

DORSET WILDLIFE TRUST

(A Company Limited by Guarantee and not having any share capital)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

Company Number: 00688439

Charity Number: 200222

DORSET WILDLIFE TRUST
Financial Statements for the year ended 31 March 2021

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DORSET WILDLIFE TRUST

Financial statements for the year ended 31 March 2021

Reference and administrative details

The registered name of the Charity is Dorset Wildlife Trust. It is registered with the Charity Commission in England and Wales with the number 200222.

Dorset Wildlife Trust is registered at Companies House with the number 00688439.

Registered office

Brooklands Farm, Forston, Dorchester, Dorset, DT2 7AA.

Members of the Board

The charitable company's Board, known as the Council is made up of the Company Directors who are also Trustees of the charity. The Trustees of the charity who have held office in the year ended 31 March 2021 and to date are:

M G Kibblewhite PhD, MBA, FRSC, FIAGrE	(Chair of Council)
J Davies MBE	(Vice Chair)
J White MBE, BSc	(Vice Chair)
H G A Bates MBE, BSc, CEng, MIMM	
R Cole BA	
K Derrick OBE, BSc, MSc(Econ)	
J D Gaye	
I Reynolds BA, MA	
G Pugh BSc (Econ), FCA	
A Simmons BVMS, MSc, MRCVS	
J A Thomas OBE, MA, PhD, FRES	
N R Webb BSc, PhD, DSc, C Biol FRSB	
A V Wheatcroft BA, MSc	

Dorset Wildlife Trust is the sole trustee of the Helen Brotherton Trust, a permanent endowment fund, established as a separate legal entity in June 2019 and a linked-charity (Charity Commission registration number 200222-1).

Dorset Wildlife Trust has three wholly owned subsidiaries:

DWT Services Ltd (Company registration number 02293763)– company directors who have held office in the year ended 31 March 2021:

B Bleese BSc, FRGS
J Davies MBE
K Derrick OBE, BSc, MSc(Econ)
S E Patterson ACA
A V Wheatcroft BA. MSC

DORSET WILDLIFE TRUST

Financial statements for the year ended 31 March 2021

Reference and administrative details continued

Dorset Ecology Limited (Company registration number 08098097) – company directors who have held office in the year ended 31 March 2021:

J Davies MBE
J D Gaye
S E Patterson ACA
N R Webb BSc, PhD, DSc, C Biol FSB

The National Wildlife Garden Limited (Company registration number 10948799) – company directors who have held office during the year ended 31 March 2021:

B Bleese
J Davies MBE
J Gaye
M Kibblewhite PhD, MBA, FRSC, FIAGR
S E Patterson ACA
J White MBE, BSc

President, Vice Presidents and Patrons

Dr G McGavin	(President)
L Bunce	(Vice President)
T Dampney	(Vice President)
L Haskins	(Vice President)
J McDavid	(Vice President)
R Peers	(Vice President)
J Powne	(Vice President)
P Scupholme	(Vice President)
P Westgate	(Vice President)
J Westgate	(Vice President)
Sir J Eliot Gardiner	(Patron)
S Fine King	(Patron)
Prof J Lovelock	(Patron)

Chief Executive and senior management team

B Bleese BSc, FRGS	Chief Executive
I Davenport BSc	(Director of Nature Based Solutions)
S E Patterson ACA	(Director of Finance and Resources)
A Pollard BSc, MSc	(Director of Nature Recovery Networks)
S Thompson	(Director of Marketing & Fundraising)

DORSET WILDLIFE TRUST**Financial statements for the year ended 31 March 2021****Reference and administrative details continued****Company Secretary**

S E Patterson ACA

Bankers

National Westminster Bank plc, 7 West Borough, Wimborne, Dorset, BH21 1PE.

Solicitors

Battens, Mansion House, Princes Street, Yeovil, Somerset, BA20 1EP.

Stone King LLP, 13 Queen Square, Bath BA1 2HJ.

Investment Advisors

Close Brothers Asset Management, 10 Exchange Square, Primrose Street, London, EC2A 2BY.

Ruffer LLP 80 Victoria Street, London SW1E 5JL.

Auditors

Nexia Smith & Williamson, Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG.

VAT Advisor

Saffery Champness, 71 Queen Victoria Street, London EC4V 4BE.

Chair's Report

For the year ended 31 March 2021

The year was a demanding but successful one for the Trust. Membership was sustained, there was good progress with strategic projects and finances were strengthened.

Operational responses to the pandemic were difficult but proved effective. We were fortunate that the new senior management team was in place and established before the virus struck - they and all staff have worked tirelessly to bring the Trust successfully through challenging times. Full advantage was taken of Government schemes to mitigate the economic impacts of the virus, including furloughing of staff when visitor centres and other public engagement activities had to close. The original budget was revised, and the operational measures taken, together with generous donations and legacies, brought a good outturn for the year and a sound foundation for future growth. The success of digital membership recruitment as an offset for the curtailment of face-to-face recruitment, is just one example among many of how staff adapted innovatively to new circumstances.

The Trust is determined to 'up the pace' to deal with the nexus of the biodiversity and climate change crises. Its effects are clear in Dorset. For example, warm water species are migrating to our coastal waters and wildfires have seriously damaged heath habitats. The Trust is committing to have achieved net zero GHG emissions by 2030 and is growing its contribution to biodiversity conservation.

Two beavers were released at one of our reserves in February 2021 – a ground-breaking result made possible because of generous donations and the expertise of staff. During the winter of 2020 / 2021, we successfully negotiated an allocation of £3M of nitrate offset funding from Dorset Council and Bournemouth, Christchurch and Poole Council to support a major land purchase that was completed in June 2021 and which will be used to extend significantly the area of land prioritised for biodiversity in Dorset. There is a new determination to better conserve biodiversity in our reserves but also to engage in practical steps with partners to restore Dorset's wildlife and natural resources where these are degraded.

Public engagement and outreach are priorities for the Trust. Sadly, the pandemic meant that the volunteers' programme had to be suspended and our Centres closed temporarily. However, virtual engagement using social media has flourished during lockdown and will be a major future channel alongside the traditional ones. Meanwhile, the latter are being enhanced, for example by a new Wild Seas exhibit at Kimmeridge and by the development of a new facility for visitors to Brownsea Island to observe its special bird life.

I thank my fellow trustees, the staff, volunteers and all our supporters for their continuing commitment to the Trust and its vital work for Dorset.



Mark Kibblewhite (Sep 8, 2021 12:50 GMT+1)

08/09/2021

Mark Kibblewhite
Chair – Dorset Wildlife Trust
6 September 2021

**Report of the Directors (including the Strategic Report)
For the year ended 31 March 2021**

The Board have pleasure in presenting their report together with the audited accounts for the year ended 31st March 2021. The Board have adopted the provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2019) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

Objectives and activities

Dorset Wildlife Trust is required by charity and company law to act only within the objects of its Articles of Association which are as follows:

For the public benefit:

- (I) To promote for the benefit of the public the conservation protection and improvement of the physical and natural environment both on land and sea, in particular but not exclusively in Dorset by:
 - a. establishing and maintaining nature reserves, wildlife habitats and natural spaces;
 - b. surveying, recording, researching and studying the natural environment; and
 - c. engaging people with their environment through events, centres, volunteering and/or other means.
- (II) To advance the education of the public in and inform them about the conservation, protection and improvement of the physical and natural environment, and the natural sciences both on land and sea in particular but not exclusively in Dorset by:
 - a. providing walk, talks, events, meetings, digital and other means of communications; and
 - b. advocating good practice and promoting environmentally sustainable lifestyles and working.

Dorset Wildlife Trust (DWT) aims to safeguard Dorset's wildlife areas for the future, and actively encourages sympathetic management of the countryside and coast as a whole. Over 3,000 acres of land are owned or leased by DWT as nature reserves. Support comes from the DWT's membership, as at 31 March 2021 26,444 individuals or 14,397 households and a network of about 105 active volunteers during the year, as well as a number of supportive corporate members and sponsors.

We play a leading role, in partnership with other organisations, to conserve and enhance Dorset's wildlife and wild places, focussing on:

- a. delivering advancements in conservation through our network of nature reserves and wildlife sites, to help protect threatened wildlife habitats and species; and
- b. engaging people and communities by working with landowners, farmers, local authorities, businesses and young people, and influencing the behaviour of all sectors of society.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The Trust's public benefit is enshrined in its charitable objects as outlined above.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The advancement of environmental protection and improvement is recognised as a charitable purpose and is regarded universally as producing a public good. The Dorset Wildlife Trust exists to promote the care and protection of the environment and therefore provides a clear public benefit. The Wildlife Trusts' (TWT) philosophy is based on the belief that the natural world deserves conserving for its own sake and, since this is widely perceived to be a worthy aim of public policy, it may fairly be regarded as a benefit to the public at large. However, the public benefits provided by the Dorset Wildlife Trust go much further.

Firstly, our nature reserves are used by the public, and many have access on way-marked routes. At many sites information and interpretation is provided to visitors. There are a few cases where there may be a conflict between management requirements and unfettered access, but where this occurs we strive to keep any restrictions to a minimum.

Secondly, our education programmes are aimed at schools, colleges, adult groups and the wider public. Education is recognised as a charitable activity in its own right.

Thirdly, our information gathering and provision of expert advice and opinion to local authorities and others helps to ensure that planning decisions are made on a rational basis taking full account of the public benefit of wildlife.

Fourthly, we can exert influence through our substantial membership at local level, and nationally through our membership of the Royal Society of Wildlife Trusts. It is also our belief that the involvement of many volunteers in our work provides an outlet for altruistic endeavour which is of special benefit to those involved as well as delivering benefits to the wider public.

Promoting the enjoyment of the natural world is an important part of what we do: contact with the natural world and the appreciation of wildlife and wild places provides great pleasure to many people and contributes towards wellbeing and health. Our nature reserves and activities are available to all and we try to make special provision for the disabled and disadvantaged wherever possible.

Strategic report

The past year has been marked by two significant occurrences. Firstly, the rise of the Covid-19 pandemic which has had a major impact on social and economic activity across the world. Secondly, and perhaps equally significant for Dorset Wildlife Trust in its long-term impact, is the realisation within the Wildlife Trust partnership that our collective mission needs to focus on addressing three major issues:

- **The Climate Emergency**
The Climate Emergency is a global problem the impacts of which are increasingly felt locally. To deal with climate change we must bring back nature on an ambitious scale.
- **The Ecological Emergency**
Also a global emergency but one that is often difficult to perceive locally due to shifting baselines but recent research has shown that it is very relevant to all parts of the UK.
- **The Disconnect Between People and Nature**
The disconnect between people and nature is an issue that we have been aware of for many years and presents a major barrier to bringing back wildlife/nature.

Financial Year 2019-2020 ended with a high degree of optimism and excitement for the future. We had recognised that DWT is, in many ways, at a crossroads in its history and development as an organisation. For the past 15-20 years we have operated a model that has served us well, providing a financial and reputational platform on which to build for the future. However, the social, political and economic environment in which we operate is rapidly changing and DWT must change too. This need to change was brought into stark focus when, at the end of March 2020 it quickly became apparent that the looming spectre of a global pandemic would have a major impact on the global and UK economy and the way of life of everyone.

The Chief Executives of the 46 Wildlife Trusts alongside TWT have worked together to identify a common mission and strategic goals. While most Trusts have strategic goals that are broadly similar, they are often expressed very differently. Significant progress has been made recently in aligning goals and defining a common purpose. 'Bringing Back Wildlife/Nature' was seen as our collective mission and one that contributes to the quality of life and natural environment of everyone.

Throughout the year considerable effort has gone into managing the impact of Covid-19 on Dorset Wildlife Trust. An early assessment of the financial impact of Covid-19 on DWT indicated that we would have to reduce our structural costs in line with reduced income. In so doing we sought to establish a structure that would position DWT to address the climate and ecological crises, enables us to rebuild and respond to new opportunities, ensures that our work is achievable, affordable and appropriate and that our resources are deployed to best effect. A development plan was put in place to define the Trust's strategic goals to establish an affordable and sustainable structure upon which we can build for the future. The requirement to reduce structural costs led to a restructure of the staff and team and, sadly, the loss of some posts through voluntary and compulsory redundancy.

