

**PEMBREY CONSERVATION TRUST
TRUSTEES' ANNUAL REPORT AND
ACCOUNTS
FOR THE YEAR
1 APRIL 2020 TO 31 MARCH 2021**

PEMBREY CONSERVATION TRUST

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2021

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PEMBREY CONSERVATION TRUST

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2021

The trustees are pleased to present their annual report together with the financial statements of the charity for the 12 month period from 1 April 2020 to 31 March 2021.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reference and administrative information

Pembrey Conservation Trust was founded on 21 July 2012 and this is the ninth report and accounts of the Pembrey Conservation Trust (PCT). It is the eighth report and accounts since incorporation as a Charitable Incorporated Organisation on 1 December 2013. PCT does not operate under any other names.

Registered office and principal place of business FC Foresters Hut
Penybedd Woods
Pembrey
Burry Port
SA16 0HU

Bankers The Co-operative Bank Plc
PO Box 250
Skelmersdale
WN8 6WT

Trustees Mr. D A Howells
Mr. R W Naylor
Mr. T O'Keefe
Ms. C Taylor
Mr. N M Thomas

Registration Charity Registered in England and Wales number 1154814

Structure, Governance and Management

Legal structure

PCT is a Charitable Incorporated Organisation and its governing document is based upon the Charity Commission's "Foundation" model constitution.

The governing body is the Board of Trustees which meets on a regular basis.

New trustees are nominated by the Board and elected for a three year term of office at a properly convened meeting of the trustees. Each new trustee, on or before his or her first appointment, receives a copy of the current version of the constitution and a copy of the latest Trustees' Annual Report and Accounts.

Objectives and Activities

The objectives of the charity, as contained within the constitution, are:

- To promote the conservation and protection of the environment by providing practical conservation opportunities for all segments of the community through volunteering activities which benefit wildlife and promote public access; and
- To advance the education of the volunteers in the principles and practices of conservation and associated management practices.

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PCT has a range of means of achieving these objectives, combining them to best effect.

- We support the management of 2,600 acres of coastal woodland managed by Natural Resources Body for Wales (NRW)
- We maintain a network of recreational sites and public access routes within the woodland area
- We provide training in woodland skills and equipment use to our volunteers
- We undertake small scale contractual and retail activity to support the Trust

PCT's activities take place within part of the Welsh Government's Woodland Estate (WGWE) situated at Pembrey and Penybedd under an agreement granted by NRW. PCT leases the FC Forester's Hut at Penybedd from the Welsh Government. No rent is payable under the lease. PCT's obligations under the lease are maintenance of the premises and performance of an agreed schedule of work.

Achievements and Performance

In this twelve month period PCT has completed 468 man days of habitat and access maintenance work (2020:497).

Over the course of the period we had 13 regular volunteers (2020:19) delivering practical conservation work on a weekly basis. The Trust continues to operate on three days per week alongside ad hoc attendance to support reactive maintenance and monitoring needs.

The advent of Covid 19 has required a significant change in work practice to maintain the health and well-being of all our volunteers. This has resulted in some aspects of our work being suspended and others reviewed to follow government workplace guidance.

Our habitat work is guided by NRW and Butterfly Conservation to support the maintenance of the thirty two species of butterfly found within the woods.

This period's works and achievements include:

- Cutting and maintaining 32km of footpaths at Penybedd and Pembrey (2020:32Km)
- Cutting and maintaining 5 picnic areas at Penybedd and Pembrey
- Continuing the production and sale of products using recycled timber
- Supported the equine access programme

All of our work depends upon the extensive assistance of volunteers. The trustees are unremunerated except for the reimbursement of expenses necessarily incurred in conducting the business of the trust. The bulk of our volunteers' efforts are directed to delivering practical conservation work here at the Pembrey Peninsula within a formal partnership with NRW. Other volunteers support our office and administrative activities. All our volunteers work is valued and appreciated by the trust and the local community.

Financial Review

These financial statements are unaudited. The trust is not required to present audited financial statements. If the Trust's gross income is in excess of £25,000 it is a requirement that the accounts are subject to an independent examination. In this seven month period and in the preceding year the Trust's gross income fell below that level and therefore, the Trustees have decided not to request an independent examination.

At a meeting of the Trustees in January of 2020, it was agreed that ability of PCT to continue to sustain its current level of activity depended upon securing additional revenue and if that revenue were not achievable then operations would be terminated in July 2020. Subsequent discussions with our main partner organisation, NRW, identified opportunities to expand the scope of our activities and achieve mutually beneficial outcomes in keeping with our charitable objectives and in the process secure the additional revenue to continue operations. These new agreements with NRW apply from 1 April, 2020 and are continuing.

