Debtors

	2023 £	2022 £
Trade debtors	588,597	1,271,483
Accrued income	443,990	265,784
Other debtors	26,016	16,375
	<u>1,058,603</u>	<u>1,553,642</u>

Farming and Wildlife Advisory Group South West Ltd

Notes to the Financial Statements

For the Year Ended 31 March 2023

10 Creditors

Creditors: amounts falling due within one year

	2023	2022
	£	£
Loans and borrowings	5,252	5,123
Trade creditors	157,927	598,607
Accruals	130,835	93,708
Taxation and social security	107,941	148,821
Deferred income	24,855	23,680
Other creditors	267,380	156,613
	<u>694,190</u>	<u>1,026,552</u>

Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans	40,705	45,828
Less: shown as due within one year	<u>(5,252)</u>	<u>(5,123)</u>
	35,453	40,705
Split as:		
Due within two to five years	22,370	21,818
Due after more than 5 years	<u>13,083</u>	<u>18,887</u>
	<u>35,453</u>	<u>40,705</u>

On 27 May 2020 FWAG SW took advantage of the Government backed Bounceback Loan Scheme in order to help protect the charity's cashflow in such uncertain times. An unsecured loan of £50,000 was received from NatWest Bank plc. The loan is being repaid over a nine year period, which commenced in June 2021, following the initial 12 months in which no interest accrued and no repayments were due.

A fixed nominal interest rate of 2.5% is applied, resulting in total interest of £5,945 over the term of the loan. 108 monthly repayments of £518 will be made, with the final instalment due in May 2030.

11 Deferred income

Where amounts are received in advance, for a specified period, these funds are deferred and recognised in the period to which they relate. Deferred income comprises of:

	2023	2022
	£	£
<u>Included within donations:</u>		
Membership subscriptions	24,855	23,680
Deferred income as at 31 March 2022	<u>24,855</u>	<u>23,680</u>
Deferred income as at 31 March 2021	23,680	19,245
Released in year	(23,680)	(19,245)
Deferred in year	24,855	23,680
Deferred income as at 31 March 2022	<u>24,855</u>	<u>23,680</u>

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
For the Year Ended 31 March 2023

12 Statement of funds

	1 April 2022 £	Income £	Expenditure £	Transfer between funds £	31 March 2023 £
Restricted funds					
Animation Thirty Percy Integrated Local Delivery	-	15,000	(8,916)	-	6,084
Bledington & Westcote Brook WILD	-	76	-	(76)	-
Bledington & Westcote Brook WILD 2 WEIF	-	30,462	(30,462)	-	-
Brue Priority Catchment Project	8,139	37,471	(45,610)	-	-
Carrant Overbury Collaboration	7,604	-	-	-	7,604
Coastal Levels Project	1,389	29,459	(25,189)	(5,659)	-
Cornwall Farmland Bird Project	15,850	-	(5,814)	(7,604)	2,432
CPF Catchment Partnership	-	35,000	(35,000)	-	-
CPF Upper Thames	-	7,500	(7,500)	-	-
Devil's Brook WEIF Phase 2	-	1,271	(1,174)	(97)	-
Diverse Winter Forage	-	11,833	(11,833)	-	-
Dorset Wild Rivers	-	14,000	(14,000)	-	-
Eden Project Soils Training	-	3,000	-	-	3,000
Exmoor Atlantic Rainforest	-	1,600	-	(1,600)	-
Farm Advice Project	-	50,000	(12,619)	-	37,381
Feeding Gloucestershire/Sustainable Food Places	250,000	-	(80,000)	(20,000)	150,000
Feeding Gloucestershire/Sustainable Food Places	-	10,000	(8,358)	20,000	21,642
Filling the Gap CPRE	(1,023)	3,027	(2,000)	(4)	-
Flourishing Floodplains	-	181,253	(166,803)	(14,450)	-
GREAT Project	102,159	148,000	(131,008)	(119,151)	-
GREAT Project - Glos Food Partnership	4,953	7,000	(11,953)	-	-
KAS - General Fund	6,977	5,000	(2,315)	-	9,662
KAS - Cornwall	7,677	3,803	(5,747)	-	5,533
KAS - Devon	1,047	3,000	(3,191)	-	856
KAS - Dorset	-	10,500	(1,974)	-	8,526
KAS - Glos	1,000	6,000	(2,118)	-	4,882
KAS - Somerset	4,684	5,583	(9,551)	-	716
KAS - Wiltshire	3,615	2,037	(4,002)	-	1,650
Local Authority Treescapes Fund	(140)	-	(27)	167	-
Local Nature Partnership	-	10,000	(14)	-	9,986
Long Bredy Farmer Group	-	9,923	(5,829)	(4,094)	-
Moorlinch Moors Association	1,880	5,880	-	-	7,760
Moorlinch Moors Association Gateways	160	-	-	-	160
Moorwood Shelterbelt - Tree Council	-	11,452	(11,452)	-	-
Network Rail Enhancement Corridor	(1,270)	3,991	(2,721)	-	-
Saving Devon's Treescapes	-	11,250	(2,966)	(2,982)	5,302
Somerset Frome Multi-Benefit WEIF	616	30,621	(25,161)	(6,076)	-
Somerset Frome (S.106)	3,166	23,533	(21,125)	-	5,574
Somerset Water Forum	1,000	2,000	(2,128)	(872)	-
Tree Council / NR Community Tree Planting	1,825	630	(600)	(1,855)	-
Trees Seeding Trial	256	-	-	(256)	-
Upper Thames Hedges & Trees	-	2,455	-	(2,455)	-
WILD 2 EA	4,605	-	-	(4,605)	-
WILD Phase 2 Year 4 WEIF	-	29,166	(28,737)	(429)	-
WILD Westbury Brook / Walmore Common WEIF	-	25,607	(24,465)	(1,142)	-
Woodland Trust Shelterbelt	1,392	11,450	(12,688)	-	154
Yealm Estuary to Moor	-	3,125	(1,699)	(1,426)	-
Restricted funds	427,561	802,758	(766,749)	(174,666)	288,904
Unrestricted funds					
Designated funds	17,267	-	(15,663)	17,124	18,728
General funds	429,689	2,746,635	(3,056,889)	157,542	276,977
Total Funds	874,517	3,549,393	(3,839,301)	-	584,609