Overall losses of income due to the impact of Covid-19 were forecast to be significant for the financial year. However, Dorset Wildlife Trust has benefitted from government initiatives supporting businesses and organisations including the Coronavirus Job Retention Scheme (CJRS), hospitality industry grants and the National Lottery Heritage Fund Emergency Grant which has largely offset lost income. Approximately sixty percent of DWT staff were furloughed, under the CJRS, for four months of the year resulting in delays to work programmes and projects. Most staff initially furloughed had returned to work by 1 October 2020.

Despite the disruption to operations staff have worked hard to maintain the impact of Dorset Wildlife Trust and have made considerable progress in a number of areas. Considerable work has gone into improving member retention, without which our financial situation might have been much worse. We are starting to

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

see the benefits of a more strategic marketing programme with increases in major donors and diversified membership recruitment. Membership provides a significant portion of our income and early indications were that we would lose significant numbers of members as a result of an economic downturn. This risk was exacerbated by the suspension of our main face-to-face recruitment through South West Wildlife Fundraising Limited (SWWFL). This necessitated the shift in focus to alternative membership recruitment and retention methods. Both of these proved to be very successful and we were able to end the year with increased membership numbers.

However, while our work to retain members and the benefits of the various Covid-19 support mechanisms have enabled Dorset Wildlife Trust to end the year in a strong financial position it is likely to take some time to rebuild some elements of our income and we need to remain prudent while reinforcing certain functions.

Conservation Delivery

The opportunity to acquire a significant new area of land for ecological restoration arose during the year. We were successful in securing over £3.1m to purchase 170ha of land which presents major opportunities for rewilding and commercial development. The negotiation process for the purchase proved to be somewhat frustrating and prolonged and were still ongoing at the year end and completion did not take place until June 2021.

Nature reserve management presented its own set of challenges with increased visitor pressure stretching our resources at times. However, keeping our nature reserves open for visitors while many other public spaces were closed had positive impacts with many new people starting to value and appreciate the benefits of contact with nature.

The designation of Kingcombe Meadows and Powerstock Common as Kingcombe National Nature Reserve is a great tribute to those who, over many years, have cherished and nurtured these wonderful sites. Kingcombe National Nature Reserve will give us some great new opportunities to link with neighbouring farmers and landowners in support of nature recovery networks.

Due to the impacts of Covid-19, the reserves team entered the winter season with reduced personnel and a back-log of targets to fulfil our requirements under the agri- environmental grant schemes as a minimum. Against this backdrop the reserves management team have performed really well delivering on most of our obligations. Understandably, the focus turned towards tasks that could only be carried out in the winter, such as scrub management, which meant a number of summer tasks that were not completed due to Covid-19 restrictions have been carried forward to next year, with the agreement of funders including Natural England.

Progress under the Wild Brownsea project was repeatedly hit by restrictions imposed by Covid-19, but the team has adapted well by switching much of the engagement content on- line and focussing on key construction jobs through the winter. The impact of Covid-19 is likely to cause long-term delays to the delivery of the project. The project main funder, the National Lottery Heritage Fund has agreed to an extension to the project.

Although Covid-19 impacted the beginning of the survey season, with the help of volunteers we were still able to do various survey work across the reserves. Highlights include positive breeding for Great-Crested Newts in 5 ponds on Powerstock, various orchid counts across sites including fly, green winged and frog, condition assessment monitoring on several compartments at Kingcombe, Winfrith and Tadnoll, Greenhill Down, Troublefield and Sopley Common. Butterfly transects at Fontmell Down showed the highest number of silver spotted skippers for many years. We have added to our monitoring programme at Michaels Peace with surveys of diptera and other associated invertebrates. Ladybird Spider (Eresus) surveys were carried out at Tadnoll and Winfrith c170 webs showing increasing numbers, good distribution and expansion.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

The agri-environment grant scheme assessment programme continued, focusing on the Dorset Downs agreement covering Fontmell, Haydon Hill and Greenhill Down. We received the new agreement for the South Poorton Nature Reserve and the agreement for the Brownsea Nature Reserve is being finalised.

During the summer Dorset's Nature Recovery Networks maps were updated and following this, the Local Nature Partnership (LNP) successfully led a bid with partners to Natural England for funding to develop Dorset's Nature Recovery Network mapping and the Local Nature Recovery Strategy. This included updating the Biodiversity Audit (led by Dorset Environmental Record Centre (DERC)) and the Marine Biodiversity Audit (led by DWT); hosting of two workshops to support the development of the forthcoming Statement of Biodiversity.

Despite the Covid-19 restrictions limiting visits and volunteer involvement, and liaison staff being furloughed for at least part of the summer, DWT's landscape-scale projects made significant progress. Overall, landowner liaison during this period covered approximately 90ha (13 holdings), both Sites of Nature Conservation Interest (SNCI) and non-SNCI; projects ensued on circa. 80ha including future Countryside Stewardship applications, capital works and landowner-coordinated grassland restoration. We completed the first 3 years of the Magical Marshwood Landscape Enhancement Initiative (funded by National Grid Plc) at the end of March delivering a wide range of habitat benefits.

Major work was undertaken to prepare the beaver trial site and undertake the release of two beavers in February 2021. Baseline and ongoing data is being collected for our scientific study looking at the impacts of beavers, working closely with our partners Exeter University and Wessex Water. A rota of volunteer 'checkers' have been set up and a local vet has pledged their services to the project for free. The beavers have settled in well and constructed several dams as would be expected. We have been liaising with the researchers regularly to ensure we will be able to answer key questions, and also with stakeholders, donors and members. The project has attracted a lot of coverage and we have responded to interest ranging from opposing any beaver releases to wildly enthusiastic about them.

This reporting period was very much one of transition for the Kingcombe Centre as we gently convert its primary purpose to be a visitor facility for the new National Nature Reserve. There was a transition of staffing as we essentially lost the business that required the previous roles through the Covid-19 lockdowns. It has also been a challenging period for the Coastal Centres Visitor Centres, with various lockdowns and restrictions affecting opening. The Chesil Beach and Wild Seas Centres were closed for 74% (213 days closed:74 days open) of the days they would typically be open.

Volunteering activity, which contributes to so much of the work was greatly reduced. When we have been able to engage volunteers, we have operated well within Government guidance on Covid-19 to ensure our volunteers and staff stayed as safe as possible. In addition to our regular volunteering news bulletins, we have trialled new ways to keep in touch with our volunteers (via Zoom meetings). Despite the lockdowns, our volunteers have helped us with a range of tasks and activity was increasing at the year end.

We responded to Natural England's consultation on conservation management guidelines for Studland Bay and Black Bream sites. The Studland Bay consultation has led to new proposals for management of the site and a growing collaboration between DWT, the National Trust, Seahorse Trust and marina and yachting organisations, supported by Natural England and the Marine Management Organisation. A major funding bid has been submitted but, more importantly, this collaboration has created a positive partnership where some years ago there was considerable tension.

DWT has continued to work in collaboration with the Southern Inshore Fisheries & Conservation Authority and Poole and District Fishermen's Association to raise awareness of endangered, threatened and protected species relevant to the Poole Harbour clam and cockle fishery.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

In the year 2020-21, despite limited staff resources, we responded to 112 planning applications in total across both Dorset and Bournemouth, Christchurch and Poole Council areas. We also responded to several consultations on the Dorset Council Local Plan, including early sight of possible housing sites allocations, highlighting those with most challenges but also pointing out the need for greenspace and biodiversity gain for every allocation. In March 2021 we produced an extensive response to the first draft of the Local Plan including policies and site allocations. Discussions on the Dorset Council Local Plan have also involved DWT informing the evidence base and we are now working with the Council and Dorset Environmental Records Centre to survey a range of sites, including SNCIs, in summer 2021.

Fundraising and Marketing

A strong fundraising and marketing performance throughout the year has played a major role in enabling Dorset Wildlife Trust to end the year in a strong financial position. With the announcement of the first lockdown we experienced a spike in membership lapses and it became apparent that new membership recruitment would be hugely challenging. The need to retain members was therefore a huge priority.

Immediately after lockdown was announced, we created the #DorsetWildlifeWindow campaign, the premise of which being that we could continue to talk to our members and supporters about wildlife and nature, providing things to do while they were at home, and capitalising on the general feeling that wildlife was becoming ever more relevant, and important, to their lives during lockdown. Its focus was purely engagement. As part of this, from the end of March until beginning of July, we replaced our regular Wildlife Matters e-newsletters with #DorsetWildlifeWindow emails, sent fortnightly to all members, non-members and Get Dorset Buzzing sign ups.

Due to Covid-19, we decided to produce an online version of our Summer magazine, alongside a four page 'newsletter', instead of the usual printed magazine. This cost us less to produce and to mail and received extremely positive feedback from members and staff alike. We will be producing an online version in Spring 2021 and asking members to opt in to receiving an online version only, to hopefully start bringing the cost of producing, printing and posting the magazine down significantly over the next few years. This will also help to reduce our carbon emissions.

Whilst fewer press releases were created in the last 12 months, we continued to utilise volunteers to write articles for the magazines that were still publishing (not all were due to Covid-19) and our Marketing and Communications Officer has written more since joining in December. We responded to all media enquiries and some of these enquiries came through journalists seeing content on our social media channels.

A total of 201 articles were published during the year. This number is slightly lower than usual as some magazines stopped printing through lockdown, and we did not send as many press releases as we would normally. It could also be an underestimation as we have not been using our volunteer to help collate these, as we usually would. A significant proportion of the 103 articles published in the second half of the year were beaver articles.

At the start of the financial year Dorset Wildlife Trust had a household membership of 13,652. Following an initial flurry of cancellations in March and April, we then saw the retention of our members increase as we continued to provide a lot of great content online. From April to September, we had significantly less people lapse than during the same period in 2019.

For the first quarter of the financial year there was no face-to-face recruitment via South West Wildlife Fundraising Limited (SWWFL) a source that has, over recent years provided the bulk of new members recruitment. We looked to alternative membership recruitment activity and ran two digital lead generation membership recruitment campaigns, delivered a door drop, and ran a reactivation campaign.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Membership at the end of March 2021 stood at 14,397 households.

Management and Governance

In March 2020 a Covid-19 Response Team was set up to manage the impact of the Covid-19 emergency on DWT's operational activities. The team consisted of the Chief Executive (CE), Director of Finance & Head of HR & Resources. The aim was to be able to react swiftly to the latest government guidance, ensuring compliance with regulations, safeguarding staff and volunteers whilst ensuring that the key responsibilities of running the charity and limiting the financial impact of the emergency were addressed. The CE has reported regularly to trustees on the measures taken to manage the ongoing situation.

In April 2020, many employees were put on furlough with written agreements and this process has continued throughout the period to September with staff returning at various points and some on flexible furlough arrangements. Following the restructuring, all staff were off furlough by 1 October except for those on notice. However, when the second lockdown was announced from beginning of November some centre staff were put back on furlough/flexible furlough through to March 2021.

Home working was implemented across DWT very quickly for nearly all staff not furloughed. A Home Working Policy was prepared and circulated to all staff. The Covid-19 Response Team maintained a rota to provide basic cover at DWT's headquarters Brooklands Farm for the first 4-5 months. Detailed guidance for Risk Assessments (RA) was circulated, to be completed for all sites prior to re-opening and also a detailed RA for Brooklands. A Return to Work policy was also prepared to ensure that office occupancy at all sites was appropriate and all staff followed the correct Covid-19 procedures. Our Head of HR has continued to attend monthly HR and H&S meetings with TWT and legal advisors, to ensure that DWT remains aligned with other Trusts, particularly regional Trusts and best practice in our planning and response to Covid-19 arrangements.

Covid-19 security measures have remained high on our priority throughout the year, with the latest addition being registration for the collective arrangement for workplace distribution of lateral flow tests organised by the Head of HR. All Centre staff and those staff and volunteers regularly attending the workplace have been issued with test kits, tests are carried out at home prior to attending the workplace.

Staff meetings were held regularly by Zoom for both groups of staff (furloughed and non- furloughed) to try to maintain morale and keep staff up to date with latest developments. There is also a weekly coffee morning catch up on Zoom for any staff wishing to have a chat and see some familiar faces.