Equipment maintenance costs bore heavily on resources during this year. This was directly attributable to the age and condition of the equipment. In March of 2021 PCT was successful in obtaining a capital equipment grant from NRW which enabled the purchase of £17,225 of new equipment. This was brought into use in April 2021 and the trust is anticipating substantial reductions in maintenance and operating costs.

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In order to align our reporting period to that of our underlying activity cycle it was agreed that the financial reporting year end be changed to 31 March. This report is the second report to the new year end and covers the twelve month period from 1 April, 2020 to 31 March, 2021.

The trustees consider that the financial position at the balance sheet date is satisfactory. Total income in the period under review has increased from £2,107 in 2020 to £9,101 and unrestricted reserves have decreased from £2,617 to £2,604. The Trustees consider that it is necessary for the trust to accumulate unrestricted reserves to provide for the replacement of equipment and to secure the sustainability of its operations. The trust continues to closely monitor its financial position and to seek out new sources of income from activities which are in keeping with its objectives.

The trustees consider that the statements fairly reflect the activity of the trust and its financial position as at 31 March 2021.

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STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2021

INCOME AND EXPENDITURE

	Note	Unrestricted funds £	Restricted funds £	Year ended 31 March 2021 Total £	Seven months to 31 March 2020 Total £
INCOMING RESOURCES					
Voluntary income					
Donations	2	60	-	60	-
Grants	3	5,518	-	5,518	317
Total voluntary income		5,578	-	5,578	317
Activities to generate funds					
Sales	4	3,523	-	3,523	1,790
Interest		-	-	-	-
Other incoming resources		-	-	-	-
Total incoming resources		9,101	-	9,101	2,107
RESOURCES EXPENDED					
Cost of generating funds					
Costs of activities to generate funds	5	3,314	-	3,314	2,107
Total cost of generating incoming resources		3,314	-	3,314	2,107
Net resources available for charitable purposes		-	-	-	-
Charitable revenue expenditure					
Practical conservation and access work		5,000	-	5,000	5,230
Governance costs		800	-	800	800
Total resources expended		9,114	-	9,114	8,137
NET MOVEMENT IN FUNDS		(13)	-	(13)	(6,030)
TOTAL FUNDS BROUGHT FORWARD		2,617	-	2,617	8,647
TOTAL FUNDS CARRIED FORWARD		2,604	-	2,604	2,617

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Balance Sheet as at 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Fixed assets					
Tangible assets	6	17,925	-	17,925	1,493
Current assets					
Debtors and prepayments		-	-	-	-
Cash at bank and in hand		3,026	-	3,026	2,742
		<u>3,026</u>	<u>-</u>	<u>3,026</u>	<u>2,742</u>
Creditors: amounts falling due within one year	7	2,938	-	2,938	1,618
Net current assets/(liabilities)		<u>88</u>	<u>-</u>	<u>88</u>	<u>1,124</u>
Total assets less current liabilities		18,013	-	18,013	2,617
Creditors: amounts falling due after more than one year	8	15,409	-	15,409	-
Net assets		<u>2,604</u>	<u>-</u>	<u>2,604</u>	<u>2,617</u>
Represented by					
Unrestricted funds	10	2,604		2,604	2,617
Restricted income funds	10		-	-	-
Total funds		<u>2,604</u>	<u>-</u>	<u>2,604</u>	<u>2,617</u>

Signed on behalf of the trustees R W NAYLOR N M THOMAS

Date 25 APRIL 2021

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NOTES

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

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

PCT meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required and have concluded that no restatement is necessary.

The financial statements have been prepared under the historical cost convention and in accordance with the recommendations set out in the Accounting and Reporting by Charities: Statement of Recommended Practice 2005 (SORP) applicable accounting standards and the Charities Act 2011.

c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the objectives of the Charity and which have not been designated for other purposes.

Restricted funds are those which are to be used in accordance with specific restrictions of the donors or which have been raised by the Charity for particular purposes. The purpose for which restricted funds are held is analyzed in the notes to the accounts (see Note 10).

d) Incoming resources

Incoming resources are included in the SOFA when the PCT is legally entitled to the income and the amount can be quantified with reasonable accuracy. If these conditions are not met then the income is deferred. The following specific policies apply to categories of income:

Membership income is treated as a donation and is accounted for when received.

Legacies are accounted for based on settlement of the estate or receipt of payment, whichever is earlier.

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Grants received in advance of the associated work being carried out are deferred only when the donor has imposed preconditions on the expenditure of resources.

Gifts in kind and donated assets are valued at their realized amount, or the amount equivalent to an alternative commercial supply, and are included in the SOFA and balance sheet as appropriate.

e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

Costs of generating voluntary income are those incurred in seeking voluntary income and do not include the costs of disseminating information in support of the charitable activities.

