

ESSEX WILDLIFE TRUST LIMITED
(A Company Limited by Guarantee)

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

Company number: 00638666

Charity number: 210065

CONTENTS

| | Page Number |
|--|------------------------|
| Reference & Administrative Details | |
| The Trustees Annual Report | |
| a Objectives & Activities | 1 |
| b Public Benefit Statement | 1-2 |
| c The Strategic Report | 2 |
| i. Achievements & performance including future plans | 2-12 |
| ii. Financial review | 12-15 |
| iii. Investment powers and policy | 15-16 |
| iv. Internal financial controls | 16 |
| v. Risk management – principal risks and uncertainties | 16-17 |
| vi. Fundraising at Essex Wildlife Trust | 17-18 |
| d Structure, Governance & Management | 18-19 |
| e Statement of Board of Trustees' Responsibilities | 19-20 |
| f Relationship between the Charity and Related Parties including its Subsidiaries | 20 |
| g Statement of Disclosure to the Auditors | 21 |
| h The Auditors | 21 |
| Report of the Independent Auditors | 22-25 |
| Consolidated Statement of Financial Activities | 26 |
| Consolidated and Charity Balance Sheets | 27 |
| Consolidated Cash Flow Statement | 28 |
| Notes to the Consolidated Financial Statements | 29-58 |

ESSEX WILDLIFE TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

The registered name of the Charity is Essex Wildlife Trust Limited. It is registered with the Charity Commission in England and Wales with the number 210065.

Registered office

Abbotts Hall Farm, Great Wigborough, Colchester, Essex CO5 7RZ, 01621 862 960, www.essexwt.org.uk

Members of the Board

The Trustees who served during the year and the dates of their most recent election or retirement were as follows: -

| | | | |
|--------------|-----------|------------|------------|
| S Balser | Trustee | Elected | 24 10 2020 |
| G Duffield | Trustee | Re-elected | 23 10 2021 |
| M Hardy | Trustee | Re-Elected | 24 10 2020 |
| C Hawkins | Trustee | Elected | 24 10 2020 |
| K Hazelhurst | Chair | Re-elected | 05 10 2019 |
| D Holt | Trustee | Resigned | 23 01 2021 |
| R Holmes | Treasurer | Elected | 23 10 2021 |
| C Joynson | Trustee | Re-elected | 23 10 2021 |
| T Kaime | Trustee | Elected | 24 10 2020 |
| N Kingston | Trustee | Elected | 24 10 2020 |
| E Simonsson | Trustee | Elected | 24 10 2020 |
| M Wall | Trustee | Elected | 23 10 2021 |
| J Wren | Trustee | Elected | 24 10 2020 |

Principal Officers of the Charity:

Chief Executive Officer: Dr A Impey

Company Secretary: F Hearn (resigned 30 03 22)

Advisers:

Auditors: Moore Kingston Smith LLP, Orbital House, 20 Eastern Road, Romford, Essex RM1 3PJ

Bankers: Barclays Bank PLC, Barclays Business Centre, 40-41 High Street, Chelmsford, Essex CM1 1BE

Independent Financial Advisors: Buzzacott Financial Planning Ltd, 130 Wood Street, London EC2V 6DL

Investment Managers: Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Schroders Wealth Management, 12 Moorgate, London EC2R 6DA

Solicitors: Ellisons, Headgate Court, Head Street, Colchester CO1 1NP

VAT Advisors: Constable VAT Consultancy LLP, Manningtree Road, Dedham CO7 6BL

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Introduction to the report of the Board who are also the Trustees of Essex Wildlife Trust Limited

The Board have pleasure in presenting their report together with the audited financial statements for the year ended 31st December 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 2015) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

Our objectives and activities

Essex Wildlife Trust is protecting wildlife for the future and for the people of Essex and is required by charity and company law to act within the objects set out in its Memorandum and Articles of Association. These are shown below.

The objects of the charity are:

- i. For the benefit of the public, to advance, promote and further the conservation, maintenance and protection of:
 - wildlife and its habitats.
 - places of natural beauty.
 - places of zoological, botanical, geographical, historical, archaeological or scientific interest.
 - features of landscape with geological, physiographical or amenity value in any ways that are charitable in law and in particular, but not exclusively, in ways that further biodiversity.
- ii. To advance the education of the public in:
 - the principles and practice of sustainable development.
 - the principles and practice of biodiversity conservation.

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The Trustees refer to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and setting and developing Strategic Plans as they occur.

A strategic plan has been agreed for the period 2020 to 2025 which builds on the work of the previous strategy.

STRATEGY DESCRIPTION

Since its inception in 1959, Essex Wildlife Trust has succeeded in considerably increasing the quantity and quality of the land it holds and manages as nature reserves, and through its Nature Discovery Centres continues to offer the public gateways to accessing our wonderful green spaces. Our premises are in the main freely open to the general public, the only exceptions being those reserves where particular care has to be taken due to health & safety concerns, or for specific species protection.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trust organises a wide programme of events with a variety of stakeholders such as local authorities, schools, landowners, other organisations and the general public, these programmes will continue to have a long term benefit to stakeholders.

Other beneficiaries of the work delivered by Essex Wildlife Trust include a team of over 1,500 volunteers who serve regularly in a variety of ways. Volunteers are given training for the work carried out for the Trust and as a consequence this training increases the skills within our local community as well. The contribution of volunteers alongside the staff is fundamental to the success and efficient running of the Trust.

Essex Wildlife Trust relies on the huge contribution made by its staff and its team of over 1,500 volunteers who serve regularly in a variety of ways. The hard work of both these groups is fundamental for the success and efficient running of the Trust.

Like minded organisations and local authorities for whom the Trust manages sites or provides information also benefit.

The Trust caters at certain sites for the needs of people who have accessibility or other specific needs and one of the Trust's key objectives is to make more of our sites fully accessible, to ensure that nature truly is for everyone

The strategic activities, aims and objectives of the Trust are reviewed every five years by the Trustees when revised strategic plans are prepared.

Strategic report

The information below, including the Achievements and Performance, the Financial Review, the Risk Management Statement, and the Summary of Future Plans, forms the Strategic Report for the purpose of the Companies Act 2006.

Strategic Achievements, Performance and Future Plans

It was a year of delivering big projects. Although it started in the same vein as 2020 with news of the Third Lockdown, the Trust quickly returned to pre-pandemic levels of activity and were soon completing a succession of key projects. We opened our new Nature Discovery Centre at Langdon in July; we inspired the county to plant wildflowers in our first Big Wild Seed Sow in August; we launched our new trail at Chafford Gorges in September, courtesy of Land of the Fanns; and we welcomed families through the gates of our pioneering new Nature Nursery in October. With November came the news that the Wildlife Trust movement would be adopting our brand nationally in 2022. As stated in our Covid-19 Response Strategy, it was always our intention to 'come out stronger' after the pandemic. This certainly proved to be the case in 2021.

During the course of the year, we embedded two 'higher level' objectives into our strategic framework that provided a bridge between our long-term vision of a Wilder Essex ('a county rich in wildlife with people connected to nature') and our five-year Strategic Plan, which we are already 40% of the way through. These new objectives were '30 by 30' (which is '30% of land and sea in Essex connected and protected for wildlife by 2030') and '1 in 4' ('1 in 4 people taking action for wildlife in Essex by 2030'). Our two higher level objectives have already galvanised the Trust and brought greater clarity and ambition to our work.

However, in our last report we acknowledged that there was still much to do to elevate our thinking and delivery to the level that will meet the challenges we face in the future. With this in mind, we embarked on a

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Leadership Review, initially of the Strategic Leadership Team, which involved changes to some personnel. We introduced Directors in key areas, akin to several Wildlife Trusts and other organisations of a similar size. The Leadership Review was completed by the end of the year, with new Directors either in post or ready to start early in 2022.

There were many other things to celebrate. We welcomed new relationships with trusts and foundations such as the Ida Davis Foundation, who generously funded the amazing 'Bee Banks' at Two Tree Island. We presented our early vision for Abbots Hall at the AGM, where we also gave members an opportunity to say which of our 'key species' they would like us to focus on in 2022. Members also pledged to take individual action for wildlife at the AGM, which was a celebration of past and present achievements. There were successes in all strategic Goals and Themes, and we continued to make great strides in our journey towards being a high-impact organisation.

The sections below look back on our main achievements and challenges in 2021. In addition, they provide an overview of our priorities and activities for the coming year as we enter the third year of our five-year Strategic Plan. A review of 2021 and an outline of our plans for 2022 are mapped against our three Strategic Objectives: Protect, Inspire and Enable. Impact remains the guiding principle for all our thinking and delivery, combined with a strong sense of urgency and the need to give the people of Essex more urgency in taking meaningful action for wildlife.

Protect

Our achievements in 2021

As the challenges associated with Covid abated, 2021 was a year of making up ground in conservation as we redoubled our efforts to achieve our core mission: to protect wildlife. There were notable successes across all three 'Protect' areas of our Strategic Plan, which comprise Goal 1 (Leading wildlife gain across the county), Goal 2 (Maximising the conservation value of our land), and Goal 3 (Championing key species).

We have worked with partners to form an Essex Local Nature Partnership (LNP). Convened by Essex County Council (ECC), the LNP will bring together the county's main stakeholders to join forces and pool resources in order to tackle the climate and ecological crises, with Essex Wildlife Trust as lead conservation organisation. This is something we have wanted and needed for a while – and is great news for the county.

Working in partnership is part of our DNA and will be fundamental to our future conservation successes as a county. During the year we collaborated with ECC and Natural England on Natural Capital Mapping for ECC's 'Climate Focus Area', which includes 30% of the county. In addition, we have drafted a Local Nature Recovery Strategy for Essex, including our own draft strategic Nature Recovery Map, and are key partners in the Southend Catchment to Coast Project, which aims to use Nature-Based Solutions (NBS) for flood management. This is just a snapshot of a very broad portfolio of partnership work.

Realising our ambition of Wilder Seas and Wilder Rivers in Essex also moved a few steps closer this year, as our freshwater and saltwater projects continued to increase and grow. The Essex Fish Migration Roadmap, an enormous project, was successfully funded, developed, and is now being actioned. It identifies 400+ blockages in our Essex rivers that render our waterways a string of 'linear lakes' rather than free-flowing, dynamic habitats.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Meanwhile, a bit further from land, we began key 'nature-based solutions' projects in the Blackwater (continuing our pioneering work on 'saltmarsh sausages'), were successful in our bid to fund a new project focused on restoring seagrass meadows, and we embarked on the BUDS project (which stands for Beneficial Use of Dredged Sediment) to identify locations, supported by Natural England's Water Environment Improvement Fund (WEIF). After unavoidable delays in 2020, we also made important progress on the critical flood management project in Roxwell.

It is our duty to get the best deal for wildlife in Essex. In the spirit of this, and in line with our ambition to be at the forefront of planning and development, we responded to a number of high-profile developments and Nationally Significant Infrastructure Projects (NSIP). These included Middlewick Ranges, two offshore windfarms, the Lower Thames Crossing, the A12 Widening Scheme, and Bradwell B – although these examples barely touch the surface.