Monthly Pulse Surveys have been sent out to all staff to obtain feedback about specific issues currently impacting on work such as connectivity, both IT and with work colleagues, work- load, effectiveness of Zoom meetings etc. The surveys indicate that internal communications have suffered during the pandemic, largely due to the isolation felt through working from home. Our IT support company (ITEC) have been tasked with construction of a suitable intranet homepage, to assist in this area. TWT have also offered an intranet option, although have yet to deliver a draft model.

A new software system, Safety Cloud, was introduced in the second half of the year. It will enable the recording and sharing of Risk Assessments for all activities and facilitate monitoring of Health & Safety compliance.

The Annual General Meeting (AGM) was held in December 2020 via Zoom for the first time under the special provisions enacted by the Government. The meeting went well and the trustees plan to propose a change to the Articles at the next AGM to permit virtual General Meetings.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Following consultation with staff hybrid working protocols have been established involving a mix of home working and workplace attendance. The structure that the protocols provide will ensure that the employer/employee relationship is maintained and provide for effective and productive flexibility in the workplace.

Looking Ahead

The past year has been, perhaps, one of the most challenging years Dorset Wildlife Trust has ever experienced. Thanks to the huge efforts of staff and trustees and the continuing outstanding support of members we end the year and start 2021-2022 in a strong financial and operational position.

A number of very exciting projects and initiatives have commenced, including, the return of beavers to the Dorset landscape for the first time in 400 years, the acquisition of 170ha of land to deliver rewilding and a range of commercial development opportunities and the designation of two of our finest nature reserves as Kingcombe National Nature Reserve. We must realise the opportunities that these present.

However, we face a number of challenges. Not least is the need to rebuild our core structural income but recent marketing and recruitment developments have positioned us well to do this. We must also bring a number of existing projects back on schedule at a time when supply chains and contractors are very stretched.

Overall though, Dorset Wildlife Trust is well positioned to continue to deliver our charitable objects and make significant contributions to addressing the climate and ecological crises.

Our priorities for 2021-2022 are:

- Completing the acquisition of land at Court Farm.
- Finalising the Dorset Wildlife Trust Strategy.
- Establishing a comprehensive 18-month Fundraising and Marketing Plan.
- Strengthening our Volunteering programme and gearing this towards work on our reserves.
- Kingcombe National Nature Reserve launch, improving access and interpretation and working on a wider landscape initiative.
- Continuing to shape the Kingcombe Centre into a Visitor Centre for the Kingcombe National Nature Reserve.
- Getting a range of projects back on track.
- Getting our Visitor Centres up to full speed as Covid restrictions relax.

Financial review

A review of the financial position at the end of the reporting period

The year under review has been a period of turmoil with the global pandemic raging as the year started and continuing throughout with lockdowns and restrictions having a significant impact on our fundraising and operational activities. There was a real concern that our membership income would be substantially hit not only as a result of all face-to-face recruitment being suspended but also as a result of the wider economic impact on our members. Although our membership income took an initial dip, our membership team worked hard to reduce the lapse rate, launched a digital recruitment campaign and at the end of the year our membership income had been maintained although it was below budget for the year.

All our visitor centres were unable to open for a large part of the year and therefore the sources of income generated by them were lost to us and a number of grant-funded project activities were put on hold for some months.

DWT benefitted from the government support including the Coronavirus Job Retention Scheme (CJRS) where staff were unable to carry out their work due to the restrictions and the Local Government scheme supporting the hospitality and leisure sector for our visitor centres. However due to the uncertainty around the wider implications of the pandemic, the organisation underwent a restructure to reduce costs in the longer term which became effective from 1 October 2020. Overall net savings of £365,000 were made during the year against budgets.

DWT submitted a successful application in September to the National Lottery Heritage Fund for emergency funding and received £127,000 to fund core areas of expenditure, including support costs. In January 2021 a substantial unrestricted legacy of £432,000 was received which boosted our unrestricted results for the year and will provide some secure funding for the coming year which we expect to be a difficult year without the benefit of government support.

Balance Sheet

DWT's financial position at the balance sheet date shows an increase in overall funds of £1.18 million during the year to £11.75 million (2020: £10.57 million). This reflects a surplus of £834,000 on unrestricted funds arising from investment gains of £227,000, the legacy of £432,000 and the combination of net savings made, reduced income streams from activities and government support. Restricted funds have increased by £182,000 to £5.8 million (2020: £5.6 million) and this is due the receipt of some funds for projects that had to be put on hold during the year and also funds for projects in the coming year. The Endowment funds have increased by £165,000 to £1.3 million due to investment gains (2020: £1.15 million).

Heritage assets of £4.64 million (2020: £4.65 million) represent the nature reserves held by the charity, of which £3.82 million (2020: £3.84 million) are restricted. Fixed asset of £2.29 million (2020: £2.33 million) represent the assets utilised in the activities of the charity of which £1 million (2020: £1 million) are restricted.

Investments as at 31 March 2021 are £2.53 million (2020: £2.09 million).

Debtors as at 31 March 2021 are £4.58 million (2020: £799,000). The increase is due to the receipt of two large grants totalling £3.12 million funding a proposed land acquisition which were paid direct to DWT's solicitor's client account. A further £786,350 was also paid to the solicitors from DWT as part of the acquisition costs. These sums have been treated as prepayments. The exchange and completion on the acquisition did not occur until June 2021.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Cash at bank at 31 March 2021 is £1.76 million (2020: £982,000). The increase is in part due to the receipt of £678,000 for the Frome Valley Road SANGS (Suitable Alternative Natural Green Space) agreement which has subsequently been invested after the year end. The receipt of the large legacy in January also contributed to the increase in the balance providing the cashflow for the payment for the proposed land acquisition to be paid without disposing of investments.

Creditors

Creditors due within one year as at 31 March 2021 are £4.16 million (2020: £389,000). The increase relates to the two large grants totalling £3.12 million for the proposed land acquisition being treated as deferred income until the completion of the transaction after the year end. These amounts are included in accruals and deferred income along with the receipt of the £678,000 SANG monies which have been deferred as the payment is for the long-term provision of maintenance and the management of the site has not yet been transferred to DWT. The increase in other taxes and social security relates to the VAT payable on the SANG monies received and paid to HMRC after the year end.

Income

Overall income for the year is up by £280,000 to £3.50 million (2020: £3.22 million). This reflects a small decrease in restricted income of £39,000 and an increase in unrestricted of £327,000.

All areas of unrestricted income are down on the prior year with the exception of unrestricted legacies and unrestricted grant income which includes the government support schemes income.

Expenditure

Total expenditure during the year amounted to £2.70 million (2020: £3.17 million) of which expenditure on charitable activities totalled £1.98 million (2020: £2.30 million). The reduction in expenditure is due in part to the net savings of £65,000 made from the restructuring that was effective from 1 October 2020 but also from the cessation of many projects and activities for a period of time due to the lockdown.

Expenditure on raising funds of £718,000 (2020: £869,000) includes membership servicing and recruitment costs of £340,000 (2020: £481,000), fundraising & marketing costs of £314,000 (2020: £255,000) and trading company costs of £40,000 (2020: £84,000). The reduction in membership servicing and recruitment costs of £141,000 is due to the cessation of face-to-face recruitment and its associated costs and the reduction in publications due to Covid-19. The marketing costs increased by £59,000 due to the use of digital fundraising campaigns and marketing during lockdown.

Support costs, including depreciation and governance, totalled £671,000 (2020: £757,000). Support costs are detailed in note 10 of the financial statements. The reduction in costs of £86,000 is predominantly due to the recovery of £28,000 legal fees previously expended on a disputed legacy and the reduction in the number of directors on the senior management team.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Financial reserves

Free Reserves

The Trustees believe that, because of the uncertain nature of much of its income, it would be prudent for the charity to hold a level of free financial reserves (general unrestricted funds less those held as fixed assets) for the following purposes:

- To provide adequate short-term liquidity, and cover temporary timing differences in grant claims;
- To provide reliable funding over the longer term;
- To enable the Trust to respond quickly to unexpected opportunities, such as the purchase of land for nature reserves (the first of its charitable objects);
- To absorb setbacks and manage change should a major income stream fail.

The Trustees have determined that the level of free reserves held by the charity should not normally fall below six months' total budgeted costs of the following year.

The Finance Committee monitor the level of reserves and report regularly to Council. Council, advised by the Finance Committee, review the Policy annually.

Free Reserves Calculation

	2021 £'000	2020 £'000
General unrestricted funds	4,254	3,374
Less tangible fixed assets	(1,300)	(1,300)
Less Heritage assets	(815)	(815)
Less investment property	(250)	(250)
Free reserves	<u>1,889</u>	<u>1,009</u>

At the balance sheet date free financial reserves represented approximately seven months of our budgeted total costs for the coming year (2020: four months).

Designated reserves

Designated funds are those unrestricted reserves that the Trustees have designated for particular purposes.

The total value of funds designated for specific projects as at 31 March 2021 totals £392,000 (2020: £438,000). The projects are detailed in note 23b of the financial statements.

Investment powers and policy

Under the charity's governing document trustees are able to invest all monies not immediately required for the furthering of the objects of the Trust in such manner, and upon such securities as may be deemed expedient, provided that monies subject or representing property subject to the jurisdiction of the Charity Commission shall only be invested in such securities and with such sanction as may for the time be prescribed by law.

Governance

The Finance Committee has delegated powers granted by the Council for agreeing strategy and monitoring the investment assets. The implementation of the strategy is delegated to fund managers on a discretionary basis in line with letters of instruction issued in line with this policy. The charity has nominated a list of authorized signatories, two of which are required to sign instructions to investment managers. The Council has also delegated authority to the Finance Committee to make investment decisions based on independent advice from the investment managers in circumstances requiring urgent action to mitigate risk of substantial losses to the charity. Such a decision requires a quorum of four Trustees.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Investment Objectives

The charity seeks to produce the best financial return within an acceptable level of risk. The investment objective for the unrestricted long-term reserves and the endowment funds is to generate a return in excess of inflation over the long term to maintain capital whilst generating an income to support the on-going activities of the charity. The investment objective for the unrestricted short-term reserves and restricted reserves is to preserve the capital value with a minimum level of risk. Unrestricted assets should be readily available to meet unanticipated cash flow requirements.

Risk

The key risk to the long-term reserves is future inflation and the assets should be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate.

The short-term reserves are held to provide financial security and may be required at short notice. As such capital volatility is undesirable and investment of these assets should be focused on minimizing this.

Restricted and unrestricted reserves should be invested in a medium risk, high liquidity portfolio which would include investments such as gilts and high-quality corporate bonds.

The base currency of the investment portfolios is Sterling.

Cash

The Charity's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund including Common Deposit Funds.

The Charity will draw down the cash in line with the budgeted expenditure and maturities of cash deposits should match the budget schedule.

Time Horizon

The charity has divided its reserves into those expected to be held for a long-term time horizon and those that may be needed in the short term.

Ethical Investment Policy

The Trustees have established an ethical investment policy which excludes investments in companies based on the level of environmental impact from the activities of those companies and the actions taken by those companies to mitigate negative impacts.

Investment Strategy

The Trustees have divided the funds available for investment between two independent professional investment managers. The two managers have differing approaches to investment which counteract one another and therefore reduce the overall risk. The investment portfolio of the Helen Brotherton Trust is managed by Close Brothers Asset Management who take a conventional approach in that they seek to outperform the markets through timely asset allocation and security selection. This approach is subject to greater short-term volatility but the funds are invested for the long term and are therefore able to weather such volatility.

A further £1.3 million held by DWT is managed by Ruffer LLP; their approach is an absolute return with no benchmarking seeking to manage the risk of losing money. Their investment aims are not to lose money on a 12-month rolling basis and to grow funds at a higher rate than would be achieved by depositing them in cash. The strategy for achieving this is to guard against future risks whilst capturing available opportunities,

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

in effect attempting to remove market timing by offsetting investments such as inflationary bonds versus equities.

Management, Reporting and Monitoring

The investment managers are required to produce a valuation and performance reports quarterly and are required to present to the Finance Committee on at least an annual basis.

The charity manages its own cash deposits and has nominated a list of authorized signatories, two of which are required to sign instructions to the deposit taking institution. The Finance Director monitors the cash position and prospective cash flow schedule and reports this to the Finance Committee at each quarterly meeting. The Committee reports formally to Council on a quarterly basis.