Governance costs are the costs associated with the governance arrangements of the PCT which relate to the general running of the Trust.

f) Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Plant, equipment and motor vehicles	10% to 25% on cost
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g) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognized at fair value which is the amount the charity would have been willing to pay for the items on the open market.

h) Debtors

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

i) Cash at bank and in hand

Cash at bank and cash 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.

j) Creditors and provisions

Creditors and provisions are recognized 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 normally recognized at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

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

I) Transition to FRS 102

No restatement of items has been required in making the transition to FRS 102. The transition date was 1 September 2014.

2. Donations

The following donations were received during the period:

	2021 £	2020 £
Donated assets	-	-
Donated services	-	-
Individuals	60	-
	<u>60</u>	<u>-</u>

3. Grants

The following grants were received during the year:

	2021 £	2020 £
NRW Maintenance Grant	5,000	-
	<u>5,000</u>	<u>-</u>

4. Sales

	2021 £	2020 £
Training	-	-
Horse riding permits	3,373	1,574
Habitat boxes and similar	150	216
Contracted access works	-	-
	<u>3,523</u>	<u>1,790</u>

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5. Costs of activities to generate funds

	2021 £	2020 £
Training	-	-
Other sales	3,314	2,107
	<u>3,314</u>	<u>2,107</u>

6. Tangible fixed assets

	Equipment £	Motor vehicles £	Total £
Costs			
At 01 April 2020	6,300	1,200	7,500
Additions	17,225	-	17,225
Disposals	-	-	-
At 31 March 2021	<u>23,525</u>	<u>1,200</u>	<u>24,725</u>
Depreciation			
At 01 April 2020	5,232	775	6,007
Charge for the period	643	150	793
Disposals	-	-	-
At 31 March 2021	<u>6,025</u>	<u>925</u>	<u>6,800</u>
Net book value			
At 01 April 2020	<u>1,068</u>	<u>425</u>	<u>1,493</u>
At 31 March 2021	<u>17,650</u>	<u>275</u>	<u>17,925</u>

The equipment includes items donated to the Trust in August 2013 and valued at market value by the Trustees as at 31 August 2013. The net book value of this equipment as at 31 March, 2021 was £NIL. Equipment purchased with the aid of grants had a net book value of £17,121 at 31 March, 2021.

7. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,226	800
Other creditors including taxation and social security	-	-
Deferred income	1,712	818
	<u>2,938</u>	<u>1,618</u>

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8. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Deferred income	15,409	-
	15,409	-

9. Deferred income

Movement during the year	2021	2020
	£	£
Creditors: amounts falling due after more than one year		
Balance at 1 April 2020	-	518
Amount released to income	-	-
Amount due within one year	(1,712)	(518)
Amount deferred in the year	17,121	-
Balance at 31 March 2021	15,409	-
Creditors: amounts falling due within one year		
Balance at 1 April 2020	818	317
Amount released to income	(818)	(317)
Amount deferred in the year	-	300
Amount transferred from creditors due after more than one year	1,712	518
Balance at 31 March 2021	1,712	818
Deferred income	17,121	818

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10. Statement of funds

The purpose for which funds are held can be analyzed as follows:

	1 April 2020	Incoming	Outgoing	31 March 2021
	£	£	£	£
Unrestricted funds:				
General funds	2,617	9,101	9,114	2,604
Total unrestricted funds	<u>2,617</u>	<u>9,101</u>	<u>9,114</u>	<u>2,604</u>
Restricted funds:				
Practical conservation work:				
NRW	-	-	-	-
Total restricted funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>2,617</u>	<u>9,101</u>	<u>9,114</u>	<u>2,604</u>

The restricted funds held for practical conservation work are grants received in advance of the associated work being carried out.

11. Staff Costs

	2021	2020
	£	£
Gross wages, salaries and benefits in kind	-	-
Employer's National Insurance costs	-	-
Pension costs	-	-
	<u>-</u>	<u>-</u>

The average monthly head count of staff during 2021 was nil (2020: nil).

Average number of full time equivalent staff in the year analyzed by principal area of employment	2021	2020
	No	No
Charitable activities	<u>0.0</u>	<u>0.0</u>

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12. Transactions with related parties

Name of related party	Relationship to the charity	Description of the transaction	2021 £	2020 £
Howells Accountancy Services Ltd	A company controlled by Mr. D A Howells a trustee	Accountancy services donated to the trust at market value	-	-
		Payment made by the trust for accountancy services	800	800
Ms. H Thomas	Related party to Mr. N M Thomas a trustee	Payments made by the trust for equipment hire	1,098	1,098