We rolled out our Ecological Monitoring Programme for key species and habitats across our Essex Wildlife Trust reserves, drawing on the expertise and enthusiasm of volunteers as well as staff. A State of Nature Report which draws out the highlights of our new monitoring programme will form part of our yearly communication to members at the Annual General Meeting (AGM).

It was a good year for restoration. Our wetland restoration project at Fobbing is progressing well after numerous planning challenges and will be completed this autumn. Alongside this, we secured planning permission and funding for the restoration of 40 hectares of wet grassland at our Blue House Farm, funded by a Biffa Award Partnership Grant and Essex and Suffolk Water's Branch Out Priority Habitats Scheme. As part of a bid led by the RSPB, we also secured £250k for infrastructure enhancements at Tollesbury Wick, Howlands Marsh, Fobbing and Lower Raypits. This is part of the flagship Greener Thames project, a £2m National Lottery Heritage Fund Green Recovery Challenge Fund programme to enhance wet grassland habitat in Essex and Kent for breeding waders.

Following a comprehensive evaluation of our nature reserves in 2020, we have now started exploring and introducing efficiencies in our land management practices, while continuing to meet our obligations to the Basic Payment Scheme and Higher-Level Stewardship Scheme, which is an important source of income as well as great for wildlife.

In the spirit of continually improving our land management practices, we developed and began to deliver a new Conservation Grazing Strategy, which included integrating 'at risk' native breed species and increasing our livestock numbers. We also have a new Woodland Strategy, which was endorsed by the Forestry Commission. Meanwhile, all of our nature reserves were managed in accordance with site management plans and relevant agri-environment schemes.

Other notable projects included extensive works at Oliver Road Lagoons, thanks to Land of the Fanns funding, and the installation of the innovative Monty's Lookout at Two Tree Island, which signals the start of integrating habitat into the design of all Essex Wildlife Trust hides in the future. Thanks to the National Lottery Heritage Fund funding of the 'Tendring Loves Conservation' project complimented by legacies and donations, we were also able to undertake habitat and infrastructure improvements at Great Holland Pits and Wrabness nature reserves for the benefit of biodiversity and visitors alike.

Our work to support key species became more extensive and coordinated. We developed a Species Evaluation Tool for identifying key species in Essex against a range of conservation and engagement criteria. On the back of this, we launched our multi-year Action for Insects (AFI) programme which combines direct,

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

hands-on conservation alongside indirect conservation through county-wide campaigning, responding to the need to support our pollinators. Some of the projects under the umbrella of AFI have already been successful, including the Big Wild Seed Sow, Bugs Matter (with Kent and other Wildlife Trusts), and habitat works at Two Tree Island, Oliver Road, and Langdon.

All these achievements were above and beyond our ‘business-as-usual’ activities: protecting wildlife through managing over a hundred sites across the county.

Our aims for 2022

We are committed to putting the appropriate levels of staff resource into making the Essex Local Nature Partnership as successful as possible. This is one of the key delivery vehicles for much of the big conservation gains in Essex over the next few years.

In line with our aim for 30% of land in Essex to be connected and protected for wildlife, and for 1 in 4 people in Essex to take action by 2030, we are always investigating new land acquisition plans, with the ambition of building up a pipeline for the next few years. Essex only has approximately 14% of land currently protected for nature, so there is a long way to go. We will actively challenge this status quo, as and when opportunities arise.

As well as delivering flagship projects on our own reserves, restoring wetlands at Fobbing Marsh (with thanks again to the Environment Agency’s WEIF scheme) and Blue House Farm, and improving many other key sites through the Greener Thames project, we are planning to embark on more extensive engagement with farmers and landowners this year, particularly around the Blackwater estuary.

Other sites will be improved as we roll out our Conservation Grazing Strategy and Woodland Strategy, and as we incorporate more of the outcomes and recommendations from our Reserves Evaluation into our land management. We will also be delivering against the newly finalised ‘Plastic Tree Guard’ Position Statement which aims to remove plastic from our environment and work in partnership to seek sustainable alternatives to planting products.

The second year of our Ecological Monitoring Programme will improve our reserve evidence-based management even further, while a new Wilder Seas Strategy will give our 350 miles of unique coastline, as well as our marine environment more broadly, the attention it deserves. Combine this with a range of nature-based solutions and climate-related projects that are ready to launch, and 2022 promises to be a good year for conservation in Essex.

Where we will be by 2025

Our revised Goal Outcomes chart our course for the remainder of the Strategic Plan:

- i. We are the catalyst for an overarching green vision for Essex, playing a lead role in the county’s Nature Recovery Network;
- ii. We lead on Nature-Based Solutions in the county to build climate resilience and address the biodiversity crisis;
- iii. We ensure nature’s recovery is at the forefront of planning and development, working in partnership to influence decision making, creating ‘wildbelt’, and acquiring land to implement net gain;

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

- iv. The conservation value of our sites is maximised, demonstrating conservation excellence and higher levels of maintenance and land management;
- v. Our sites are exemplar reserves, balancing conservation with the need to connect people with nature through effective categorisation, zoning and reserve design;
- vi. Our work is guided by an effective ecological monitoring programme which captures trends and informs evidence-based reserve management decisions;
- vii. Our work is guided by an effective species evaluation tool that identifies which species require protection and which species inspire and engage the county;
- viii. We reverse the decline of key species and key species assemblages, as well as exploring and evaluating the reintroduction of species; and
- ix. We connect people with nature through iconic key species.

Inspire

Our achievements in 2021

Not all of our achievements in 2021 were ‘in the field’. Our charitable aim is also to educate and inspire the people of Essex, and there were notable successes across all three ‘Inspire’ areas of our Strategic Plan, which comprise Goal 4 (Creating places of wonder), Goal 5 (Inspiring a lifelong love of nature), and Goal 6 (Growing our wildlife supporters).

Drawing on our hard-won experience from 2020, we responded with agility to further Covid lockdowns and often-changing Government guidelines by developing a range of flexible operating models at our Nature Discovery Centres (NDCs). These allowed us to offer visitor experiences throughout the year, responding quickly to changing circumstances.

We not only maintained operations: we introduced various improvements to the visitor experience. We developed and implemented a new Food and Beverage Strategy. We introduced a new Retail Strategy, trialling a model retail store at our new Langdon NDC. We also introduced a Visitor Experience Survey, feedback from which has reflected positively on our visitor experience, as well as giving us valuable insights on how we can further improve. Furthermore, our centres and reserves continued to get a face-lift through our county-wide Signage and Interpretation Project.

Despite the constant spectre of Covid and the subsequent financial fallout, we achieved record levels of centre-based donations and memberships. This is testament to the people of Essex’s commitment to protecting wildlife and the environment, even in the face of increased economic pressures.

After two years of blood, sweat and tears (not to mention a series of unavoidable Covid-related delays) our new Nature Discovery Centre at Langdon opened its doors in July 2021. Sympathetic to the Plotlands history, energy efficient, and iconic, the new Centre has delighted supporters and members of the public since the summer and has finally given Langdon the visitor centre it deserved. Our special thanks go to the Veolia Pitsea Marshes Maintenance Trust and the National Lottery Community Fund who funded this wonderful project.

We resumed full delivery of our flagship education programmes, including Nature Tots, Forest School, and Accredited Forest School Training. In addition, we added a new portfolio of online courses to our provision, the ‘Wild Living Programme’, in order to make nature-related education as accessible as possible.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

We added several significant education projects too. Tendring Loves Conservation (TLC), which is a two-year project, focuses on community engagement and local site improvements in areas of multiple deprivation in Essex, kindly funded by the National Lottery Heritage Fund, while Nature Friendly Schools (funded by Defra and Natural England) and Eco Schools (funded by the Oceans Together Forum) helped us to increase our presence in local schools.

Our pioneering Nature Nursery at Abbots Hall launched in October 2021. This is our first Ofsted-registered, entirely outdoor nursery. It offers inspiring and affordable childcare and education for 2- to 5-year-olds based on 'learning through nature'. It aims to introduce sustained nature connection into the lives of preschool children, and our intention is to provide a replicable model for the sector that challenges mainstream approaches to childcare, where the majority of time is spent indoors. The Nature Nursery builds on our position at the forefront of outdoor learning. The feedback from families has already been fantastic.

It was a year of bouncing back to healthy levels of membership. We recovered from our dip to 38,500 members in 2020 to in excess of 40,000 members. As well as attracting new members, we continued to grow our online supporters too, reaching 130,000 supporters across all social channels, while recipients of our email communications increased by 13%.

At the national AGM in November, the Wildlife Trusts voted collectively to adopt the 'new' badger logo that was developed internally by Essex Wildlife Trust in 2019. As well as being good kudos for Essex, this is a huge step forward nationally: the lack of a unifying brand has often stopped us from being greater than the sum of our parts as a movement; there will be significant and tangible gains to having a consistent brand across the movement. The more coherent and higher profile the national brand, the more Essex Wildlife Trust will benefit locally from new members, supporters, access to funding, and income; all the things that drive our impact on wildlife.

Our aims for 2022

A new Engagement Strategy will embed widening access to nature and inspiring people to take action for wildlife into all our engagement and delivery from 2022 onwards. Based on the latest theories and academic studies, it will provide a solid basis of social science evidence on which we can develop current and future modes of engagement, incorporating the latest research on the pathways to nature connectedness and rolling out the Nature Connectedness Evaluation Framework that we have developed with the University of Essex to measure our impact across delivery areas.

As part of this new focus on engagement, we will be developing our portfolio of 'community organising' projects, aligning ourselves with the national Team Wilder movement, by mobilising and facilitating communities and individuals to take action for wildlife on their own terms and on their own local patch. This work will be supported by the People's Postcode Lottery (PPL) and the National Lottery Heritage Fund.

An ambitious portfolio of funded education projects will help us to deliver on an unprecedented scale, with our provision targeted to anyone with a potential barrier to access, including low-income families, ethnically diverse families, families with special educational needs and/or disabilities, and 'urban' families with limited physical access to nature. Meanwhile, our new programmes for Key Stage 4 will help to plug the gap in our engagement with critical age groups such as 13+.

Our planned budget allows us to offer increased free delivery for greater inclusivity, so that we can target those who will benefit most from wildlife and nature. Our aim is for 20% of our education delivery to be free and targeted to those who need it, including those with special educational needs and disabilities.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

This year will see the adoption of our logo and brand by the national movement, supported by a targeted brand awareness-raising campaign that will, we hope, help us to become a household name in the county. We are also hoping to increase our visitor numbers by implementing our Food and Beverage Strategy and Retail Strategy, so that more people have great wildlife experiences that deepen their nature connection, helping us to achieve our ambition of 1 in 4 people in Essex taking action for wildlife.

In 2022 we will build on 2021's membership growth, with a target of 42,000 members, which will be supported by a new Members Handbook, 'Places of Wonder', which captures the magic of our nature reserves, but will also require an investment in face-to-face fundraising. We aim to have 150,000 social media followers and 30,000 recipients of Wild News, our fortnightly e-newsletter. Our presence in the media has always been a strength at the Trust, however we will be aiming to reach over 1 million readers every month through the media.