Fundraising Activities

Our fundraising standards

1. Data protection

DWT is registered with the Information Commissioner's Office as a data controller.

DWT revised its Data Protection Policy and Notice to ensure compliance with the General Data Protection Regulation (GDPR). All staff have received a copy of this and training at a Staff Forum. New members of staff receive a copy of our Data Protection Policy as part of their induction training.

2. Fundraising Regulator

DWT is a member of the Fundraising Regulator, the independent regulator of charitable fundraising. The Regulator sets and promotes the standards for fundraising through the Code of Fundraising Practice. DWT follows the standards of the Code of Fundraising Practice in all of its fundraising activities.

Our fundraising standards are published on our website along with our fundraising complaints procedure. Complainants who are unsatisfied with how DWT responds are referred to the Fundraising Regulator for further investigation.

3. Breaches of fundraising standards

There were no identified breaches of the Code of Fundraising Standards during the year.

Our fundraising methods, including fundraising agencies

1. Face-to-face fundraising

- **South West Wildlife Fundraising Limited (SWWFL)**

SWWFL is a company limited by guarantee, established by eight Wildlife Trusts, to engage in mutual trading and provide the Member Trusts with new members. SWWFL fundraisers attend booked venues or events, where they engage with the public.

DWT has a data processing agreement in place with SWWFL that stipulates how the two organisations will share and protect the data of the DWT members signed-up by SWWFL.

There is also an agreement in place between the two organisations which stipulates that SWWFL fundraisers must adhere to the Fundraising Regulator's face-to-face private site fundraising rule book. It also states that SWWFL fundraisers must protect vulnerable people and members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent and which places undue pressure on a person to give money. The agreement also requires SWWFL to report any complaints to DWT promptly.

**Report of the Directors (including the Strategic Report)
For the year ended 31 March 2021 (continued)**

SWWFL is a member of the Institute of Fundraising and all their fundraisers are trained on data protection laws and best fundraising practices using the Fundraising Regulator's rule book on face-to-face private site fundraising. SWWFL's private site face-to-face activities have been certified as following best practice by the Institute of Fundraising's Compliance Directorate and their membership recruiters are regularly 'mystery shopped' by agents of the Compliance Directorate, to ensure ongoing compliance.

SWWFL fundraisers use a solicitation statement to explain to the public how they are paid and how much of any donation will benefit DWT.

2. Telephone fundraising

- Quality Telephone Services Ltd (QTS)

QTS is a south-west based professional telephone fundraising agency that is used by many Wildlife Trusts to help with supporter retention and development. DWT contracts with QTS to undertake administrative 'welcome calls' for new members and to undertake fundraising campaigns such as upgrading membership subscriptions and re-recruiting lapsed members.

- Purity Fundraising Limited

Purity Fundraising Limited is a professional fundraising agency that DWT contracts with to undertake membership recruitment from warm leads generated from other engagement activities.

DWT has agreements in place with both QTS and Purity Fundraising Limited which stipulates that their fundraisers must adhere to the Fundraising Regulator's code of fundraising practice and with data protection laws. It also states that telephone fundraisers must protect vulnerable people and members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent and which places undue pressure on a person to give money. The agreement also requires QTS and Purity Fundraising Limited to report any complaints to DWT.

Both fundraising companies adhere to the Fundraising Regulator's rules and the stipulations regarding the Telephone Preference Service.

DWT also has a data processing agreement in place with each company, which stipulates how the each organisation will share and protect and process the data of the DWT members.

3. Individual giving fundraising

DWT undertakes a range of fundraising activities to generate additional income and these are primarily focussed at members. These activities include amongst others, raffles and appeals, which involve mailing, email, website and social media promotion. These fundraising activities may also be promoted to the wider public through social media and website communication and press releases.

Our legacy fundraising is focussed around inviting longstanding members to attend a series of guided walks around our nature reserves during the summer months, where they can hear how legacies have benefitted our work and learn about the management of these sites.

4. DWT Services Ltd.

DWT sells a range of retail goods to the public through a number of visitor centres and a website shop. Some retail goods, such as the DWT Christmas calendar, are also sold to other retail outlets across Dorset.

5. Corporate fundraising

DWT runs a corporate membership scheme, whereby businesses pay an annual membership subscription in return for benefits. In addition, we encourage our corporate partners to support our work through further donations, sponsorship or voluntary work.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

6. Grants & Trusts

Securing funding from grants and trusts is a major part of DWT's fundraising work and involves significant resource from the Conservation teams collaborating in constructing funding bids.

Monitoring fundraising activities

Agreements are in place with the agencies that carry out fundraising services on behalf of DWT. These agreements stipulate the required standards of fundraising that must be adhered to, data protection protocols and how any issues with regards to fundraising practices must be reported back to DWT.

DWT holds regular meetings with the agencies where any issues with fundraising activities are discussed and resolved.

The Director of Fundraising & Marketing signs off on all fundraising activities. The approach used for each fundraising campaign is discussed in Fundraising & Marketing team meetings. Some of these activities are also discussed at quarterly Marketing Committee meetings, which involve Trustees.

Each quarter the Marketing Committee receives a report on any complaints DWT has received during that period.

Complaints about fundraising

During 2020/21 DWT received a total of 73 complaints from the public, of which just four related to fundraising activities. Of these, two related to the wording in specific fundraising emails, one related to the use of sexist language in a reference to 'man-made conditions' in membership renewal correspondence and the other was disappointed with their seahorse adoption. All complaints were responded to directly and where appropriate the member's preferences updated on the database..

Protecting vulnerable people

In accordance with the Fundraising Regulator's Code of Fundraising Practice our fundraisers take reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. This includes taking into account the needs of any potential donor who may be in a vulnerable circumstance or require additional care and support to make an informed decision.

Our fundraisers will not exploit the credulity, lack of knowledge, apparent need for care and support or vulnerable circumstance of any donor at any point in time.

If one of our fundraisers reasonably believes that a supporter is unable to make a decision or is in a position which does not allow them to make a donation, then a donation is not to be taken or accepted.

Our fundraisers must not use behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent and/or which places undue pressure on a person to give money.

The agreements we have with fundraising agencies include requirements to protect vulnerable people.

Structure, governance and management

Dorset Wildlife Trust is governed by its Articles of Association and is a company limited by guarantee with the number 688439 and charity number 200222.

The charity's governing body is the Council to which Trustees are elected by members at the Annual General Meeting (normally around December each year). Council may co-opt additional Trustees to fill vacancies between AGMs, but such persons must face election by members at the next AGM. Trustees endeavour to maintain a balance of skills and expertise on the Council when seeking new or replacement Trustees and to that end a skills audit has been conducted. Officers of the Trust (Chair and Vice Chairs) are appointed by Council from those elected by members.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Dorset Wildlife Trust is the sole trustee of The Helen Brotherton Trust which is registered with the Charity Commission as a linked-charity.

DWT Services Ltd, the charity's trading subsidiary, was primarily involved in the sale of goods, delivering educational courses and other services. Profits generated are transferred to its parent company DWT on an annual basis as a gift aided charitable donation. Both Dorset Ecology Limited and The National Wildlife Garden Limited are dormant subsidiaries of Dorset Wildlife Trust. The directors of DWT Services Ltd and the two dormant companies are appointed by the Council of DWT and confirmed annually.

DWT's organisation can be summarised as follows:

- The Council of Trustees, which meets every quarter to review performance and set DWT policy and strategy.
- Council is supported and advised by six committees:
 - Conservation Committee.
 - Finance Committee.
 - Risk & Audit Committee.
 - Health and Safety Committee.
 - Fundraising & Marketing Committee.
 - Personnel and Remuneration Committee.

Council has responsibility for all decisions of DWT. Committees may only make decisions on Council's behalf where they have been formally delegated defined powers by the Council. Otherwise all committees make recommendation to Council only. Only members of the committees appointed by Council are entitled to vote on advice or recommendations to Council.

The only committee with delegated powers is the Finance Committee where exceptionally, and when a delay in decision-making presents a substantive risk to the charity's assets, named Trustee members of the Finance Committee may collectively make urgent investment decisions on behalf of Council.

On 29 March 2020 the Council passed a resolution to approve delegated authority to the Finance Committee for a period of three months in order to make urgent decisions required as a result of the Covid-19 pandemic and lockdown.

The Chief Executive has delegated responsibility for financial and operating performance, and all staff.

DWT has a Members' Panel and a number of joint volunteer/staff groups that deal with reserves, special events, and projects such as Living Churchyards, Sites of Nature Conservation Interest (SNCI) Forum, Agriculture Forum and Environmental Performance Group. There are also six Local Groups of members who organise events for members in their areas. Volunteers provide assistance and support in a wide variety of ways, practically and with administrative tasks.

How does the charity make decisions?

The Council makes decisions on policy as recommended by Committees and management. Implementation of those policies and operating decisions are delegated to the Chief Executive who may delegate authority through the management structure. The Council can over-ride any operating decision that it feels is not consistent with the Strategic Plan, DWT policies or legal requirements.

Induction and training of Board members

Trustees' skills are reviewed regularly to ensure that the balance is suitable. New trustees undergo an induction process which involves meeting with officers and senior DWT staff and are provided with an information pack detailing their responsibilities, governance, financial and other information relating to the structure and operation of the Trust. All Trustees are invited to attend a range of training events relating both to governance issues and specific areas of the charity's work.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2021 (continued)

Arrangements for setting the pay and remuneration for the key management personnel.

On at least a three-year basis, pay and remuneration are benchmarked by Personnel and Remuneration Committee (PRC) against other Wildlife Trusts and the wider sector. PRC then makes recommendations to Council. PRC may recommend an annual increment to salary levels if DWT can afford it. The rise is commonly determined by market rate comparisons combined with affordability.

The wider The Wildlife Trust (TWT) network

DWT is one of 46 Wildlife Trusts in the UK that together make up The Wildlife Trusts Network. Together, the Wildlife Trusts have over 850,000 members and more than 2,300 nature reserves covering 98,500 hectares in their care. DWT feeds into and may choose to adopt policies developed by, and participate in activities run by, The Wildlife Trusts network.

On a regional basis DWT works closely with other Wildlife Trusts in the South-West including on joint projects and initiatives.

Relationship with the charity and related parties including its subsidiaries

The charity group consists of Dorset Wildlife Trust (a charitable company limited by guarantee and having no share capital), the Helen Brotherton Trust, a permanent endowment fund formerly held within the charity and of which the charity is the sole trustee, and three wholly owned subsidiary companies; a trading subsidiary company, DWT Services Ltd (a company limited by shares) and two dormant subsidiary companies, Dorset Ecology Limited and The National Wildlife Garden Limited, both are companies limited by shares. Separate Articles of Association govern each company.

Risk management

The Risk and Audit Committee review and update the Corporate Risk Register at each meeting throughout the year reporting to Council any significant increases in risk to which the charity might be exposed in light of current prevailing circumstances. The perceived risks are categorised and prioritised by potential impact and likelihood of occurrence and appropriate risk management strategies are implemented. There is a risk management policy in place with systems and procedures to mitigate risks identified.

The key risks to DWT's operation that have been identified and prioritised for 2021-2022 are summarised below and derive from the ongoing impact of the Covid-19 pandemic and Brexit:

- Strategic risk of failing to prioritise activities, capacity and resources would mean that DWT is unable to respond to new opportunities or changes in policy. Steps were taken during the year to restructure and refocus on core activities to reduce the financial impact of the Covid-19 crisis. This has put additional pressure on staff at all levels and will require directors and managers to closely monitor the use of resources to ensure that DWT remains focused on achieving its strategic goals.
- External risk of major economic upheaval including changes in economic policy causing increased competition for funding from existing and new organisations and devolved operations of local authorities. DWT closely monitors potential funding sources and opportunities and has a grant approval process to ensure all applications are completed to the highest standard. External financial factors are assessed as part of the annual budgeting process.
- Staff are experiencing increased levels of stress following the ending of lockdown restrictions and returning to office-based working. Performance and stress management procedures are under review and regular 'pulse' surveys were implemented to assess staff morale. Hybrid working protocols were established following consultation with staff and the structure will be kept under review to ensure that it is effective for both the organisation as a whole and for individuals.
- Failure to obtain adequate income from membership and fundraising activities. Annual fundraising plans are drawn-up as part of the budgeting procedure and evaluated in the budget risk assessment. The implementation of the plan and income generated are monitored on a continuous basis by managers and quarterly by the Marketing Committee and Finance Committee. Where additional

**Report of the Directors (including the Strategic Report)
For the year ended 31 March 2021 (continued)**

resources might be required to meet funding targets this is assessed on a cost-benefit analysis at the budgeting stage.