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
For the Year Ended 31 March 2023

12 Statement of funds – 2022

	1 April 2021 £	Income £	Expenditure £	Transfer between funds £	31 March 2022 £
Restricted funds					
Blackdown Hills FIPL	-	4,900	(979)	(3,921)	-
Bledington & Westcote Brook WILD	50	-	-	(50)	-
Bledington & Westcote Brook WILD 2 WEIF	-	19,970	(21,171)	1,201	-
Brue Priority Catchment Project	1,276	24,623	(17,760)	-	8,139
Brue Water Resources Engagement	-	10,250	(7,379)	(2,871)	-
Carrant Overbury Collaboration	7,777	-	(173)	-	7,604
Coastal Levels Project	-	256,634	(255,245)	-	1,389
Compass Project	1,339	-	(1,312)	(27)	-
Cornwall Farmland Bird Project	-	18,693	(2,843)	-	15,850
CPF Catchment Partnership	-	27,500	(27,500)	-	-
CPF Upper Thames	-	7,500	(7,500)	-	-
Devil's Brook WEIF Phase 2	-	13,874	(13,874)	-	-
Dorset Wild Rivers	-	-	-	-	-
Exmoor Atlantic Rainforest	-	6,400	(1,344)	(5,056)	-
Fairford & Healthy Coln WILD	-	-	-	-	-
Feeding Gloucestershire/Sustainable Food Places	-	250,000	-	-	250,000
Filling the Gap CPRE	-	8,000	(9,023)	-	(1,023)
Flourishing Floodplains	-	25,670	(25,670)	-	-
GREAT Project	137,834	130,115	(115,790)	(50,000)	102,159
GREAT Project - Glos Food Partnership	-	-	(45,047)	50,000	4,953
Healthy WILD Windrush Project	2,245	-	(3,431)	1,186	-
KAS - General Fund	11,507	1,000	(5,530)	-	6,977
KAS - Cornwall	8,360	1,161	(1,844)	-	7,677
KAS - Devon	1,167	-	(120)	-	1,047
KAS - Somerset	6,741	3,000	(5,057)	-	4,684
KAS - Wiltshire	4,438	-	(823)	-	3,615
KAS - Glos	-	1,000	-	-	1,000
Local Authority Treescape Fund	-	1,182	(1,322)	-	(140)
Long Bredy Farmer Group	-	3,609	(1,257)	(2,352)	-
Lower Avon Diffuse Water	-	19,950	(18,942)	(1,008)	-
Moorlinch Moors Association	900	980	-	-	1,880
Moorlinch Moors Association Gateways	-	160	-	-	160
Network Rail Enhancement Corridor	(194)	-	(1,076)	-	(1,270)
RWCD Coln & Churn Work Party Days	-	-	(1,472)	1,472	-
Saving Devon's Treescapes	2,707	-	(2,496)	(211)	-
Shelterbelts - Great Western CF	480	-	(480)	-	-
Somerset Frome Multi-Benefit WEIF	287	16,561	(16,232)	-	616
Somerset Frome (S.106)	1,671	59,420	(57,925)	-	3,166
Somerset Water Forum	-	1,000	-	-	1,000
SRA Preston Brook	-	2,094	(2,094)	-	-
Tree Council / NR Community Tree Planting	1,825	-	-	-	1,825
Trees Seeding Trial	256	-	-	-	256
WILD 2 EA	4,605	-	-	-	4,605
WILD Phase 2 Year 3 Capital WEIF	-	98,200	(96,447)	(1,753)	-
WILD Westbury Brook / Walmore Common WEIF	-	31,348	(31,348)	-	-
Woodland Trust Shelterbelt	-	5,040	(3,648)	-	1,392
Restricted funds	195,271	1,049,834	(804,154)	(13,390)	427,561
Unrestricted funds					
Designated funds	11,468	-	(13,338)	19,137	17,267
General funds	458,725	2,809,225	(2,832,514)	(5,747)	429,689
Total Funds	665,464	3,859,059	(3,650,006)	-	874,517