Where we will be by 2025

Our revised Goal Outcomes define where we need to be by the end of the Strategic Plan:

- i. Every Nature Discovery Centre is a springboard to a great wildlife experience, offering inspiring events, education, interpretation and wildlife spectacles;
- ii. We demonstrate excellent customer service at all our centres, encouraging customer loyalty and more active involvement with the Trust;
- iii. Our retail offer and our catering offer maximise income generation and improve customer experience;
- iv. We provide all people in Essex with opportunities to engage with wildlife at every age and stage of life;
- v. We are at the forefront of outdoor learning and are the go-to organisation for nature connectedness;
- vi. We maximise our influence by delivering outdoor learning in new and innovative ways, including online delivery and free delivery to target groups;
- vii. We have supporters in every corner of the county with all demographic groups represented;
- viii. We manage our relationships with supporters and stakeholders to ensure that every supporter feels valued and invested; and
- ix. We mobilise our supporters to take action for wildlife, taking every opportunity to increase nature connectedness and pro-environmental behaviour.

Enable

Our achievements in 2021

The success of our Goals in the 'Protect' and 'Inspire' areas of our Strategic Plan depend on our Enable objective: our ability to work as a team, be efficient, be cost-effective, and deliver high-impact conservation and engagement work. Building on our work in 2020, we made significant headway towards Goal 7 (Evidencing impact), Goal 8 (Embedding innovation and sustainability), Goal 9 (Making our money work harder for nature) and Goal 10 (Working together for wildlife).

Having established a new Project Management Framework and Project Development Team in 2020, we developed a new strategic Project Portfolio and delivered a number of key projects, not least

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

the completion of the new centre building at Langdon and the new Nature Nursery. We also completed Phase 1 of a Trust-wide Systems Transformation Project, which has laid the foundation for the introduction of new and improved systems from 2022 onwards. This will be integral to making us a more efficient organisation, putting the generous donations of our members to best use in order to increase our impact and maximise donors' 'Return on Investment in Wildlife' (ROIW).

It was another positive year for sustainability. We published our Environmental Review, our Environmental Improvement Plan, and our Environmental Commitment Statement. We met our target of gaining Level 1 Green Dragon accreditation and mapped out Level 2, initiating our first major improvement project: the Waste Project. In addition, we submitted our Carbon Reduction Strategy to the Royal Society of Wildlife Trusts (RSWT) and were awarded £20k in PPL funding.

We completed our Carbon Calculator for 2019 and 2020, and we recruited an expert Sustainability Officer and assembled a team of specialist sustainability volunteers. Among several significant changes, we completed a robust process of researching, selecting, and migrating to a renewable energy provider, while we also completed a fleet audit and electric vehicle and charging point suppliers selection process. More progress in the area of sustainability is planned in 2022.

Having reviewed our fundraising function in 2020, our fundraising income streams were all financially successful, with healthy Return on Investment (ROI) figures. We embedded and professionalised two new income streams (Grants and Trusts, and Supporter Development) and developed five-year strategies and KPIs for all areas within the fundraising function. Perhaps most excitingly, we modernised and relaunched our Investor in Wildlife corporate membership scheme with the aim of forming a green business alliance in Essex. Furthermore, we improved our regulatory compliance processes including Entrust, donation acceptance, due diligence practices, our legacy shares, and 'express wish' policies.

Organisations are only as good as their leadership. With this in mind, and in acknowledgement of the huge challenges that the environmental and conservation sectors face over the next decade, we undertook a full Leadership Review, which was the natural next step after our Independent Governance Review of the Trust's operations in 2019. Phase 1 of the Leadership Review (appointing Directors) is now complete. Phase 2 (appointing Heads of Department) is in progress. To support and engender the best leadership culture possible, we also introduced a new Leadership Competency Framework.

Even more important than the Trust's leaders are its staff. We introduced a new Succession and Promotion Policy to support retention, career development, and workforce planning. We communicated and surveyed regularly about wellbeing, Covid-safety, health and safety, and home working, including hybrid working, while the Inclusion Group made great strides to make our working culture as accessible and inclusive as possible.

2021 laid the groundwork for future success in 2022 and beyond.

Our aims for 2022

Key to our continued success will be the formation of the Operational Leadership Team (OLT) which will allow the Strategic Leadership Team (SLT) to have more strategic focus and to operate externally at more of a county level, forming partnerships and influencing stakeholders for the benefit of wildlife. Embedding our newly developed Competency Framework will further support a performance-based culture, while our new coaching and management training programmes will help us to be a learning organisation.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Led by our Inclusion Group, we will continue to build Equality, Diversity, and Inclusion (EDI) into everything we do. We believe that access to nature is a universal right and 'Wildlife for all' is a moral imperative as well as a practical necessity. We will therefore continue in our mission to make nature relevant to everyone, as well as removing physical, emotional, and financial barriers. We have been fortunate enough to secure funding to make many of our nature reserves more physically accessible over the past two years and we plan to roll out this standard across the whole county.

Our new multi-year Project Portfolio will ensure a pipeline of high-impact projects, some of which will complete in 2022, including Tendring Loves Conservation. Having introduced our Project Management Framework and put it into practice for over a year, we will be undertaking a full review and introducing Project Management Framework 2.0 to further improve our project delivery. This will allow us to make quicker progress in introducing new systems as part of the Systems Transformation Project, for example, and make more headway on the Abbots Hall Transformation and the development of a vision for the amazing legacy property from 2020, Stone Hall in the north of the county. The System Transformation Project itself will bring significant efficiencies and better performance across the Trust.

The importance of sustainability will continue to inspire us to action. Achieving our Level 2 Green Dragon accreditation will be a top priority this year. It will keep us on course to be carbon neutral, while the introduction of an Environmental Management System will be a huge shift organisationally, helping us to fully understand our positive and negative impacts and change our behaviours accordingly.

Finally, 2022 will also see a review of our systems and processes led by our new Director of Finance and Systems, including our core systems: finance, human resources, customer relationship management and health and safety. This review will include how we utilise data solutions and the use of technology where appropriate. Revised Annual Planning process will align our budget and planning processes more closely, with a focus toward the finance team working in a business partnering capacity. In order to chart a financially sustainable course for the future, we will refine our financial 'glide path' which will enable us to achieve sustainable operating costs after several years of planned deficit budgets. Alongside introducing better processes and planning, our new Commercial Director will be leading a review of our commercial operations, encompassing fundraising as well as sales. The combined focus of financial and commercial enhancements will ensure that the Trust stays in good financial health for many years to come.

Where we will be by 2025

Our Goal Outcomes define where we need to get to by the end of the Strategic Plan:

- i. Impact measurement is embedded in our way of working and we communicate our impact effectively internally and externally;
- ii. We have a culture of continuous improvement that enables greater impact for wildlife through efficient and effective processes;
- iii. We prioritise our projects and activities for targeted impact through a five-year rolling programme of work;
- iv. Sustainability is embedded in everything we do and we have achieved the highest level of Green Dragon accreditation;
- v. We have a culture of innovation, demonstrating and rewarding creativity at every level of the organisation;
- vi. We are carbon-neutral;
- vii. Our income streams are diverse, with each source of income maximised;

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

- viii. We are a cost-efficient organisation with a culture of strategic spending and smart saving, guided by a long-term view of our finances;
- ix. Our budgeting, planning and monitoring processes are aligned;
- x. We deliver our charitable aims by living our culture, which is at the heart of our recruitment, development and retention of staff;
- xi. We are an exemplar of inclusion, increasing our own diversity and promoting 'wildlife for all' across the county; and
- xii. Our people are well managed and well trained, with talent recognised and rewarded, led by a culture of coaching and performance.

Cross-cutting themes: Urban, Wellbeing and Connectivity

Our achievements in 2021

Our Urban Engagement Officer joined the Trust in September and hit the ground running. By the end of the year, a new project was born, 'Urban Wildlife Champions', which will create a network of support for individuals who are passionate about protecting local wildlife and mobilising their communities. We also began the process of planning more 'community organising' workstreams, the ethos of which is to empower people to deliver for wildlife by providing the advice, guidance, and tools for local people, rather than doing it ourselves. We cannot undertake conservation at the scale required by the climate and ecological crises. We need the help of everyone in Essex – we all must play our part.

The People and Culture Team shared 'Wednesday Wellbeing' emails to staff every week in 2021, packed with advice and support on how to stay mentally and physically well. We also introduced Recovery Days and No-Meeting Times, experimenting with different times during the working week. In recognition of the additional stresses on individuals and families during the pandemic and its aftermath, we also promoted flexible working wherever possible. We are determined to be a wellbeing-confident community at the Trust.

As well as being more connected as an organisation, one of our cross-cutting themes is connectivity *in* the natural world (as well as connection *to* nature). We created a Connectivity Delivery Plan to monitor progress, established important new external partnerships, and produced our 'Let Nature Help' report, which builds the case that 'nature-based solutions' are best placed to tackle some of our biggest problems in Essex e.g. rising sea levels.

Our aims for 2022

We are planning an ambitious year of activity under our 'Urban' theme. Having launched the Urban Wildlife Champions project successfully, we will be progressing a complementary project, 'Wilder Towns, Wilder Villages': whereas Urban Wildlife Champions is bottom-up, aimed at grassroots social action, Wilder Towns, Wilder Villages is top-down, focusing on providing parish and town councils with the advice, guidance, and tools necessary to maintain or transform their natural green spaces. Through these and other channels, we will be focusing our Wilder Essex campaign into gardens, allotments, churchyards, schools, and workplaces, as well as extending the community organising principles into action for coastal and marine conservation.

Wellbeing will be just as much of a priority as it was in 2021. We will be developing a Wellbeing Strategy, re-establishing our Wellbeing Champions, and develop a recognised framework for Wellbeing Action. We will be framing our Wednesday Wellbeing communications with the four pillars of wellbeing, enhancing

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

promotion of flexible working options, and enhancing promotion of the Employee Assistance Programme and pension information.

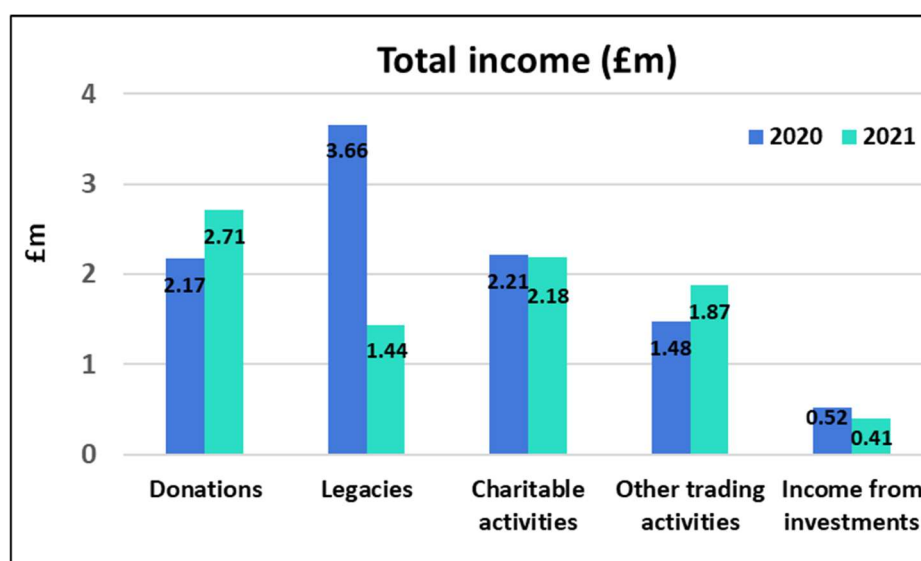
Having done much of the groundwork in 2021, we will progress Nature Recovery Network (NRN) plans in Essex, with a particular focus on the Blackwater NRN while supporting NRN-related campaigns. We will be developing and delivering a broad range of on the ground nature-based solutions projects that put nature into recovery, with further saltmarsh restoration, natural flood management, and fish passage and woodland connectivity projects.