- Poor cash flow results in the inability to operate due to lack of liquidity or the use of restricted funds for other purposes. DWT often carries a high level of accrued grant income at certain times of the year due to the agri-environmental schemes often paying a year in arrears and other grants also being funded in arrears. Cash flow forecasts are monitored to identify potential shortfalls where drawdowns from unrestricted investments might be required. Utilisation of restricted funds is included within the budget and budgeted expenditure is phased to aid cash flow forecasting. Management accounts include the actual draw down of restricted funds against budget to assist the monitoring of use of funds.

Statement of the Board's responsibilities

The Trustees (who are also directors of Dorset Wildlife Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

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

Statement as to disclosure of information to auditors

The members of Board who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the members of Board have confirmed that they have taken all steps that they ought to have taken as members of Board in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Report of the Members of Board, which includes the Strategic Report were approved by the Board on 6 September 2021 and signed on their behalf:



Mark Kibblewhite (Sep 8, 2021 12:50 GMT+1)

08/09/2021

M G Kibblewhite

Chair of Trustees

Independent auditor's report to the members and trustees of Dorset Wildlife Trust

Opinion

We have audited the financial statements of Dorset Wildlife Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Cash Flow Statements and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

**Independent auditor's report to the members and trustees of the Dorset Wildlife Trust
(continued)**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Directors (including the Strategic Report), which includes the Strategic Report and 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 Strategic Report and the Directors' Report included within the Report of the Directors (including the Strategic Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Report of the Directors (including the Strategic Report).

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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.

Responsibilities of trustees

As explained more fully in the Boards' Responsibilities Statement set out on page 22, the trustees (who are directors of the parent 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 group's and the parent 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 group or the parent 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

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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.

**Independent auditor's report to the members and trustees of the Dorset Wildlife Trust
(continued)**

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:

We obtained a general understanding of the Group's legal and regulatory framework through enquiry of Group management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's industry and regulation. We understand that the Group complies with the framework through:

- Outsourcing tax compliance to external experts.
- Subscribing to relevant updates from external experts and making changes to internal procedures and controls as necessary.
- Appointment of a nominated Data Protection Officer.
- Management's close involvement in the day-to-day running of the Group, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the Group:

- The Companies Act 2006, Charities Act 2011 and FRS 102 (including the provisions of the Charities SORP) in respect of the preparation and presentation of the financial statements.
- General Data Protection Regulations (GDPR) in relation to information held for donors.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Enquiry of management and responsible staff members as to whether there have been any GDPR breaches.
- The inspection of any relevant correspondence.
- The review of Board minutes.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- The misstatement of financial statements through the incorrect recognition of revenue, particularly that of grant revenue.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Substantive work on material areas affecting results.
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

**Independent auditor's report to the members and trustees of the Dorset Wildlife Trust
(continued)**

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with charities and companies that operate in this sector.

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

Use of our report

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

Julie Mutton *Nexia Smith & Williamson*
Nexia Smith & Williamson (Sep 9, 2021 14:13 GMT+1)

Date: 09/09/2021

Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Cumberland House
15-17 Cumberland Place
Southampton
SO15 2BG

DORSET WILDLIFE TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2021

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Year ended 31 March 2021 £'000	Year ended 31 March 2020 £'000
		£'000	£'000	£'000	£'000	£'000
INCOME & ENDOWMENTS FROM:						
Donations & legacies	2	2,071	335	-	2,406	1,830
Charitable activities	3	77	862	-	939	1,074
Other trading activities	4	82	-	-	82	239
Investments	5	15	-	21	36	47
Other	6	<u>34</u>	<u>-</u>	<u>-</u>	<u>34</u>	<u>27</u>
TOTAL INCOME		<u>2,279</u>	<u>1,197</u>	<u>21</u>	<u>3,497</u>	<u>3,217</u>
EXPENDITURE ON:						
Raising funds	7	666	38	14	718	869
Charitable activities	8	971	1,011	-	1,982	2,298
Other		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6</u>
TOTAL EXPENDITURE		<u>1,637</u>	<u>1,049</u>	<u>14</u>	<u>2,700</u>	<u>3,173</u>
NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE GAINS/(LOSSES) ON INVESTMENTS		642	148	7	797	(273)
Net gains/(losses) on investments		<u>227</u>	<u>(1)</u>	<u>158</u>	<u>384</u>	<u>3</u>
NET INCOME/(EXPENDITURE)		869	147	165	1,181	(270)
Transfers between funds		<u>(35)</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		834	182	165	1,181	18
TOTAL FUNDS B/FWD	22-24	<u>3,812</u>	<u>5,613</u>	<u>1,151</u>	<u>10,576</u>	<u>10,558</u>
TOTAL FUNDS C/FWD	22-24	<u>4,646</u>	<u>5,795</u>	<u>1,316</u>	<u>11,757</u>	<u>10,576</u>

The group has no recognised gains or losses other than those included above. The Consolidated Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

The comparative figures are disclosed in note 35 to the financial statements.

The notes on pages 31 to 55 form part of these financial statements.

DORSET WILDLIFE TRUST

Consolidated Summary Income and Expenditure Account For the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
Income		3,461	3,170
Gains/(Losses) on investments		384	(26)
Interest and investment income		<u>36</u>	<u>47</u>
Gross income in the financial year		<u>3,881</u>	<u>3,191</u>
Expenditure		2,590	3,056
Depreciation & charges for impairment of fixed assets		<u>110</u>	<u>117</u>
Total expenditure in the financial year		<u>2,700</u>	<u>3,173</u>
Net income before tax for the financial year		1,181	18
Tax on net income from ordinary activities	14	<u>-</u>	<u>-</u>
Net income for the year		<u>1,181</u>	<u>18</u>

The group's income and expenses all relate to continuing operations.

The notes on pages 31 to 55 form part of the financial statements.

DORSET WILDLIFE TRUST

Consolidated and Charity Balance Sheets Company Number 00688439 For the year ended 31 March 2021

		Group		Company	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	15	2,291	2,334	2,288	2,331
Heritage assets	16	4,637	4,653	4,637	4,653
Investments	17	2,530	2,086	2,530	2,086
		<u>9,458</u>	<u>9,073</u>	<u>9,455</u>	<u>9,070</u>
CURRENT ASSETS					
Stock	18	137	133	114	108
Debtors	19	4,582	799	4,614	822
Cash at bank and in hand		1,757	982	1,681	882
		<u>6,476</u>	<u>1,914</u>	<u>6,409</u>	<u>1,812</u>
CREDITORS: Amounts falling due within one year	20	<u>(4,161)</u>	<u>(389)</u>	<u>(4,135)</u>	<u>(345)</u>
NET CURRENT ASSETS		<u>2,315</u>	<u>1,525</u>	<u>2,274</u>	<u>1,467</u>
CREDITORS: Amounts falling due after one year	21	<u>(16)</u>	<u>(22)</u>	<u>(16)</u>	<u>(22)</u>
TOTAL NET ASSETS		<u>11,757</u>	<u>10,576</u>	<u>11,713</u>	<u>10,515</u>
RESERVES AND FUNDS					
CAPITAL FUNDS					
Endowment funds	22	<u>1,316</u>	<u>1,151</u>	<u>1,316</u>	<u>1,151</u>
INCOME FUNDS					
General funds	23 (a)	4,254	3,374	4,210	3,313
Designated funds	23 (b)	<u>392</u>	<u>438</u>	<u>392</u>	<u>438</u>
Unrestricted funds		4,646	3,812	4,602	3,751
Restricted funds	24	5,795	5,613	5,795	5,613
		<u>11,757</u>	<u>10,576</u>	<u>11,713</u>	<u>10,515</u>
TOTAL FUNDS	25	<u>11,757</u>	<u>10,576</u>	<u>11,713</u>	<u>10,515</u>

The parent company made a surplus for the year of £1,198,000 (2020: surplus £37,000).

The notes on pages 31 to 55 form part of these financial statements.

Approved by the Directors on 6 September 2021 and signed on their behalf by:

M G Kibblewhite.....
Chair of Trustees

08/09/2021

DORSET WILDLIFE TRUST

Consolidated and Charity Cash Flow Statements For the year ended 31 March 2021

		Group		Company	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities:					
<i>Net cash provided by/used by operating activities</i>	32	<u>188</u>	<u>4</u>	<u>212</u>	<u>22</u>
Cash flows from investing activities					
Dividends, interest & rents from investments		36	49	36	49
Investment management costs		(24)	(24)	(24)	(24)
Proceeds from sale of fixed assets		13	46	13	46
Purchase of fixed assets		(51)	(179)	(51)	(179)
Proceeds from sale of investments		551	518	551	518
Purchase of investments		(610)	(393)	(610)	(393)
<i>Net cash (used in)/generated by investment activities</i>		<u>(85)</u>	<u>17</u>	<u>(85)</u>	<u>17</u>
Cash flows from financing activities					
Deferred SANG income		678	-	678	-
Repayment of borrowing		(6)	(2)	(6)	(2)
<i>Net cash generated by/used in financing activities</i>		<u>672</u>	<u>(2)</u>	<u>672</u>	<u>(2)</u>
Change in cash and cash equivalents in the financial year		775	19	799	37
Cash and cash equivalents at the beginning of the year		<u>982</u>	<u>963</u>	<u>882</u>	<u>845</u>
Cash and cash equivalents at the end of the year	33	<u>1,757</u>	<u>982</u>	<u>1,681</u>	<u>882</u>

The notes on pages 31 to 55 form part of these financial statements.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2021

1. ACCOUNTING POLICIES

Dorset Wildlife Trust is a company limited by guarantee and incorporated in England and Wales. The address of the registered office is Brooklands Farm, Forston, Dorchester, Dorset DT2 7AA.

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and stocks of biological assets, which are shown at market value, and freehold land and buildings, which have been revalued. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice (SORP) on Accounting and Reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Helen Brotherton Endowment Fund is established as a separate legal entity known as the Helen Brotherton Trust of which Dorset Wildlife Trust is the sole trustee. The Helen Brotherton Trust is included in the company financial statements as it is a link-charity.

The Trustees confirm that the charity is a public benefit entity, as defined in FRS 102.

The financial statements are prepared on a going concern basis. The Trustees have carefully reviewed the future prospects of the charity and its future cash flows, including an assessment of the potential impact of the COVID-19 pandemic. The continued impact of the COVID-19 pandemic on the charity's activities remain uncertain and as a result unquantifiable at this stage. Nevertheless, having assessed this, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

1.2 Group financial statements

The Statement of Financial Activities (SOFA), Consolidated Summary Income and Expenditure Account and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

1.3 Fund Accounting

1.3.1 Unrestricted Funds

These funds can be used for any of the charity's purposes.

1.3.2 Restricted Funds

These funds have been given to the charity for a particular purpose to be used in accordance with the wishes of the donor.

1.3.3 Endowment Funds

These funds have been given to the charity for a particular purpose to be used in accordance with the wishes of the donor. The capital can generally not be realised.

Notes to the financial statements

For the year ended 31 March 2021 (continued)

1. ACCOUNTING POLICIES (continued)

1.3.4 Designated Funds

These funds which have been set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

1.4 Income

All income is included in the SOFA when the charity is legally entitled to the income, the monetary value can be measured reliably and it is more likely than not that the economic benefits associated with the gift or transaction will flow to the charity.

Membership subscription income is accounted for as received. Legacy income is accounted for when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

Grants receivable (including government grants) are accounted for when there is sufficient information to enable the claim to be made or the claim has been made and there is clear indication to suggest that the claim will be met. Performance related grants are accounted for when the conditions of the grant have been met.

Income from investments and Gift Aid is accounted for when it is receivable or the charity's right to it becomes legally enforceable.

1.5 Volunteer help and Gifts in kind

The charity receives support from a wide variety of volunteers. It is not practical to place a value on the time volunteered by all these persons due to the variety of duties performed, the difference in time spent and the sheer number of volunteers who give of their time.