12 Statement of funds – continued

The transfers made are management charges and release of surplus on the projects, as permitted by the relevant funding providers.

Material restricted funds include:

- Bledington & Westcote Brook – this restoration project aims to address water quality issues. It involves engagement with farmers and landowners to improve land management, as well as installing leaky woody barriers to tip water into a meadow to create a wetland, reducing scouring and erosion issues. Tree and hedge planting create habitat links and pollarding reduces overshadowing. It enhances priority habitat and restores ditches to reconnect the river to the flood plain, with the benefit of improving water quality by removing sediments from the river and depositing them on land.
- Brue Priority Catchment Project is centred on identifying opportunities for implementing 'Groundwater Working With Natural Processes' within the upper Brue Catchment. It is also looking to develop an integrated landscape headwaters approach with our partners looking at the Brue, the Stour, and the Somerset Frome to maximise environmental outcomes and efficiency of resources.
- Coastal Levels - The overall aim of the project, known as Enhancing Climate Resilience on the Somerset Coast, is to protect and enhance the Somerset coast's natural heritage by delivering landscape-scale interventions to create and restore habitat for biodiversity and ecosystem services, and enhance resilience to climate change.
- CPF Somerset funding is monies provided by the Environment Agency to FWAG SW for hosting, establishing and developing a Catchment Partnership for the South and West Somerset rivers catchment.
- Farm Advice Project - The aim of this partnership project is to deliver a pilot that demonstrates how farm and community advice provision can be efficient to deliver societal transformational change. At its heart is support for agro-ecological farming practice that delivers nutrient dense food that also delivers multiple public goods for society. It has the opportunity to demonstrate to both national and local government how to create a systems approach to enabling farmers and communities to act now for climate emergency and how they might become resilient both economically and environmentally.
- Feeding Gloucestershire – this project aims to campaign for food equity across Gloucestershire and facilitate emergency food provision to communities across the county. It will support organisations supporting communities to address food issues and other cost of living challenges, and develop sustainable solutions to food equity for example through connecting with food and farming. The Sustainable Food Places project will link the shared learning from the national Sustainable Food Places initiative to the Feeding Gloucestershire Project and the Gloucestershire Food and Farming Partnership. The aim is to facilitate Gloucestershire as a case study for the implementation of the national food strategy.
- Flourishing Floodplains - The overall aim of the project is to restore the vibrant landscape, heritage and biodiversity associated with the Severn & Avon Vales. It will restore priority wetland habitats in the farmed landscape, use recovery of the much-loved curlew as a flagship, build local capacity for floodplain restoration and management, and increase community engagement and citizen science.
- GREAT Projects - These projects centres on working with regenerative farmers and growers in Gloucestershire on four streams of work: building evidence, sharing knowledge, nurturing enterprise and co-ordinating the Good Food Revolution Partnership. The aim is to move towards a regenerative system that rebuilds soils, habitats, landscapes and communities. The funder advised that restrictions on this funding were removed during 2022/23. The project is now unrestricted and a transfer has been to reflect this change.