Where we will be by 2025

By 2025, our cross-cutting themes will be embedded in our work to the extent where Urban, Wellbeing and Connectivity no longer require a thematic framework to ensure that they are at the forefront of our thinking and delivery.

Financial review

Total income £8.62m (2020: £10.04m)



The year under review was impacted by the continuation of national lockdowns, which affected our ability to open Nature Discovery Centres, and generate the associated trading income for the first quarter of the year. This did, however, produce a higher level of trading income than the 2020 results which were more severely affected.

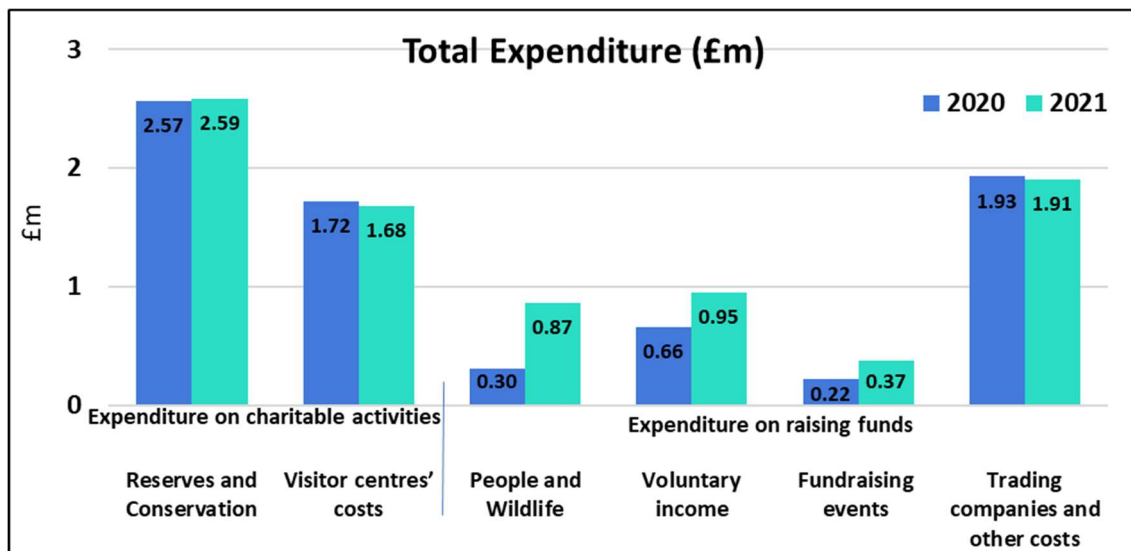
The ongoing Covid restrictions have also resulted in a reduction of fundraising and education activities that generate income for the Trust, but similarly, this was an improvement on 2020.

Legacy Income follows an unpredictable pattern, and the Trust is reporting a lower level than the 2020 amount which has had a significant effect on the overall total income level for the year.

We are immensely grateful to our members and donors for their generous support shown for appeals, memberships and donations.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

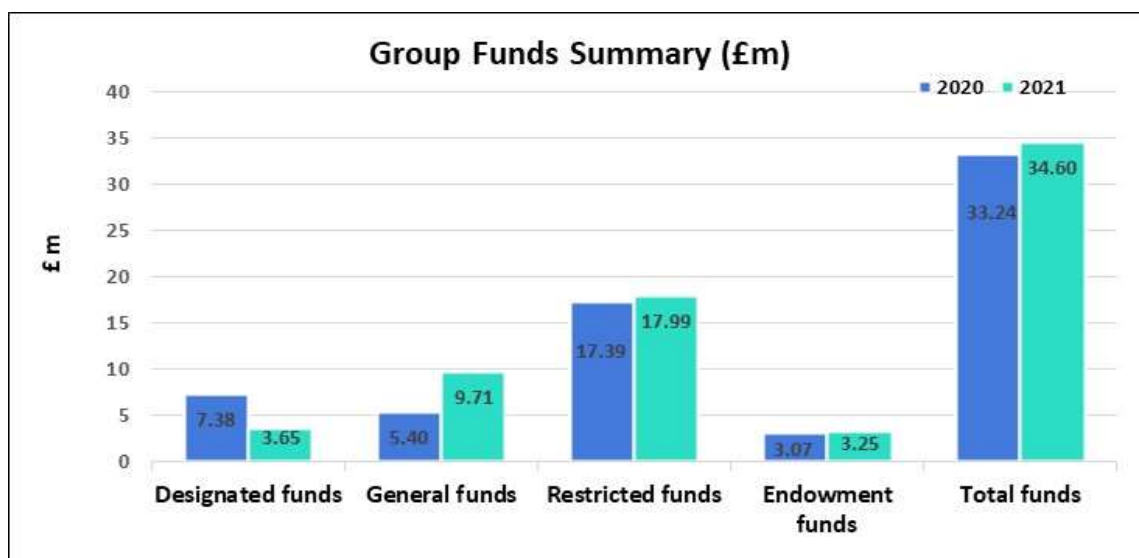
Total expenditure £8.37m (2020: £7.40m)



Expenditure on charitable activities is spent directly on our reserves and conservation work as described in the Achievements and Performance section above.

Expenditure on raising funds has increased in 2021, as a result of slowly returning to fundraising activities. Our activities in raising funds, particularly through the Nature Discovery centres run by Essex Wildlife Sales (EWS) has increased as Covid lockdowns finished and we were able to restart activities.

Total funds £34.60m (2020: £33.24m)

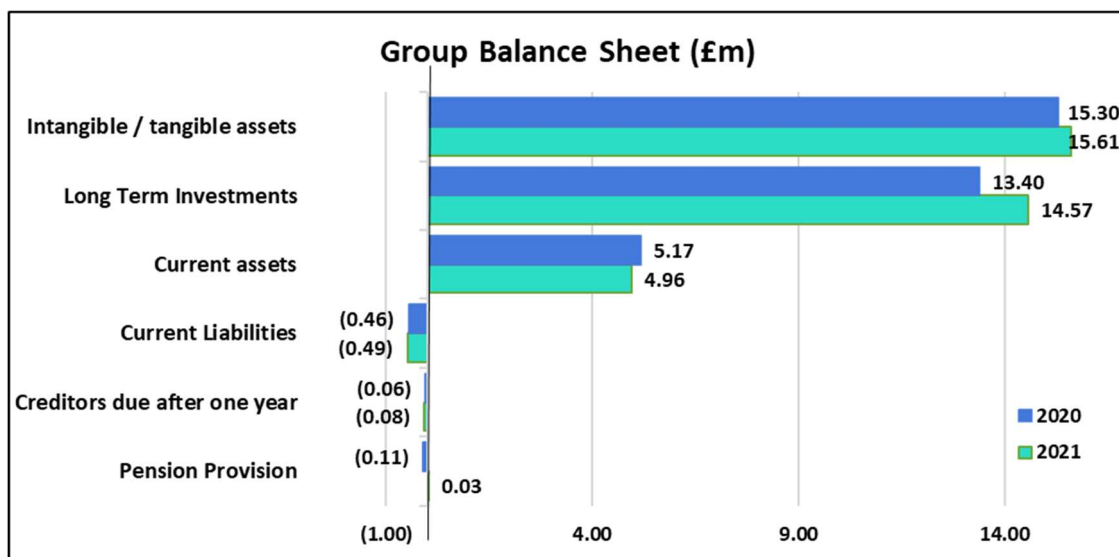


Total funds are significantly impacted by changes in market-driven investment valuations, due to the relative size of our investment portfolio. During 2021, the value of our investments increased with market values, our investments ended £1.17m higher at £14.57m.

The Trustees undesignated £3.5m of designated funds that will be used to support planned budget deficits over the next few years.

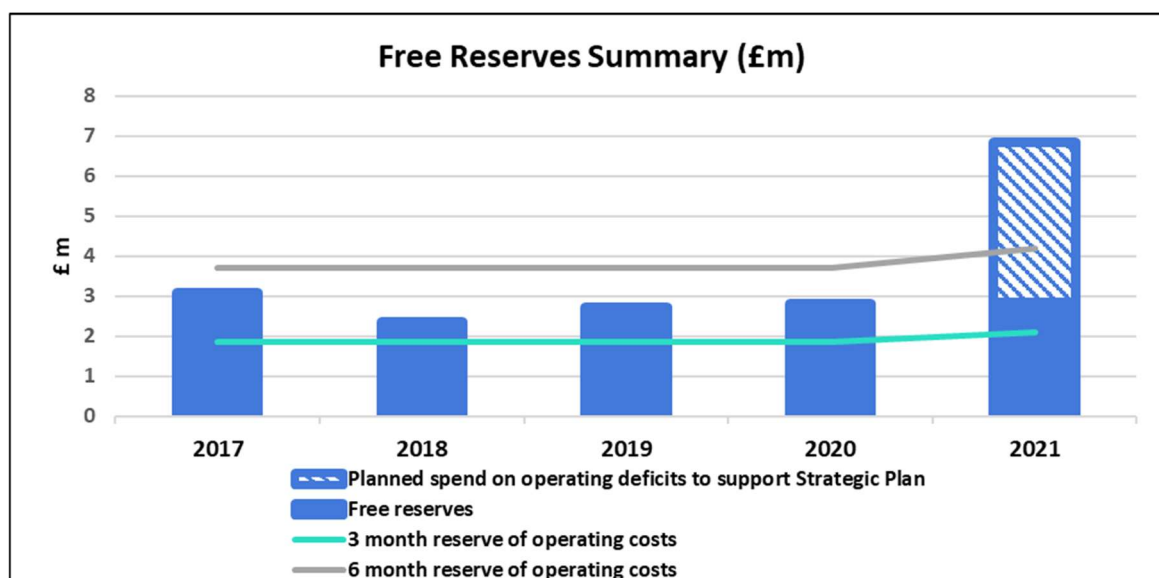
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Balance Sheet



The Balance Sheet remains largely unchanged at the end of 2021 compared to 2020, with the exception of the previously mentioned change in long term investment valuations.

Financial reserves policy



Free reserves provide the working capital requirements of the charity, whilst providing a buffer of liquid funds in case of any short-term and substantial decline in income, unexpected increase in costs, or unexpected exposure to risk with financial consequences. The free reserves are especially intended to ensure that the Trust's considerable contractual obligations to staff, freehold and leasehold premises and funding partners can be met. Essex Wildlife Trust calculates its free reserves by deducting the unrestricted fixed asset balance from the general fund balance shown on the balance sheet.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees have reviewed the reserves policy and have adopted a risk based approach in determining the free reserves level. This level has been calculated to be no less than £3m of which not less than half should be readily realisable.