Gifts in kind are valued on the following basis:

- Land values are as stated in transfer documentation; where no value is quoted a best estimate of value by the trustees is used.
- Shares are valued at market value at the time of receipt.

1.6 Expenditure

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be fully recovered and has been classified under headings that aggregate all costs related to that category.

Costs of Raising Funds consist of expenditure relating to appeals, communications requesting funds, servicing of membership, grant applications and other general publicity as part of fundraising together with associated support activities and cost of sales.

Support costs are indirect costs incurred in providing support for activities related directly to the objects of the charity. The method of allocation of support costs to the different activities is dependent on the type of costs and details are given in note 10 to the financial statements.

Notes to the financial statements

For the year ended 31 March 2021 (continued)

ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets

Fixed assets are stated at original cost, less depreciation, with the exception of revalued freehold land and buildings. Assets donated subsequent to 1 February 1996 are included at their value on the date of receipt, except where the Directors' believe that the cost of valuation would be excessive. Assets below a value of £500 are not capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold Land	Nil
Freehold Property and Improvements	2 - 4% Straight line
Leasehold Property and Improvements	Straight line over period of lease
Farm Buildings, Hides and Fencing	4 – 10% straight line
Tools and Equipment	5 – 25% straight line

All assets are carried at historical cost (subject to the statement above regarding donated assets), except for the freehold land and buildings which had been revalued prior to the implementation of Financial Reporting Standard 102. As permitted by the standard, assets which had been previously revalued are included in the balance sheet on that basis which is now regarded as deemed cost. Acquisitions of fixed assets are accounted for when the purchase contract becomes unconditional.

1.8 Heritage Assets

Heritage assets are assets of historical, artistic or scientific importance that are held to advance preservation, conservation and educational objectives of charities at a national or local level. Such assets are central to the achievement of the purposes of such charities and include land, buildings and structures that are conserved and are central to the educational objectives of such charities. They include land relating to the habitat needs of species, or the environment generally.

The Trust's policy for the acquisition of heritage assets is set down in its Land Acquisition Guidelines. These Guidelines have been established to ensure that where opportunities arise for land acquisition, the benefits of potential ownership are measured against the criteria of the long-term strategic objectives of the Trust.

All purchased heritage assets are carried at historical cost, except for the freehold land and buildings which had been revalued prior to the implementation of Financial Reporting Standard 102. As permitted by the standard, assets which had been previously revalued are included in the balance sheet on that basis which is now regarded as deemed cost.

Heritage assets gifted to the Trust are carried at the valuation at the date of receipt of the gift in kind. Heritage assets are reviewed annually to ensure that there has been no indicator of impairment affecting the valuation. Depreciation is provided on heritage assets on the following annual rates:

Freehold buildings – 2%
Leasehold land & buildings – over the life of the lease

Notes to the financial statements

For the year ended 31 March 2021 (continued)

ACCOUNTING POLICIES (continued)

1.9 Investments

Listed Investments and the investment property are included at their market value at the period end date. Investments in subsidiaries are measured at cost less accumulated impairment.

1.10 Stock and biological assets

Stock of goods for resale is stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Due to the nature of livestock, this aspect of stock is restated annually to the fair market value prevailing at 31 March each year.

1.11 Pension contributions

The Trust contributes to a defined contribution pension scheme (Group Personal Pension Plan), which is open to all staff after a three- month service period. The assets of the scheme are held separately from those of the charity.

The contributions to the defined contribution scheme are charged to the statement of financial activities in the period they become payable.

1.12 Leasing

Rentals payable under operating leases are charged on a straight- line basis over the term of the lease.

Assets held under finance leases are included in fixed assets and the capital element of the related lease commitment is shown as obligations under finance leases within creditors. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against the statement of financial activities over the period of the lease.

1.13 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of finance leases which are measured at the amortised cost.

Notes to the financial statements

For the year ended 31 March 2021 (continued)

ACCOUNTING POLICIES (continued)

1.14 Judgements in applying accounting policies and key sources of estimation

Estimates and judgments are evaluated at each reporting date and are based on historical experience as adjusted for current market conditions and other factors. Management makes estimates and assumptions concerning the future in preparing the financial statements and the actual results will not always reflect the account estimates made. The estimates and assumptions that potentially have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities of the Group are outlined below:

Fixed Assets: As described above, the Trust reviews the residual values, estimated useful lives and depreciation rates of its tangible fixed assets at each reporting date to identify where any evidence of significant change exists since the last reporting date. For the year ending 31 March 2021 the Trust has provided to depreciate assets by £110,000 (2020: £117,000).

Bad Debt Provision: At each reporting date and throughout the year, the Trust's debtor balance is reviewed to identify any impairment required, and specific provisions are made against this balance. The value of these provisions as at 31 March 2021 are £4,000 (2020: £4,000).

Recognition of legacy income: Where notifications of legacies are received prior to the balance sheet date but the income has not been received, an accrual for legacy income will be made if probate has been granted and a copy of the estates' accounts are available to determine the probable amount due and that there are sufficient assets in the estate to pay all liabilities and beneficiaries.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

2. DONATIONS AND LEGACIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Membership income	1,051	3	-	1,054
Grants and donations	61	325	-	386
Government Covid support grants	295	-	-	295
Legacies	<u>664</u>	<u>7</u>	<u>-</u>	<u>671</u>
	<u>2,071</u>	<u>335</u>	<u>-</u>	<u>2,406</u>
<i>Prior year comparatives</i>				<u>2020</u>
<i>Membership income</i>	1,109	1	-	1,110
<i>Grants and donations</i>	83	377	-	460
<i>Legacies</i>	<u>260</u>	<u>-</u>	<u>-</u>	<u>260</u>
	<u>1,452</u>	<u>378</u>	<u>-</u>	<u>1,830</u>

3. CHARITABLE ACTIVITIES

				<u>2021</u>
Grants and contracts	-	862	-	862
Primary purpose trading	<u>77</u>	<u>-</u>	<u>-</u>	<u>77</u>
	<u>77</u>	<u>862</u>	<u>-</u>	<u>939</u>
<i>Prior year comparatives</i>				<u>2020</u>
<i>Grants and contracts</i>	-	858	-	858
<i>Primary purpose trading</i>	<u>216</u>	<u>-</u>	<u>-</u>	<u>216</u>
	<u>216</u>	<u>858</u>	<u>-</u>	<u>1,074</u>

4. OTHER TRADING ACTIVITIES

				<u>2021</u>
Retail	29	-	-	29
Facilities/resource hire	43	-	-	43
Rental income	6	-	-	6
Fundraising	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>
	<u>82</u>	<u>-</u>	<u>-</u>	<u>82</u>
<i>Prior year comparatives</i>				<u>2020</u>
<i>Retail</i>	90	-	-	90
<i>Facilities/resource hire</i>	107	-	-	107
<i>Rental income</i>	27	-	-	27
<i>Fundraising</i>	<u>15</u>	<u>-</u>	<u>-</u>	<u>15</u>
	<u>239</u>	<u>-</u>	<u>-</u>	<u>239</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2021
	£'000	£'000	£'000	£'000
5. INVESTMENT INCOME				
Dividend	8	-	21	29
Rental income	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u>15</u>	<u>-</u>	<u>21</u>	<u>36</u>
<i>Prior year comparatives</i>				<u>2020</u>
Interest	1	-	-	1
Dividend	10	-	29	39
Rental income	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u>18</u>	<u>-</u>	<u>29</u>	<u>47</u>
6. OTHER INCOME				Total 2021
Wayleaves	1	-	-	1
Sundry income	20	-	-	20
Profit on sale of fixed assets	<u>13</u>	<u>-</u>	<u>-</u>	<u>13</u>
	<u>34</u>	<u>-</u>	<u>-</u>	<u>34</u>
<i>Prior year comparatives</i>				<u>2020</u>
Insurance claims	3	-	-	3
Wayleaves	1	-	-	1
Sundry income	15	-	-	15
Profit on sale of fixed assets	<u>8</u>	<u>-</u>	<u>-</u>	<u>8</u>
	<u>27</u>	<u>-</u>	<u>-</u>	<u>27</u>
7. EXPENDITURE ON RAISING FUNDS				
	£'000	£'000	£'000	£'000
Raising donations and legacies	307	7	-	314
Membership servicing & recruitment	309	31	-	340
Trading company costs	40	-	-	40
Investment management	<u>10</u>	<u>-</u>	<u>14</u>	<u>24</u>
	<u>666</u>	<u>38</u>	<u>14</u>	<u>718</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2020
7. EXPENDITURE ON RAISING FUNDS (continued)	£'000	£'000	£'000	£'000
<i>Prior year comparatives</i>				
<i>Raising donations and legacies</i>	255	-	-	255
<i>Membership servicing & recruitment</i>	481	-	-	481
<i>Event costs</i>	25	-	-	25
<i>Trading company costs</i>	84	-	-	84
<i>Investment management</i>	<u>9</u>	<u>-</u>	<u>15</u>	<u>24</u>
	<u>854</u>	<u>-</u>	<u>15</u>	<u>869</u>
8. CHARITABLE ACTIVITIES				
	£'000	£'000	£'000	Total 2021 £'000
Nature Reserve management	291	465	-	756
Living Landscapes & Living Seas	414	463	-	877
Policy Advocacy & Evidence	<u>266</u>	<u>83</u>	<u>-</u>	<u>349</u>
	<u>971</u>	<u>1,011</u>	<u>-</u>	<u>1,982</u>
<i>Prior year comparatives</i>				<u>2020</u>
<i>Nature Reserve management</i>	293	517	-	810
<i>Living Landscapes & Living Seas</i>	643	448	-	1,091
<i>Policy Advocacy & Evidence</i>	<u>289</u>	<u>108</u>	<u>-</u>	<u>397</u>
	<u>1,225</u>	<u>1,073</u>	<u>-</u>	<u>2,298</u>
9. TOTAL EXPENDITURE				
	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2021
	£'000	£'000	£'000	£'000
Raising funds	258	246	190	694
Investment management	-	24	-	24
Nature reserve management	385	167	204	756
Living Landscapes & Living Seas	463	267	147	877
Policy Advocacy & Evidence	<u>171</u>	<u>48</u>	<u>130</u>	<u>349</u>
	<u>1,277</u>	<u>752</u>	<u>671</u>	<u>2,700</u>
<i>Prior year comparatives</i>				<u>2020</u>
<i>Raising funds</i>	264	340	241	845
<i>Investment management</i>	-	24	-	24
<i>Nature reserve management</i>	400	216	194	810
<i>Living Landscapes & Living Seas</i>	557	366	168	1,091
<i>Policy Advocacy & Evidence</i>	177	66	154	397
<i>Other</i>	<u>-</u>	<u>6</u>	<u>-</u>	<u>6</u>
	<u>1,398</u>	<u>1,018</u>	<u>757</u>	<u>3,173</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

9. TOTAL EXPENDITURE (continued)

Total expenditure is stated after charging:

	Group 2021 £'000	Group 2020 £'000
Auditors' remuneration		
Audit (Company £12,509; 2020 £14,760)	17	17
Non-audit (Company -£1,070; 2020 £2,900)	-	4
Depreciation on owned assets	105	115
Depreciation on financed assets	5	2
Amounts payable under operating leases	36	30
Profit on sale of fixed assets	<u>13</u>	<u>8</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2021

10.SUPPORT COSTS

	Raising Funds	Nature Reserve Management	Living Landscapes & Living Seas	Policy, Advocacy & Evidence	Total 2021
	£'000	£'000	£'000	£'000	£'000
Management costs	14	11	14	14	53
Administration	11	9	8	9	37
Finance	49	22	20	20	111
Governance	20	14	14	14	62
Health & Safety	2	2	3	2	9
Human Resources	20	22	18	16	76
ICT	42	27	19	24	112
National & Regional costs	17	20	23	10	70
Premises & equipment	24	16	12	14	66
Professional fees	(20)	21	-	-	1
Depreciation	<u>11</u>	<u>40</u>	<u>16</u>	<u>7</u>	<u>74</u>
	<u>190</u>	<u>204</u>	<u>147</u>	<u>130</u>	<u>671</u>
<i>Prior year comparatives</i>	£'000	£'000	£'000	£'000	£'000
<i>Management costs</i>	19	9	9	29	66
<i>Administration</i>	20	14	15	17	66
<i>Finance</i>	43	15	13	13	84
<i>Governance</i>	22	16	16	16	70
<i>Health & Safety</i>	1	3	3	1	8
<i>Human Resources</i>	18	25	26	16	85
<i>ICT</i>	43	22	20	23	108
<i>National & Regional costs</i>	21	24	27	14	86
<i>Premises & equipment</i>	28	17	16	18	79
<i>Professional fees</i>	17	7	2	2	28
<i>Depreciation</i>	<u>9</u>	<u>42</u>	<u>21</u>	<u>5</u>	<u>77</u>
	<u>241</u>	<u>194</u>	<u>168</u>	<u>154</u>	<u>757</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

Support costs are allocated to different activities on the following basis:

Cost Type	Basis of allocation
Management costs	Time allocation
Administration	Time allocation for staff costs and Head count for other costs
Finance	Time allocation for staff costs and Head count for other costs
Governance	Directly where appropriate and time allocation for staff costs
Health & Safety	Head count
Human Resources	Time allocation for staff costs and Head count for other costs
ICT	Time allocation for staff costs and Head count for other costs
National & Regional costs	Head count
Premises & equipment	Time allocation for staff costs and Head count for other costs
Professional fees	Directly where appropriate and then split equally
Depreciation	Usage of assets

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2021

11. TRADING INCOME

The Company has a wholly owned trading subsidiary, DWT Services Ltd (Company Number 2293763), which is incorporated in England and Wales. A summary of the trading results of the subsidiary to 31 March 2021 is shown below. Audited accounts are filed at Companies House.