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- KAS Cornwall, Devon, Somerset, Wiltshire. These funds all relate to the monies raised to fund the Kingfisher Award Scheme in each of the counties listed. The scheme provides "hands on" educational days on farms for primary school children to teach them the importance of farming and wildlife.
- Somerset Frome Multi-Benefit – to improve water quality and reduce diffuse pollution in the headwaters by improving infrastructure, water and nutrient management on catchment farms; giving advice through bespoke farm management plans, providing grants and monitoring outcomes.
- Somerset Frome (S.106) - To develop a robust catchment scale hydrological model which can be used to assess the impact on flood risk from the implementation of a variety of Natural Flood Management measures within the catchment.
- WILD Phase 2 - The project will engage with farmers within the WILD project area over the year to understand challenges and opportunities. Direct actions will be to improve and restore biodiversity within the riparian corridors along all waterbodies through riverbank restoration, creation of fish habitat, a balance of shade, reductions in silt to rivers, improved ditch networks and in-channel work to deflect, improve flow, slow flows along the water course and improve water quality. We will be addressing smaller tributaries leading into rivers as well as main rivers.
- WILD Westbury Brook – The aim of the project is to engage with landowners and deliver whole farm appraisal plans for forty farms within the Westbury Brook and Walmore Common SSSI catchments. The project plans to reduce sediment from entering waterbodies across the catchment.

13 Analysis of net assets between funds

As at 31 March 2023	Unrestricted	Restricted	Total
	£	£	£
Fixed assets	18,728	-	18,728
Current assets	913,518	382,006	1,295,524
Creditors due within one year	(601,088)	(93,102)	(694,190)
Creditors due after more than one year	(35,453)	-	(35,453)
	<u>295,705</u>	<u>288,904</u>	<u>584,609</u>
As at 31 March 2022	Unrestricted	Restricted	Total
	£	£	£
Fixed assets	17,267	-	17,267
Current assets	1,377,422	547,085	1,924,507
Creditors due within one year	(907,028)	(119,524)	(1,026,552)
Creditors due after more than one year	(40,705)	-	(40,705)
	<u>446,956</u>	<u>427,561</u>	<u>874,517</u>

The trustees have established a designated fund equivalent to the net book value of tangible fixed assets used to enable FWAG SW to carry out its charitable work. In the year £17,124 was spent on capital from unrestricted funds

14 Company limited by guarantee

The company was incorporated as a company limited by guarantee and has no share capital. The guarantee to the company is £1 per member on the winding up of the company. At 31 March 2023 the company had seven members and the total amount guaranteed is therefore £7.

Farming and Wildlife Advisory Group South West Ltd
Notes to the Financial Statements
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15 Financial commitments

At 31 March 2023 the charity was committed to making the following payments under non-cancellable operating leases:

PREMISES

Payments falling due:	2023	2022
	£	£
Within one year	30,312	30,898
Between two and five years	42,688	78,600
In more than five years	-	-
	<u>73,000</u>	<u>109,498</u>

OTHER ASSETS

Payments falling due:	2023	2022
	£	£
Within one year	3,895	3,895
Between two and five years	1,947	5,842
In more than five years	-	-
	<u>5,842</u>	<u>9,737</u>

16 Note to the cash flow statement

16(a) Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£	£
Net movement in funds	(289,908)	209,053
Add back: Depreciation charge	15,447	13,338
Loss/(profit) on disposal of fixed assets	(34)	-
Deduct: Deposit interest	(442)	(19)
Decrease/(Increase) in debtors	495,039	(623,229)
(Decrease)/Increase in creditors	(337,614)	287,246
Net cash provided by / (used in) operating activities	<u>(117,512)</u>	<u>(113,611)</u>

17 Net debt reconciliation

	Start of year	Cashflows	At year end
	£	£	£
Cash at bank and in hand	370,865	(133,944)	236,921
Bank loan falling due within 1 year	(5,123)	(129)	(5,252)
Bank loan falling due in less than 5 years	(21,818)	(552)	(22,370)
Bank loan falling due after 5 years	(18,887)	5,804	(13,083)
	<u>325,037</u>	<u>(128,821)</u>	<u>196,216</u>