The free reserves at the end of 2021 have increased substantially due to a movement from designated funds of £3.5m. The Trust has a financial plan to support the activities outlined in our Strategic report that will require deficit budgets in the next few years with a planned reduction in free reserves of £4m.

Investment powers and policy

Under the terms of the Trust's Articles of Association, the charity has the power to invest in any way the Trustees deem to be appropriate and to the overall benefit of the Trust.

Following the adoption of new Articles of Association by the Membership at the AGM in 2013 & 2016, and changes to the methods used to manage the charity's investment portfolio, including the appointment of professional investment advisers, the Trustees agreed a new investment policy, which was reviewed and updated in July 2022.

The investment portfolio is reviewed on an annual basis with our advisors to ensure the chosen investment route continues to reflect the Trust's policy. The levels of investments are maintained with reference to the financial planning that forms part of the budgeting process and to support any strategic long-term plans for the Trust.

In considering the investment policy, the Trustees place much emphasis on the need to invest in financial products that are considered to be ethical in nature having regard to the objects of the charity as well as investments that have strong environmental, social and governance credentials. In furtherance of this approach, all of the long-term investment portfolios managed for the Trust and its subsidiary, Chafford Gorges Limited by Sarasin were switched into Sarasin's Climate Active Fund during 2020.

To demonstrate the ethical requirements of the charity, as balanced against the need to ensure that the charity's investments generate income to contribute to the running costs of the charity, the salient parts of the investment policy are as follows: -

The charity will:

- Use the income and capital generated through investment of its financial reserves to further the objectives of the charity;
- Seek social, environmental and ethical investments with an emphasis on investing in companies that have a positive impact on the environment;
- Avoid investing directly in companies that derive any income from tobacco and those that attribute over 10% of their turnover to fossil fuels, including oil, gas, coal and tar sands, alcohol products, gambling, pornography or the production of armaments.

The investment objective:

- For long term reserves of the charity to achieve capital growth in excess of inflation over the long term, whilst generating an income to support the on-going activities of the charity;
- For the short-term reserves of the charity, equal to at least £1.5m, preserve their capital value with a minimum level of risk. Assets should be realisable without undue financial or performance penalty to meet unanticipated cash flow requirements.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Performance of the long-term reserves will be measured primarily against three benchmarks:

- An appropriate composite benchmark based on the long-term strategic asset allocation of the portfolio;
- An absolute return benchmark of CPI + 4.00% pa net of fees;
- The Arc Steady Growth Charity Index.

Internal Financial Controls

The Trustees have overall responsibility for ensuring that the Trust has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- it is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposal;
- proper records are maintained, and financial information used within the Trust or for publication is reliable;
- it complies with relevant laws and regulation.

The Trustees are aware of the guidance CC8 called “Internal Financial Controls for Charities” published by the Charity Commission for England and Wales and are satisfied that the system of financial controls operated by the Trust during the year to which this report refers complied in all material aspects with the Commission’s guidance.

These systems provide reasonable assurance against material misstatement or loss and include a strategic plan, a risk register, quarterly management accounts and an annual budget. The documents, which are approved by the Trustees, enable the Trust to monitor the actual quarterly results against the appropriate budgets to ensure that the delegated authority to the Executive defined by the Trustees is adhered to throughout the year.

The Trust needs to be sure that all of its dealings are conducted in a fair and open manner. Therefore, in line with the provisions of the Bribery Act 2010, the Trust has adopted a formal policy and has implemented systems for controlling and recording any gifts or benefits offered to our staff by companies or others.

Training for all existing staff took place when the Act was first introduced and the Trust’s policy and procedures regarding bribery are incorporated in the induction of new staff. The contents of the policy are reviewed periodically and a copy of the latest edition is readily available from the Trust’s intranet system.

Risk management

Principal Risks & Uncertainties

We have provisionally reviewed the risk approach, which consists of Strategic Risks which are the responsibility of the Board and an operational risk register which is overseen by the management team and the leadership group.

Generally, whilst the risks faced by the Trust remain similar over the years, the Trustees and staff remain vigilant because external, as well as internal, circumstances change. With this in mind and in view of the fact that the full extent of the Covid pandemic was not predicted by our risk register (nor indeed many others), we have changed the approach such that the Strategic Risk Register addresses the ‘things that need to go right’ to protect the charity, since predicting all ‘the things that could go wrong’ is not only a potentially infinite task, but experience shows that it rarely predicts that which does emerge to pose a significant risk to the charity and achieving its strategic aim.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Thus, the current strategic risk priorities we are addressing are:

| | Strategic Risk | Description |
|---|---------------------------|---|
| 1 | Impact | Are we making the desired impact in support of our charitable objectives and delivery of strategy? |
| 2 | Financial sustainability | Are we managing the finances to ensure we continue to make an impact in the medium to long term? |
| 3 | Governance and Compliance | Are we meeting our governance, regulatory, legal and donor compliance requirements and expectations? |
| 4 | Reputation | Are we able to prevent, manage and respond effectively to any incident that could result in damage to our reputation? |
| 5 | Operational | Are we tracking the operational performance and identifying areas which could cause strategic concerns? |
| 6 | People | Are we effectively managing our people? |
| 7 | External | Are we aware of external events (policy, stakeholder, economic, etc) which will impact the delivery of our strategy? |

We have identified a lead for each of the above risks and are working through the delivery of actions to address areas where we believe improvement is necessary. These strategic risks form the framework that the Strategic Leadership Team will use, when updating the operational risk register, which is still currently being developed.

Fundraising at Essex Wildlife Trust

Essex Wildlife Trust is committed to fundraising and communicating in an honest and transparent way. We rely on the generosity and enthusiasm of members and supporters to fund the majority of our work to protect wildlife and inspire the next generation to care for wildlife too.

Essex Wildlife Trust is registered with the Fundraising Regulator (FR), contributing the appropriate voluntary fee and adhering to its rules and guidance. The FR is responsible for investigating any complaints regarding charity fundraising. We continue to keep abreast of changes and recommendations and are committed to complying with all of these regulations. We also follow the Institute of Fundraising's Code of Practice and comply with the key principles embodied in this code.

Our approach to fundraising is that we are honest and transparent with our donors and supporters about where their money goes and why we ask for donations. We publish information widely about our work and communicate why we need donations and what they will be spent on.

Together with five other Wildlife Trusts, we are a stakeholder in a wholly-owned Wildlife Trust membership recruitment company, Wildlife Fundraising Central Limited. The company is managed by a Board of Trustees drawn from the relevant Wildlife Trusts and other experts. This company is transparent in its fundraising techniques, regulated by the Institute of Fundraising (IOF) and meets with its member Trusts every three months. There is a written agreement between all parties agreeing fundraising standards, monitoring of fundraisers and compliance. Other fundraisers are employed directly by Essex Wildlife Trust and managed as members of staff.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Essex Wildlife Trust is accountable regarding its fundraising. Essex Wildlife Trust monitors fundraising activity through regular reports to the Board of Trustees, based on our budgetary and management accounts process and policy.

All projects are approved and managed through the Strategic Leadership Team, with Board approval where appropriate. All of our projects and core fundraising contribute to Essex Wildlife Trust's strategy and overall vision – to have a county rich in wildlife with people connected to nature – with communities that value the countryside and that are inspired to help protect it.

Essex Wildlife Trust has a complaints policy and the procedure for making complaints regarding our fundraising can be found on our website, as a link under Essex Wildlife Trust's Fundraising Promise. Essex Wildlife Trust's policy regarding Vulnerable Adults and Treating Donors Fairly sets out how we expect our fundraisers to behave. Essex Wildlife Trust is respectful – we respect decisions not to make donations and to withdraw membership, we will contact our supporters and donors in the way that they request, we will respond to queries in an open, honest, courteous and professional way. We will acknowledge any complaint within five working days to let complainants know when they can expect a response.

Structure, governance and management

The Trust is governed by a Memorandum and Articles of Association and is a company limited by guarantee with the number 00638666.

The Governing document

Essex Wildlife Trust Ltd is a company limited by guarantee, incorporated on 2nd October 1959, and governed by its Memorandum and Articles of Association the latest versions of which were approved by Members at the Annual General Meeting held on 22 June 2013 and amended on September 10th 2016. The company has no issued or unissued share capital and the liability of each Member of the Trust in the event of winding up is limited to £1.

Essex Wildlife Trust was entered on the Register of Charities for England and Wales on 22nd September 1962.

Organisation

The Board of Trustees is responsible for determining the strategic direction of the Trust and for monitoring performance towards those set objectives. The Board meets formally on average at least 5 times per year, there is a Finance and Audit Committee which also meets 5 times a year and advises the Board on financial matters.

A Chief Executive Officer (CEO) is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operation, the CEO has delegated authority for operational matters, within the terms of delegation approved by the Trustees.

Appointment of Trustees

As set out in Clause 11.2 of the Articles of Association, the Chair of the Trustees is appointed by the Trustees from among their number. There is provision for up to 13 Trustees in total, one third of who are elected annually by the members of the charitable company, either by post or by attending the Annual General Meeting. Trustees serve for a period of three years, with a maximum of nine years.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

As set out in Clause 9 of the Articles of Association, one additional Trustee is appointed by resolution of the Trustees for the time being to take the role of the Treasurer for a term of three years.

The Trustees have the power to co-opt to fill a vacancy that occurs between AGMs. The co-opted Trustee must, however, stand down or be nominated for election at the next AGM. Following changes to the Articles approved by Members at the Annual General Meeting held on September 10th 2016, the Board are now able to appoint up to two trustees.

At the Annual General Meeting in each year, one third of the Members of the Board shall retire from office but shall be eligible for re-election. If the number of Members of the Board is not exactly divisible by three, the number of Members to retire shall be determined by rounding to the nearest whole number.

The Members of the Board to retire at an Annual General Meeting shall be those who have served as such for the longest period since last re-election and where there is an equality of service the person to retire shall be determined by lot.

Induction and training of Board members

Trustees' skills are reviewed regularly to ensure that the balance is suitable. New Trustees are inducted into the charity by discussions between themselves and other Trustees, and members of staff, as opportunities arise. They are presented with background information and have access to the Charity Commission's website.

Statement of the Board of Trustee's responsibilities

The Trustees (who are also directors of Essex 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).

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.

The 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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Finance & Audit Committee

The Trustees established the Finance & Audit Committee to take on a number of detailed financial matters in order to advise and make recommendations to the Board. The work of the committee continued during the year under review.

Key management personnel remuneration

The Trustees consider the Chief Executive and the Strategic Leadership Team as comprising the key management personnel of the charity, in charge of running and operating the charity on a day to day basis. All Trustees give of their time freely and no remuneration was received for trustee duties in the year. Details of trustee expenses and related party transactions are disclosed in note 10 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Where the Trust or any of the Trustees have interests with the trading operations of the charity's trading subsidiaries, any such interests are disclosed.