	2021 £'000	2020 £'000
Turnover	72	198
Cost of sales	(26)	(65)
Gross profit	<u>46</u>	<u>133</u>
Other operating charges	(31)	(103)
Profit for the year before tax	<u>15</u>	<u>30</u>

A donation under Gift Aid of £31,722 was paid during the year to the charity out of distributable profits brought forward (2020: £48,291). Capital and reserves of the subsidiary at 31 March 2021 were £38,833 (2020: £55,129).

12. STAFF COSTS

	2021 £'000	2020 £'000
Wages and salaries	1,255	1,439
Social security costs	102	115
Other pension costs	62	73
Redundancy & termination costs	65	33
Staff costs for the Group and Company	<u>1,484</u>	<u>1,660</u>

At the balance sheet date the redundancy payments accrued amounted to £Nil (2020: £Nil).

Pension costs are allocated across activities in line with the allocation of wages and salaries.

The total amount of employee emoluments for the five key management personnel during the year was £266,864 (2020: six key personnel £352,829). Employers' national insurance contributions totalling £22,919 (2020: £26,850) were made and pension contributions of £11,220 (2020: £14,980) were made to a defined contribution scheme for the year for those personnel. The highest paid employee is the Chief Executive who received emoluments of £60,000 (2020: £69,146 plus termination payment £13,230) and pension contributions of £3,000 (2020: £4,840).

The number of employees with emoluments over £60,000 per annum is as follows:

	2021	2020
£60,001 –£70,000	1	-
£80,001 - £90,000	-	1

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

12. STAFF COSTS (continued)

The average weekly number of persons (including part time staff) employed during the year analysed by function was:

	Group		Company	
	2021	2020	2021	2020
Management and administration	7	8	7	8
Raising funds	10	12	10	12
Nature reserve management	12	15	12	15
Living Landscapes & Living Seas	19	23	19	23
Policy Advocacy & Evidence	<u>5</u>	<u>7</u>	<u>5</u>	<u>7</u>
	53	65	53	65
Equivalent full-time staff	43	50	43	50

None of the Trustees received remuneration during the year (2020: £ nil). No expenses were reimbursed to trustees during the year (2020: £196). No expenses (2020: £275) were paid direct to third parties in respect of trustees attending the RSWT AGM and conferences.

The charity has Directors and Officers Liability insurance in place and the cost for the year was £3,226 (2020: £3,226).

13. PENSIONS COSTS

The charity operates a defined contribution group personal pension scheme. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds and amounted to £62,197 (2020: £73,010). As at the balance sheet date pension contributions outstanding totalled £9,852 (2020: £11,619).

14. TAXATION

No corporation tax is charged in the accounts due to the charitable status of the company. The trading subsidiary is liable to corporation tax on taxable profits.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

15. TANGIBLE FIXED ASSETS

GROUP	Freehold Property and Improvements £'000	Leasehold Property and Improvements £'000	Farm Buildings, Hides and Fencing £'000	Tools and Equipment £'000	Total £'000
COST					
As at 1 April 2020	1,813	137	660	1,402	4,012
Additions	-	-	15	36	51
Disposals	-	-	-	(36)	(36)
As at 31 March 2021	<u>1,813</u>	<u>137</u>	<u>675</u>	<u>1,402</u>	<u>4,027</u>
DEPRECIATION & IMPAIRMENT					
As at 1 April 2020	146	98	403	1,031	1,678
Charge for the year	8	8	26	52	94
Disposals	-	-	-	(36)	(36)
As at 31 March 2021	<u>154</u>	<u>106</u>	<u>429</u>	<u>1,047</u>	<u>1,736</u>
NET BOOK VALUE					
As at 31 March 2021	<u>1,659</u>	<u>31</u>	<u>246</u>	<u>355</u>	<u>2,291</u>
As at 31 March 2020	<u>1,667</u>	<u>39</u>	<u>257</u>	<u>371</u>	<u>2,334</u>

The net book value of assets held under finance leases is £68,333 (2020: £73,333).

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

15. TANGIBLE FIXED ASSETS (continued)

COMPANY	Freehold Property and Improvements £'000	Leasehold Property and Improvements £'000	Farm Buildings, Hides and Fencing £'000	Tools and Equipment £'000	Total £'000
COST					
As at 1 April 2020	1,813	137	660	1,350	3,960
Additions	-	-	15	36	51
Disposals	-	-	-	(36)	(36)
As at 31 March 2021	<u>1,813</u>	<u>137</u>	<u>675</u>	<u>1,350</u>	<u>3,975</u>
DEPRECIATION & IMPAIRMENT					
As at 1 April 2020	146	98	404	981	1,629
Charge for the year	8	8	26	52	94
Disposals	-	-	-	(36)	(36)
As at 31 March 2021	<u>154</u>	<u>106</u>	<u>430</u>	<u>997</u>	<u>1,687</u>
NET BOOK VALUE					
As at 31 March 2021	<u>1,659</u>	<u>31</u>	<u>245</u>	<u>353</u>	<u>2,288</u>
As at 31 March 2020	<u>1,667</u>	<u>39</u>	<u>256</u>	<u>369</u>	<u>2,331</u>

The property known as Brooklands Farm was revalued in March 2000 by Hull, Gregson & Hull, Chartered Surveyors. This valuation is regarded as the deemed cost. As stated in the accounting policy, the Trust carries the freehold land and buildings at a valuation of £460,000. The assets were revalued in 2000 and have not been updated since. The historical cost of these assets is £585,858. The net book value of assets held under finance leases is £68,333 (2020: £73,333).

The comparable amounts of land and buildings included at valuation, determined according to the historical cost accounting rules, are as follows:

	£'000
Cost	
As at 1 April 2020 and 31 March 2021	<u>586</u>
Depreciation	
At 1 April 2020	234
Charge for the year	<u>11</u>
As at 31 March 2021	<u>245</u>
Net book value as at 31 March 2021	<u>341</u>
Net book value as at 31 March 2020	<u>352</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

16. HERITAGE ASSETS

GROUP AND COMPANY	Freehold Property and Improvements £'000	Leasehold Property and Improvements £'000	Total £'000
COST OR VALUATION			
As at 1 April 2020	4,582	356	4,938
Additions	-	-	-
Disposal	-	-	-
As at 31 March 2021	<u>4,582</u>	<u>356</u>	<u>4,938</u>
DEPRECIATION			
As at 1 April 2020	17	268	285
Charge for the year	1	15	16
As at 31 March 2021	<u>18</u>	<u>283</u>	<u>301</u>
NET BOOK VALUE			
As at 31 March 2021	<u>4,564</u>	<u>73</u>	<u>4,637</u>
As at 31 March 2020	<u>4,565</u>	<u>88</u>	<u>4,653</u>

Heritage assets include land relating to the habitat needs of species, or the environment generally.

The five year financial summary of heritage asset transactions is as follows:

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Acquisitions					
Land at Lower Common, Verwood	-	-	84	-	-
Total acquisitions	<u>-</u>	<u>-</u>	<u>84</u>	<u>-</u>	<u>-</u>
Disposals	<u>-</u>	<u>-</u>	<u>(34)</u>	<u>-</u>	<u>-</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

17.INVESTMENTS – GROUP AND COMPANY

	Group	
	2021	2020
	£'000	£'000
Carrying value as at 1 April 2020	2,086	2,237
Additions to investments at cost	610	393
Disposals at carrying value	(473)	(542)
Net (loss) on revaluation	307	(2)
	<u>2,530</u>	<u>2,086</u>
Carrying value as at 31 March 2021		
Analysis of investments		
Quoted investments	2,280	1,836
Investment properties	250	250
	<u>2,530</u>	<u>2,086</u>
	Market	Market
	Value	Value
	2021	2020
	£'000	£'000
Fixed Interest Securities	548	584
UK Equities	416	305
Overseas Equities	875	527
Property	30	11
Alternatives	301	287
Commodities	110	122
	<u>2,280</u>	<u>1,836</u>
Investment property		
	2021	2020
	£'000	£'000
Value as at 1 April 2020 and 31 March 2021	250	250

The investment property is a freehold property at Elmview Terrace, Gillingham. In the opinion of the directors, the market value of the property at the balance sheet date remains unchanged at £250,000.

The company also holds investments of £8 (2020: £8). These include £4 being the nominal value of the shares held in its wholly owned subsidiary DWT Services Ltd, £2 being the nominal value of the shares held in the wholly owned subsidiary Dorset Ecology Limited and £2 being the nominal value of the shares held in the wholly owned subsidiary The National Wildlife Garden Limited.

The trading results of DWT Services Ltd are given in note 11. Dorset Ecology Limited and The National Wildlife Garden Limited are both dormant companies. The registered office of all three subsidiaries is Brooklands Farm, Forston, Dorchester, Dorset DT2 7AA.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

18. STOCK

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Goods For Resale	23	25	-	-
Farm Livestock and Deadstock	114	108	114	108
	<u>137</u>	<u>133</u>	<u>114</u>	<u>108</u>

19.DEBTORS: FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade debtors	46	174	46	168
Amounts due from subsidiary undertaking	-	-	36	32
Other debtors	136	14	136	17
Prepayments and accrued income	4,400	611	4,396	605
	<u>4,582</u>	<u>799</u>	<u>4,614</u>	<u>822</u>

The prepayments and accrued income include £3,906,350 of debtors relating to funds held by DWT's solicitors including £3,120,000 of capital grants paid by funders direct to the solicitors and a sum of £786,350 paid by DWT towards the cost of a proposed acquisition of land for a rewilding project. At the balance sheet date the negotiations were ongoing and contracts had not been exchanged.

20.CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade creditors	54	149	48	127
Other taxes and social security costs	142	31	141	31
Other creditors	95	55	95	55
Obligations under hire purchase and finance agreements within one year	6	6	6	6
Accruals and deferred income	3,864	148	3,845	126
	<u>4,161</u>	<u>389</u>	<u>4,135</u>	<u>345</u>

The accruals and deferred income include £3,120,000 of capital grants received before the year end towards the costs of the proposed acquisition of land for a rewilding project. At the balance sheet date the negotiations were ongoing and contracts had not been exchanged. Also included is deferred income of £678,000 relating to a payment received for the management a SANGS at Frome Valley Road and the management of the site has not yet been transferred to DWT.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

21. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Obligations under hire purchase and finance agreements	16	22	16	22
	<u>16</u>	<u>22</u>	<u>16</u>	<u>22</u>

22. ENDOWMENT FUNDS

GROUP AND COMPANY	1 April 2020 £'000	Income £'000	Expenditure £'000	Realised gains/ Revaluations £'000	Transfers £'000	31 March 2021 £'000
Brownsea Island Endowment	109	1	(1)	22	-	131
Helen Brotherton Endowment Fund	1,042	20	(13)	136	-	1,185
	<u>1,151</u>	<u>21</u>	<u>(14)</u>	<u>158</u>	<u>-</u>	<u>1,316</u>

The Brownsea Island Fund was set up to fund the upkeep of the reserves on Brownsea Island. The Fund is held within an investment portfolio managed by Ruffer LLP. Income earned during the year is transferred to the general unrestricted fund to set off against the costs incurred during the year.