Relationship with the charity and related parties including its subsidiaries

i) Other Wildlife Trusts

The charity is a member of The Wildlife Trusts that is registered as the Royal Society of Wildlife Trusts (RSWT) charity number 207238. RSWT acts as an umbrella body on behalf of all county Wildlife Trusts. County Wildlife Trusts have the use of The Wildlife Trusts' logo and benefit from their resources, best practice and experience. Membership gives the charity a national voice and profile. However, each member of the RSWT remains entirely independent in terms of governance and financial management.

ii) Subsidiary companies

The Trust has four subsidiaries, the principal activities of which are as follows: -

- Essex Wildlife Sales Limited (EWS) - The retail sale of goods and catering at various Trust Nature Discovery Centres and other venues throughout Essex.
- Essex Ecology Services Limited (EECOS) - The provision of advisory services relating to environmental matters.
- Chafford Gorges Limited - The conservation and maintenance of the area known as Chafford Gorges Nature Park in Thurrock.
- Thameside Nature Park Limited – The conservation and maintenance of the area known as Thurrock Thameside Nature Park adjacent to Mucking in Thurrock

The Trust is also a Corporate Trustee of the Veolia Pitsea Marshes and Veolia Havering Riverside Maintenance Trusts.

Together with five other Wildlife Trusts, we are a stakeholder in a wholly-owned Wildlife Trust membership recruitment company, Wildlife Fundraising Central Limited. The company is managed by a Board of Trustees drawn from the relevant Wildlife Trusts and other experts.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 Auditors

In accordance with the charitable company's articles, a resolution proposing that Moore Kingston Smith LLP be reappointed as auditors of the charitable company will be put at a General Meeting.

The Report of the Members of Board, which includes the Strategic Report on pages 2 to 18, were approved by the Board on 26 July 2022 and signed on their behalf:

On behalf of the Board

K Hazelhurst – Chair 

Dated: 26 July 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESSEX WILDLIFE TRUST LIMITED

Opinion

We have audited the financial statements of Essex Wildlife Trust Limited ('the parent charitable company') and its subsidiaries for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Group Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the group 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 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESSEX WILDLIFE TRUST LIMITED

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

We have nothing to report in this regard.

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 strategic report and the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have 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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' report.

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

- adequate accounting records have not been kept by the 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 trustees' responsibilities statement set out on pages 17 and 18, the trustees 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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESSEX WILDLIFE TRUST LIMITED

from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESSEX WILDLIFE TRUST LIMITED

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

.....
Karen Wardell (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
Chartered Accountants
Statutory Auditor

Orbital House
20 Eastern Road
Romford, Essex
RM1 3PJ

Dated

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Notes | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total 2021 £ | Total 2020 £ |
|---|-----------|----------------------------|--------------------------|-------------------------|--------------------|--------------------|
| Incoming and endowments from: | | | | | | |
| Donations and legacies | 3 | 3,323,448 | 827,966 | - | 4,151,414 | 5,827,992 |
| Charitable activities | 4 | 2,038,346 | 145,123 | - | 2,183,469 | 2,212,655 |
| Other trading activities | 5 | 1,882,169 | - | - | 1,882,169 | 1,540,634 |
| Income from investments | 6 | 186,060 | 130,267 | 81,888 | 398,215 | 458,913 |
| Total | | 7,430,023 | 1,103,356 | 81,888 | 8,615,267 | 10,040,194 |
| Expenditure on: | | | | | | |
| Charitable activities | 7 | 4,250,614 | 799,371 | 87,266 | 5,137,251 | 4,590,415 |
| Raising Funds | 8 | 3,222,313 | 12,184 | - | 3,234,497 | 2,808,891 |
| Total | 9 | 7,472,927 | 811,555 | 87,266 | 8,371,748 | 7,399,306 |
| Net income | | (42,904) | 291,801 | (5,378) | 243,519 | 2,640,888 |
| Other gains/(losses): | | | | | | |
| Actuarial gains/(losses) on defined benefit pension | 11 | 138,199 | - | - | 138,199 | (14,302) |
| Net gains on investments | 15 | 483,667 | 306,022 | 185,386 | 975,075 | 691,224 |
| Net movement in funds | | 578,962 | 597,823 | 180,008 | 1,356,793 | 3,317,810 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 12,781,782 | 17,389,095 | 3,068,482 | 33,239,359 | 29,921,549 |
| Total funds carried forward | 25 | 13,360,744 | 17,986,918 | 3,248,490 | 34,596,152 | 33,239,359 |

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net income before unrealised gains/(losses).

The detailed comparative information for the statement of financial activities is included at note 30.

The notes on pages 29 to 58 form part of these financial statements.

ESSEX WILDLIFE TRUST LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 DECEMBER 2021

| | | Group | | Charity | |
|--------------------------------------|-----------|-------------------|-------------------|-------------------|-------------------|
| | Notes | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Fixed Asset | | | | | |
| Intangible assets | 13 | 5,392 | 10,142 | 5,392 | 10,142 |
| Tangible assets | 14 | 15,601,256 | 15,297,669 | 15,408,622 | 15,158,100 |
| Long Term Investments | 15 | 14,571,979 | 13,400,651 | 10,269,217 | 9,447,656 |
| Total fixed assets | | 30,178,627 | 28,708,462 | 25,683,231 | 24,615,898 |
| Current assets | | | | | |
| Stocks | | 262,218 | 188,618 | 45,000 | - |
| Debtors | 16 | 1,844,438 | 1,583,518 | 2,439,904 | 2,156,691 |
| Short Term Investments | 17 | 2,063,165 | 3,263,703 | 2,063,165 | 3,263,703 |
| Cash at bank and in hand | | 788,456 | 138,985 | 692,483 | 90,635 |
| Total current assets | | 4,958,277 | 5,174,824 | 5,240,552 | 5,511,029 |
| Liabilities | | | | | |
| Creditors: | | | | | |
| Amounts falling due within one year | 18 | (488,100) | (457,795) | (570,597) | (662,193) |
| Net current assets | | 4,470,177 | 4,717,029 | 4,669,955 | 4,848,836 |
| Creditors: | | | | | |
| Amounts falling due after one year | 19 | (78,330) | (186,132) | (78,330) | (186,132) |
| Defined benefit pension scheme asset | 11 | 25,678 | - | 25,678 | - |
| Total net assets | | 34,596,152 | 33,239,359 | 30,300,534 | 29,278,602 |
| The funds of the charity | | | | | |
| Unrestricted funds | | | | | |
| Designated funds | 20 | 3,654,575 | 7,379,257 | 3,654,575 | 7,379,257 |
| General funds | | 9,706,169 | 5,402,525 | 10,295,146 | 5,973,641 |
| | | 13,360,744 | 12,781,782 | 13,949,721 | 13,352,898 |
| Restricted funds | 21 | 17,986,918 | 17,389,095 | 13,102,323 | 12,857,222 |
| Endowment funds | 22 | 3,248,490 | 3,068,482 | 3,248,490 | 3,068,482 |
| Total funds | 25 | 34,596,152 | 33,239,359 | 30,300,534 | 29,278,602 |

These accounts were approved by the Board and authorised for issue on 26 July 2022.

A separate Statement of Financial Activities (SOFA) is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of Companies Act 2006. The net movement in funds for the parent charity was a surplus of £1,021,932 (2020: surplus of £3,486,503).

Kesley Hazelhurst
K Hazelhurst – Chair

R. Holmes
R Holmes – Treasurer

The notes on pages 29 to 58 form part of these financial statements.

Company number 00638666

ESSEX WILDLIFE TRUST LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

| | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|-----------|-----------|--------------|-------------|
| Cash flows from operating activities: | | | | |
| Net cash (used)/provided by operating activities | | (1,885) | | 2,167,356 |
| Cash flows from investing activities: | | | | |
| Dividends and interest | 398,215 | | 458,913 | |
| Proceeds from the sale of fixed assets | 44,600 | | 63,833 | |
| Purchase of fixed assets | (795,008) | | (1,914,775) | |
| Proceeds from the sale of investments | 120,000 | | 11,822,652 | |
| Purchase of investments | (316,253) | | (12,109,251) | |
| Net cash used in investing activities | | (548,446) | | (1,678,628) |
| Change in cash and cash equivalents in the reporting period | | (550,331) | | 488,728 |
| Cash and cash equivalents at the beginning of the reporting period | | 3,376,885 | | 2,888,157 |
| Cash and cash equivalents at the end of the reporting period | | 2,826,554 | | 3,376,885 |
| Reconciliation of net income to net cash inflow from operating activities | | | | |
| | 2021 £ | | 2020 £ | |
| Net income for the reporting period (as per the statement of financial activities) | 1,356,793 | | 3,317,810 | |
| Depreciation/amortisation | 496,171 | | 367,332 | |
| Gains on investments | (975,075) | | (691,224) | |
| Pension actuarial gains/(losses) | 138,199 | | (14,302) | |
| Dividends, interest and rents from investments | (398,215) | | (458,913) | |
| Increase in gifted fixed assets | - | | (800,000) | |
| Profit on the sale of fixed assets | (44,600) | | (62,668) | |
| (Increase)/Decrease in stock | (73,600) | | 163,973 | |
| (increase)/Decrease in debtors | (260,920) | | 493,035 | |
| Decrease in creditors | (241,374) | | (148,432) | |
| Decrease in local trust balances | 736 | | 745 | |
| Net cash (outflow)/inflow from operating activity | (1,885) | | 2,167,356 | |
| Analysis of cash and cash equivalents | | | | |
| Deposits on less than 3 months' notice | 2,063,165 | | 3,263,703 | |
| Cash at bank and in hand | 763,389 | | 113,182 | |
| | 2,826,554 | | 3,376,885 | |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies

Company information

Essex Wildlife Trust is a limited company domiciled and incorporated in England and Wales. The registered office is Abbots Hall Farm, Great Wigborough, Colchester, Essex, CO5 7RZ.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of listed investments which are included at their market value. The financial statements have been prepared in accordance with the 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 2015 (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011.

The financial statements are prepared in Sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest pound.

The Trustees confirm that the Charity meets the definition of a public benefit entity under FRS 102.

1.2 Group Accounts

The Statement of Financial Activities (SOFA) 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 as permitted by Section 408 of the Companies Act 2006.

1.3 Fund Accounting: -

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

Restricted Income Funds: These funds have been given to the Trust for a particular purpose to be used in accordance with the wishes of the donor.

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

Designated funds - Projects: These funds were set aside by the Trustees for specific projects. Many of these projects are partly funded from restricted funds with the unfunded element set aside from general funds.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

1. Accounting policies *(continued)*

1.4 Incoming resources

Income from investments, Gift Aid and deeds of covenant is included gross, and is accounted for when it is receivable or the charity's right to it becomes legally enforceable. Provision has been made for Income Tax reclaimable at the year-end but not yet received.

Legacy income is included in the accounts when the amount due can be quantified with reasonable probability and it is probable that it will be received. Receipt is normally probable when there has been grant of probate, the estate has sufficient assets to pay the legacy and any conditions attached are either within the control of the charity or have been met.

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 the claim will be met.

Income from Donations is accounted for on a receipts basis.

1.5 Membership Income

Membership income is taken to the Statement of Financial Activities over the life of the subscription, taking into account the type of membership involved.

1.6 Volunteer Help

The Trust 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 differences in time spent, and the sheer number of volunteers who gave of their time.

1.7 Resources Expended

Indirect costs are allocated to the expenditure headings in the SOFA on the basis of the number of employees in each area of work.