The Helen Brotherton Endowment Fund was set up under the terms of a bequest from Miss Brotherton. Income from the fund may be used for the acquisition of new reserves, the management of existing reserves, the promotion of recording and monitoring of wildlife and to promote education and enjoyment of the charity's nature reserves with an emphasis on local people and youth. The Endowment Fund is established as The Helen Brotherton Trust, a separate legal entity but a linked charity. The assets of the Helen Brotherton Trust are held as investments managed by Close Brothers Asset Management. In March 2021 the trustees decided to invest part of the fund in the acquisition of land for a re-wilding project and £598,865 was transferred to solicitors as part of a deposit. The acquisition was not completed until after the balance sheet date. As at 31 March 2021 the remaining portfolio was valued at £585,990 (including a capital account of £43,473 and accrued income of £5,333). Other net assets include the deposit of £598,865 and accrued management charges of £3,450.

Income earned during the year represents interest receivable and investment income; expenditure during the year includes investment management charges.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

23(a) UNRESTRICTED FUNDS - GROUP

	General Fund £'000	Designated Fund £'000	Total £'000
Balance as at 1 April 2020	3,374	438	3,812
Movement in funds for the year	897	(28)	869
Transfer between funds	(17)	(18)	(35)
Balance as at 31 March 2021	<u>4,254</u>	<u>392</u>	<u>4,646</u>

UNRESTRICTED FUNDS - COMPANY

	General Fund £'000	Designated Fund £'000	Total £'000
Balance as at 1 April 2020	3,313	438	3,751
Movement in funds for the year	914	(28)	886
Transfer between funds	(17)	(18)	(35)
Balance as at 31 March 2021	<u>4,210</u>	<u>392</u>	<u>4,602</u>

23 (b) DESIGNATED FUNDS - GROUP AND COMPANY

	1 April 2020 £'000	Net Movement £'000	31 March 2021 £'000
Brownsea building improvements	18	(18)	-
Brownsea development fund	61	-	61
Living Landscapes Imerys fund	21	(4)	17
Nature Reserve Fencing Programme	44	(13)	31
Water infrastructure fund	16	(1)	15
Ash Die back fund	50	(10)	40
Marketing fund	15	-	15
Brexit fund	<u>213</u>	<u>-</u>	<u>213</u>
	<u>438</u>	<u>(46)</u>	<u>392</u>

The Brownsea building improvements fund related to expenditure on improvements to the Brownsea villa which had been capitalised. This has been released to the general fund. The Brownsea development fund is designated to support the National Lottery Heritage Funded Wild Brownsea project.

The Living Landscapes fund is an unrestricted donation designated for specific conservation work in river catchment areas.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

23 (b) DESIGNATED FUNDS GROUP AND COMPANY (continued)

Nature Reserve Fencing Programme and Water Infrastructure designated funds were put aside to support an ongoing programme to replace fencing and water pipes on our reserves. The Ash Die back fund is being used to cover the costs of dealing with the removal of affected trees on our nature reserves.

As part of the strategic refocussing and the identification of key risks to the charity in terms of loss of European Union (EU) funding and the need to find other sources of income, the charity designated £120,000 in 2016/17 and a further £100,000 in 2019/20 towards the management of our nature reserves over the next few years. This should assist in the initial period following Britain's exit from the EU when our agri-environmental income is potentially at risk.

24. RESTRICTED FUNDS – GROUP & COMPANY

	Balance at 1 April 2020	Income	Expenditure	Revalu ations	Transfers	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Heritage Assets – Nature Reserves	3,810	-	(6)	-	-	3,804
Visitor Centres	820	2	(11)	-	-	811
Reserve Acquisition Funds	298	-	-	(1)	(189)	108
Appeals Funds	187	102	(77)	-	166	378
Nature Reserve Management	132	384	(355)	-	-	161
Living Landscapes & Seas	319	592	(531)	-	58	438
Policy Advocacy & Evidence	46	110	(69)	-	-	87
Fundraising development	<u>1</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>
	<u>5,613</u>	<u>1,197</u>	<u>(1,049)</u>	<u>(1)</u>	<u>35</u>	<u>5,795</u>

The Heritage Assets – Nature Reserves Funds represent land acquired as nature reserves with restricted funds.

Visitor Centre Funds represent fixed assets at our visitor centres together with restricted bank balances for use in the general operating costs of two of our centres.

The Reserve Acquisition Fund represents legacies received specifically for the acquisition of land. A transfer of £189,000 was made to the Appeals Fund to contribute towards the acquisition costs of the Bere Heath land which was completed after the year end.

The Appeals Fund represents donations received from appeals for money for specific purposes. The transfer of £166,000 includes the £189,000 from the Reserve Acquisition Fund towards the Bere Heath fund and a drawdown of £23,000 from the Wild Brownsea Appeal fund to provide the matched funding for the project activity for the year.

The Nature Reserve Management fund predominantly represents agri-environmental funding received and expended on the restoration and upkeep of our nature reserves. Other funds held include those received under S106 agreements.

The Living Landscapes & Seas fund represents restricted funding received, usually in the form of grants, for the specific purpose of raising awareness of the natural environment, educational activities and large-scale landscape projects. This fund also includes some fixed assets which have been acquired as part of specific projects for use within those projects. The transfer of £58,000 represents £23,000 from the Wild Brownsea Appeal, £39,000 from

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

the CJRS income for furloughed project staff and £18,000 from unrestricted funds to contribute towards the cost of furloughed project staff, less £11,000 of capitalised ICT purchased through emergency funding and £11,000 drawn down from the Rivers Catchment fund towards costs.

The Policy, Advocacy & Evidence funds represent restricted funding received for work monitoring biodiversity in the county and working with the Local Nature Partnership (LNP) and other partners. The transfer of £1,000 represents £2,000 contribution from unrestricted funds for the LNP and £1,000 allocated to SNCI work.

25. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2021 are represented by:					
- Tangible fixed assets	1,320	-	971	-	2,291
- Heritage assets	815	-	3,822	-	4,637
- Investments	1,853	-	20	657	2,530
- Net current assets	282	392	982	659	2,315
- Long term creditors	(16)	-	-	-	(16)
	<u>4,254</u>	<u>392</u>	<u>5,795</u>	<u>1,316</u>	<u>11,757</u>
	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2020 are represented by:					
- Tangible fixed assets	1,300	28	1,006	-	2,334
- Heritage assets	815	-	3,838	-	4,653
- Investments	1,185	-	21	880	2,086
- Net current assets	96	410	748	271	1,525
- Long term creditors	(22)	-	-	-	(22)
	<u>3,374</u>	<u>438</u>	<u>5,613</u>	<u>1,151</u>	<u>10,576</u>

26. SHARE CAPITAL

The Company is limited by guarantee and does not have any share capital.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

27.COMMITMENTS UNDER OPERATING LEASES

At 31 March 2021 the charity had non-cancellable commitments under operating leases expiring as follows:

	Land & Buildings		Other	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Lease payments				
Falling due within one year	3	3	33	30
Falling due between two and five years	10	11	51	60
Falling due after five years	<u>31</u>	<u>33</u>	<u>-</u>	<u>-</u>
	<u>44</u>	<u>47</u>	<u>84</u>	<u>90</u>

28. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions conferred by Financial Reporting Standard 102 section 33 from the requirement to make disclosures concerning related parties within the group.

Details of key management personnel compensation are disclosed in note 12.

29. CAPITAL COMMITMENTS

As at 31 March 2021 the Group and Trust had outstanding contracted capital commitments of £Nil (2020: £4,620) and authorised but not contracted capital commitments of £3.9 million in relation to a proposed land acquisition (2020: £Nil).

30. POST BALANCE SHEET EVENTS

On 16 June 2021 the acquisition of land at Bere Heath was completed for a rewilding project. The acquisition cost was £3.9 million funded by two nitrate off-setting grants awarded by Bournemouth & Christchurch Council and Dorset Council totalling £3,120,000, together with an investment of £598,965 from the Helen Brotherton Trust and the balance from the Joan Brockington Reserve Acquisition Fund.

31.CONTROL

The Charity is controlled by its Trustees acting in accordance with the terms of the governing documents.

32.RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Net income for the year	1,181	18	1,198	37
Adjusted for:				
(Gains)/losses on investments	(384)	26	(384)	26
Net investment income	(13)	(23)	(13)	(23)
Depreciation charges	110	117	110	115
(Profit) on disposal of fixed assets	(13)	(8)	(13)	(8)
(Increase)/decrease in stocks	(4)	21	(6)	1
(Increase)/decrease in debtors	(3,783)	(83)	(3,792)	(51)
Increase/(decrease) in creditors	<u>3,094</u>	<u>(64)</u>	<u>3,112</u>	<u>(75)</u>
	<u>188</u>	<u>4</u>	<u>212</u>	<u>22</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2021 (continued)

33. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Cash in hand	1,561	711	1,485	611
Cash for re-investment	<u>196</u>	<u>271</u>	<u>196</u>	<u>271</u>
Total cash and cash equivalents	<u>1,757</u>	<u>982</u>	<u>1,681</u>	<u>882</u>

34. ANALYSIS OF CHANGES IN NET DEBT

GROUP	At start of year	Cash flows	New finance leases	Other non- cash changes	At end of year
	£'000	£'000	£'000	£'000	£'000
Cash	711	850	-	-	1561
Cash equivalent	<u>271</u>	<u>(75)</u>	-	-	<u>196</u>
	982	775	-	-	1,757
Finance lease obligations	<u>(28)</u>	<u>6</u>	-	-	<u>(22)</u>
	<u>954</u>	<u>781</u>	-	-	<u>1,735</u>
COMPANY	At start of year	Cash flows	New finance leases	Other non- cash changes	At end of year
	£'000	£'000	£'000	£'000	£'000
Cash	611	875	-	-	1,486
Cash equivalent	<u>271</u>	<u>(75)</u>	-	-	<u>196</u>
	882	800	-	-	1,682
Finance lease obligations	<u>(28)</u>	<u>6</u>	-	-	<u>(22)</u>
	<u>854</u>	<u>806</u>	-	-	<u>1,660</u>

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For the year ended 31 March 2021 (continued)

35. DISCLOSURE OF COMPARATIVES FOR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowment Funds	Year ended 31 March 2020 £'000
	£'000	£'000	£'000	£'000
INCOME & ENDOWMENTS FROM:				
Donations & legacies	1,452	378	-	1,830
Charitable activities	216	858	-	1,074
Other trading activities	239	-	-	239
Investments	18	-	29	47
Other	<u>27</u>	<u>-</u>	<u>-</u>	<u>27</u>
TOTAL INCOME	<u>1,952</u>	<u>1,236</u>	<u>29</u>	<u>3,217</u>
EXPENDITURE ON:				
Raising funds	854	-	15	869
Charitable activities	1,225	1,073	-	2,298
Other	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
TOTAL EXPENDITURE	<u>2,079</u>	<u>1,073</u>	<u>21</u>	<u>3,173</u>
NET (EXPENDITURE)/INCOME FOR THE YEAR BEFORE GAINS/(LOSSES) ON INVESTMENTS	(127)	163	8	44
Net gains/ (losses) on investments	<u>35</u>	<u>(1)</u>	<u>(60)</u>	<u>(26)</u>
NET (EXPENDITURE)/INCOME	(92)	162	(52)	18
Transfers between funds	<u>6</u>	<u>(6)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS	(86)	156	(52)	18
TOTAL FUNDS B/FWD	<u>3,898</u>	<u>5,457</u>	<u>1,203</u>	<u>10,558</u>
TOTAL FUNDS C/FWD	<u>3,812</u>	<u>5,613</u>	<u>1,151</u>	<u>10,576</u>