Cost of Raising Funds consists of expenditure relating to appeals, communications requesting funds, applying for grants and other general publicity as part of fundraising together with associated support activities and cost of sales.

Administration and Support of charitable activities consists of those costs incurred in support of expenditure on the objects of the charity. These include the provision of the premises, personnel, information technology and audit fees.

1.8 Finance and operating leases

Rentals payable under operating leases are charged to the SOFA over the period in which the cost is incurred. The Trust has no finance leases.

1.9 Irrecoverable VAT

The charity and its subsidiaries are partially exempt. Irrecoverable VAT is allocated to the appropriate cost categories.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

1. Accounting policies (continued)

1.10 Land

Interest in land purchased by the Trust including expenditure on capital projects is stated at cost. Land in joint ownership is also stated at cost. Land gifted to the Trust since 1st January 1993 is accounted for at valuation at the date the gift was made.

The charity has been unable to allocate historic costs for freehold land and long leasehold land to specific properties and accordingly the total cost cannot be analysed between the two different types of interest.

No value is attributable to land given to the Trust before 1st January 1993 nor are changes in the value of land after its acquisition recognised.

1.11 Heritage assets

The Charity's objects include the conservation of nature for the purpose of study and research and to educate the public in understanding and appreciation of nature, the awareness of its value and the need for its conservation. As such the Charity owns and maintains a number of nature reserves that fall into the definition of heritage assets in accordance with FRS 102. These assets, when purchased other than gifted, have been capitalised at cost at the date of acquisition, and being land in nature have not been depreciated.

These assets have been included within tangible fixed assets and not separately disclosed as the information on their cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the financial statements and to the Charity.

The costs of maintaining the heritage assets are expensed through the Statement of Financial Activities as incurred, as part of the Trust's charitable activities.

1.12 Amortisation

Amortisation is provided at the following rates in order to write off the cost of each asset over its estimated useful life.

| | |
|-------------------|-------------------|
| Computer software | 33⅓% on cost p.a. |
|-------------------|-------------------|

1.13 Depreciation

Depreciation is not provided on freehold land which is considered to have a useful life of more than fifty years. Assets in the course of construction are not depreciated.

Moveable assets over £1,000 are capitalised. Tangible fixed assets other than freehold land are stated at cost less depreciation.

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

| | |
|----------------------|-------------------------|
| Buildings | 2% on cost p.a. |
| Abbotts Hall offices | 1½% on cost p.a. |
| Office equipment | 33⅓% on cost p.a. |
| Plant and Equipment | 10% to 20% on cost p.a. |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

1. Accounting policies (continued)

1.14 Investments

Investments are stated at market value. It is the Trust's policy to keep valuations up to date such that when investments are sold, there is no gain or loss arising relating to the previous year. As a result, the SOFA includes those unrealised gains and losses arising from the revaluation of the investment portfolio at the year end. Disclosure is made in the notes to the accounts of the difference between historic cost and sale proceeds of investments sold during the year.

1.15 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.16 Pension costs

The Trust operates a defined contribution scheme for the benefit of all of its employees. The costs of the defined contributions are written off against incoming resources in the year they are payable. The assets of the scheme are held separately from the Trust in independently administered funds. The majority of the employees are members of a money purchase policy, which was set up to meet the government's requirements regarding pension provisions for all staff. Contributions to the policy made on behalf of employees are also charged against incoming resources in the year they are paid.

The Trust is also a member of the Wildlife Trust Pension Scheme (WTPS) which is a hybrid scheme whose defined benefits section is in deficit. The scheme was closed to new members and future accrual on 30 September 2005.

Under defined benefit accounting the Scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the Statement of Financial Position. The current service cost and costs from settlements and curtailments are charged to operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

1. Accounting policies (continued)

1.17 Going concern

The Covid-19 pandemic has continued to impact the financial position of Essex Wildlife Trust Limited. Quarter 1 of 2021 saw the continuation of national lockdowns that significantly reduced the contribution made from Essex Wildlife Sales Limited. The recovery continued to gain momentum during the year and the final position at the end of 2021 is a sound basis for the expectation of this to continue into 2022. Economic uncertainty during the pandemic and subsequent recovery have affected the valuation and returns on investments. Having reviewed the company's financial forecasts and expected future cashflows, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for a period of at least 12 months following the approval of these financial statements. Thus, the going concern basis has been adopted in preparing the financial statements for the year ended 31 December 2021.

1.18 Financial assets

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

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value. They are subsequently carried at amortised cost, using the effective interest rate method.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

1.19 Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value. They are subsequently carried at amortised cost, using the effective interest rate method.

1.20 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

2 Critical accounting estimates and judgements

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

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

Key sources of estimation uncertainty

Useful economic lives of intangible fixed assets

The annual amortisation charge for intangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. See note 13 for the carrying amount of the intangible fixed assets and note 1 for the useful economic lives for each class of asset.

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the tangible fixed assets and note 1 for the useful economic lives for each class of asset.

Defined benefit pension scheme

Management's estimate of the defined benefit pension obligation is based on a number of critical underlying assumptions such as standard rates of inflation, mortality and discount rate. Variation in these assumptions may significantly impact the defined benefit obligation amount and the annual defined benefit expenses (as analysed in Note 11).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

3 Income - Donations and legacies

| | Unrestricted income £ | Restricted income £ | Endowment £ | 2021 £ | 2020 £ |
|----------------------|-----------------------------|---------------------------|----------------|------------------|------------------|
| Membership income | 1,442,332 | - | - | 1,442,332 | 1,369,332 |
| Grants and donations | 489,884 | 777,966 | - | 1,267,850 | 803,607 |
| Legacies | 1,391,232 | 50,000 | - | 1,441,232 | 3,655,053 |
| | <u>3,323,448</u> | <u>827,966</u> | <u>-</u> | <u>4,151,414</u> | <u>5,827,992</u> |

The 2020 comparative figures include £5,228,442 unrestricted income. The balance of £576,217 – grants and donations and £23,333 – legacies are restricted income.

4 Income - Charitable activities

| | Unrestricted income £ | Restricted income £ | Endowment £ | 2021 £ | 2020 £ |
|----------------------------|-----------------------------|---------------------------|----------------|------------------|------------------|
| Primary purpose activities | 1,250,831 | 11,217 | - | 1,262,048 | 1,481,572 |
| People and wildlife | 205,009 | - | - | 205,009 | 223,471 |
| Conservation grants | 566,326 | 133,906 | - | 700,232 | 496,662 |
| Local groups | 16,180 | - | - | 16,180 | 10,950 |
| | <u>2,038,346</u> | <u>145,123</u> | <u>-</u> | <u>2,183,469</u> | <u>2,212,655</u> |

The 2020 comparative figures include £2,190,693 unrestricted income. The balance of £7,461 – primary purpose activities and £14,501 - conservation grants are restricted income.

5 Income - Other trading activities

| | Unrestricted income £ | Restricted income £ | Endowment £ | 2021 £ | 2020 £ |
|-------------------------|-----------------------------|---------------------------|----------------|------------------|------------------|
| Trading company - EECOS | 271,105 | - | - | 271,105 | 477,887 |
| Trading company - EWS | 1,602,446 | - | - | 1,602,446 | 997,219 |
| Fundraising events | 8,618 | - | - | 8,618 | 65,528 |
| | <u>1,882,169</u> | <u>-</u> | <u>-</u> | <u>1,882,169</u> | <u>1,540,634</u> |

The 2020 comparative figure of £1,540,634 all relates to unrestricted income.

6 Income from investments

| | Unrestricted income £ | Restricted income £ | Endowment £ | 2021 £ | 2020 £ |
|--------------------|-----------------------------|---------------------------|----------------|----------------|----------------|
| Dividends received | 185,293 | 128,793 | 81,888 | 395,974 | 453,243 |
| Interest received | 767 | 1,474 | - | 2,241 | 5,670 |
| | <u>186,060</u> | <u>130,267</u> | <u>81,888</u> | <u>398,215</u> | <u>458,913</u> |

The 2020 comparative figures for dividends received include £245,746 unrestricted income, £134,344 restricted income and £73,153 endowment income. The comparative figures for interest received include £3,611 unrestricted income and £2,059 restricted income.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

| 7 Expenditure on Charitable Activities | Unrestricted funds | Restricted funds | Endowment funds | Totals 2021 | 2020 |
|---|---------------------------|-------------------------|------------------------|--------------------|------------------|
| | £ | £ | £ | £ | £ |
| Reserves and Conservation | 1,701,160 | 799,371 | 87,266 | 2,587,797 | 2,568,148 |
| Visitor centres' costs | 1,683,627 | - | - | 1,683,627 | 1,720,037 |
| People and Wildlife | 865,827 | - | - | 865,827 | 302,230 |
| | <u>4,250,614</u> | <u>799,371</u> | <u>87,266</u> | <u>5,137,251</u> | <u>4,590,415</u> |

The 2020 comparative figures for reserves and conservation include £1,864,162 unrestricted expenditure, £635,020 restricted expenditure and £68,966 endowment expenditure. The comparative figures for visitor centres' costs include £1,682,458 unrestricted expenditure and £37,579 restricted expenditure. The comparative figures for people and wildlife include £302,230 unrestricted expenditure.

| 8 Expenditure on fundraising | Unrestricted funds | Restricted funds | Endowment funds | Totals 2021 | 2020 |
|-------------------------------------|---------------------------|-------------------------|------------------------|--------------------|------------------|
| | £ | £ | £ | £ | £ |
| Costs of generating funds: | | | | | |
| Voluntary income | 952,996 | - | - | 952,996 | 661,630 |
| Activities for raising funds: | | | | | |
| Fundraising events | 374,553 | - | - | 374,553 | 216,432 |
| Trading company - EECOS | 236,010 | - | - | 236,010 | 386,984 |
| Trading company – EWS | 1,658,754 | - | - | 1,658,754 | 1,532,725 |
| Investment management | - | 12,184 | - | 12,184 | 11,120 |
| | <u>3,222,313</u> | <u>12,184</u> | <u>-</u> | <u>3,234,497</u> | <u>2,808,891</u> |

The 2020 comparative figures include £2,791,167 unrestricted expenditure. The balance of £6,604 fundraising events and £11,120 investment management costs are restricted expenditure.

9 Total expenditure

- Allocations as Notes 9(i)

| | Direct costs | Support costs | Totals 2021 | Direct costs | Support costs | Totals 2020 |
|---------------------------------------|---------------------|----------------------|--------------------|---------------------|----------------------|--------------------|
| | £ | £ | £ | £ | £ | £ |
| Expenditure on Charitable activities: | | | | | | |
| Reserves and Conservation | 1,856,392 | 731,405 | 2,587,797 | 1,926,356 | 641,792 | 2,568,148 |
| Visitor centres' costs | 915,651 | 767,976 | 1,683,627 | 1,151,332 | 568,705 | 1,720,037 |
| People and Wildlife | 573,265 | 292,562 | 865,827 | 194,884 | 107,346 | 302,230 |
| Expenditure on raising funds | <u>2,960,220</u> | <u>274,277</u> | <u>3,234,497</u> | <u>2,461,730</u> | <u>347,161</u> | <u>2,808,891</u> |
| | <u>6,305,528</u> | <u>2,066,220</u> | <u>8,371,748</u> | <u>5,734,302</u> | <u>1,665,004</u> | <u>7,399,306</u> |

Total resources expended are stated after charging:

| | 2021 | 2020 |
|---|-------------|-------------|
| | £ | £ |
| Auditors' remuneration | 33,000 | 30,700 |
| Audit | 6,670 | 6,370 |
| Other services | 496,171 | 367,332 |
| Depreciation/amortisation | 716,481 | 800,296 |
| Cost of stocks recognised as an expense | (44,600) | (60,338) |
| (Profit)/loss on disposal of fixed assets | 8,772 | 18,946 |
| Amounts payable under operating leases | | |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

9(i) Allocation of General Support costs

The breakdown of general support costs and how these were allocated between charitable and fundraising activities is shown in the tables below.

Support costs are allocated to the expenditure headings in the SOFA on the basis of the number of full time equivalent employees in each area of work.

| | Total Support costs allocated for the year to 31 December 2021 | Allocation | | | |
|---|---|---------------------------|----------------------|---------------------|----------------------------|
| | | Reserves and conservation | Visitor centre costs | People and Wildlife | Activities for fundraising |
| | £ | £ | £ | £ | £ |
| Indirect staff costs | 1,097,756 | 388,585 | 408,016 | 155,435 | 145,720 |
| Office costs | 553,996 | 196,105 | 205,910 | 78,442 | 73,539 |
| Insurance premiums | 70,681 | 25,020 | 26,271 | 10,008 | 9,382 |
| Bank charges | 4,248 | 1,504 | 1,579 | 601 | 564 |
| Telephone | 33,264 | 11,775 | 12,363 | 4,710 | 4,416 |
| Information technology | 90,210 | 31,933 | 33,529 | 12,773 | 11,975 |
| RSWT contribution | 120,212 | 42,553 | 44,681 | 17,021 | 15,957 |
| Professional fees | 95,853 | 33,930 | 35,627 | 13,572 | 12,724 |
| Total General Support allocations 2021 | 2,066,220 | 731,405 | 767,976 | 292,562 | 274,277 |
| Full time equivalent staff for 2021 | 113 | 40 | 42 | 16 | 15 |

| | Total Support costs allocated for the year to 31 December 2020 | Allocation | | | |
|---|---|---------------------------|----------------------|---------------------|----------------------------|
| | | Reserves and conservation | Visitor centre costs | People and Wildlife | Activities for fundraising |
| | £ | £ | £ | £ | £ |
| Indirect staff costs | 833,417 | 321,248 | 284,665 | 53,732 | 173,772 |
| Office costs | 333,543 | 128,568 | 113,926 | 21,504 | 69,545 |
| Insurance premiums | 53,696 | 20,698 | 18,341 | 3,462 | 11,195 |
| Bank charges | 38,987 | 15,028 | 13,317 | 2,514 | 8,128 |
| Telephone | 9,316 | 3,591 | 3,182 | 601 | 1,942 |
| Information technology | 120,589 | 46,482 | 41,189 | 7,775 | 25,143 |
| RSWT contribution | 119,377 | 46,015 | 40,775 | 7,696 | 24,891 |
| Professional fees | 113,222 | 43,643 | 38,673 | 7,300 | 23,606 |
| Stationery/Postage | 42,857 | 16,519 | 14,637 | 2,762 | 8,939 |
| Total General Support allocations 2020 | 1,665,004 | 641,792 | 568,705 | 107,346 | 347,161 |
| Full time equivalent staff for 2020 | 73 | 28 | 25 | 5 | 15 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

10 Staff costs

| | 2021 | 2020 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Salaries and wages | 3,786,987 | 3,555,365 |
| Social security costs | 315,747 | 290,896 |
| Other pension costs | 173,023 | 163,975 |
| | <u>4,275,757</u> | <u>4,010,236</u> |

Employees and volunteers

The average number of full-time equivalent employees analysed by function was:

| | | |
|---------------------------------------|------------|------------|
| People and wildlife | 16 | 15 |
| Landscape conservation | 31 | 32 |
| Central support | 28 | 25 |
| Fundraising, membership and marketing | 15 | 15 |
| Centre management | 10 | 10 |
| Subsidiary companies | 41 | 39 |
| | <u>141</u> | <u>136</u> |

The Trust relies on volunteers to help in all aspects of our work particularly for practical conservation work, administration and fundraising. It has not been possible to place a value on the work carried out by volunteers but were it possible, the amount would be significant.

Board's and employees' emoluments

Costs incurred by the Board travelling on Trust business and reimbursed to them amounted to £nil (2020: £88). The number of Board members reimbursed during the year was nil (2020: 1).

The number of employees whose annual emoluments were £60,000 or more were:

| | 2021 | 2020 |
|-----------------|-------------|------|
| £60,000-£69,999 | 1 | 1 |
| £70,000-£79,999 | 1 | 1 |

Total remuneration of the 7 (2020: 7) members of the senior management team - these being the Trust's key management personnel - in the period was £489,089 (2020: £447,619).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

11 Pension arrangements

The Trust participates in two pension schemes; one is the Wildlife Trusts Pension Scheme (WTPS) a multi-employer scheme for the benefit of the staff of the wildlife trusts throughout the United Kingdom. The second scheme was created in 2014 to meet the requirements of the Auto Enrolment pensions legislation so that all staff have access to a pension scheme. The pension arrangements in place for all staff incorporate Life Assurance cover of not less than three times their basic salary.

During 2021 the contributions for the staff pension scheme amounted to £173,023 (2020: £163,975).

The WTPS has two sections, the Defined Benefit section (DB) and the Defined Contribution section (DC). The Trust's membership of the Scheme consists of past and present members of Essex Wildlife Trust staff, of which six are in the DB section and 42 are in the DC section. The DB section was closed to new members and future accrual on 30 September 2005. But as the Scheme carried a funding deficit at the date of closure, and a funding deficit has been declared at each actuarial valuation since, the Trust must continue to contribute to the pension fund along with the other wildlife trust employers in the Scheme.

The last FRS 102 valuation at 31 March 2022, rolled back to 31 December 2021, showed a funding surplus of £0.5 million. This surplus position is an improvement on previous year's trends of deficit valuations as a result of strong investment returns and an increase in interest rates in 2021 which have resulted in a reduction in the valuation of the Scheme's liabilities. Essex Wildlife Trust continues with its financial planning based on the deficit shown by the most recent formal actuarial valuation of the Scheme as at 31 March 2019. The Trust has continued to make deficit recovery payments that are being recovered from the 12 participating employers over the 10 years to 2026 or until the deficit is neutralised, if sooner in accordance with the deficit recovery plan agreed after the 2019 actuarial valuation. The Essex Wildlife Trust's proportion of any funding deficit presently stands at 5.15%. A new formal actuarial valuation as at 31 March 2022 is in the course of preparation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)**

11 Pension arrangements (continued)

Principal assumptions

| | At 31 December 2021 | At 31 December 2020 |
|---|---|--|
| | per annum | per annum |
| Discount rate | 1.80% | 1.25% |
| Retail Prices Index (RPI) Inflation | 3.30% | 3.15% |
| Consumer Prices Index (CPI) Inflation | 2.45% | 2.40% |
| Future increases to deferred pensions | 2.45% | 2.40% |
| Rate of increase to pensions in payment: | | |
| Fixed 5% pa | 5.00% | 5.00% |
| RPI max 5% pa | 3.10% | 3.00% |
| Mortality (before and after retirement) | Males: 96% of S3PA Females: 95% of S3PA CMI_2020 with a long term rate of improvements of 1.25% pa; Initial addition to mortality improvements of 0.5% and w2020 of 15% | Males: 96% of S3PA Females: 95% of S3PA CMI_2019 with a long term rate of improvements of 1.25% pa; Initial addition to mortality improvements of 0.5% |
| Cash commutation | Members assumed to take 25% of their pension as tax-free cash, subject to HMRC restrictions, using cash commutation factors currently in force. | Members assumed to take 25% of their pension as tax-free cash, subject to HMRC restrictions, using cash commutation factors currently in force. |
| Life expectancy of a male aged 65 at the Balance Sheet Date | 22.4 | 22.6 |
| Life expectancy of a male aged 65 in 20 years from the Balance Sheet date | 23.6 | 23.9 |
| Life expectancy of a female aged 65 at the Balance Sheet Date | 24.8 | 24.9 |
| Life expectancy of a female aged 65 in 20 years from the Balance Sheet Date | 26.3 | 26.4 |

For the avoidance of doubt, the financial assumptions above are in absolute terms. They are single equivalent rates, however in practice full yield curves are used.

Asset breakdown

The major categories of Scheme assets as a percentage of total Scheme assets are:

| | At 31 December 2021 | At 31 December 2020 |
|------------------------------------|---------------------|---------------------|
| UK Equities | 4.4% | 4.1% |
| Overseas Equities | 31.0% | 27.6% |
| Diversified Growth Funds | 22.6% | 22.8% |
| UK Government Fixed Interest Bonds | 13.7% | 16.1% |
| UK Government Index Linked Bonds | 15.6% | 15.6% |
| UK Corporate Bonds | 9.2% | 10.4% |
| Property | 2.3% | 2.1% |
| Cash | 1.2% | 1.3% |
| Total | 100.0% | 100.0% |

The pension scheme has not invested in any of Essex Wildlife Trust's own financial instruments, nor in properties or other assets used by Essex Wildlife Trust. The assets are all quoted in active markets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 *(continued)*

11 Pension arrangements (continued)

Net defined benefit asset (liability)

| | At 31 December 2021 £'s | At 31 December 2020 £'s |
|---|----------------------------|----------------------------|
| Fair value of Scheme assets | 960,931 | 882,170 |
| Present value of defined benefit obligation | 935,253 | 1,027,008 |
| Defined benefit asset/(liability) recognised in balance sheet | 25,678 | (144,838) |

Total expense recognised in the SOFA

| | At 31 December 2021 £'s | At 31 December 2020 £'s |
|---|----------------------------|----------------------------|
| Current service cost | 0 | 0 |
| Administration expenses | 8,609 | 11,812 |
| Past service costs including curtailments | 0 | 0 |
| Effect of settlements | 0 | 0 |
| Recognised in arriving at operating profit | 8,609 | 11,812 |
| Interest on the net defined benefit liability | 1,599 | 2,216 |
| Total recognised in the SOFA | 10,208 | 14,028 |

Total amounts taken to Other Comprehensive Income

| | At 31 December 2021 £'s | At 31 December 2020 £'s |
|---|----------------------------|----------------------------|
| Actual return on Scheme assets - gains and (losses) | 70,148 | 82,970 |
| less: amounts included in net interest on the net defined benefit liability | (11,081) | (15,435) |
| Remeasurement gains and (losses) | 59,067 | 67,535 |
| - Return on Scheme assets excluding interest income | | |
| Remeasurement gains and (losses) | | |
| - actuarial gains and (losses) | 79,132 | (113,558) |
| Remeasurement gain/(loss) recognised in Other Comprehensive Income | 138,199 | (46,023) |

Changes in the present value of the defined benefit obligation

| | At 31 December 2021 £'s | At 31 December 2020 £'s |
|--|----------------------------|----------------------------|
| Present value of defined benefit obligation at beginning of period | 1,027,008 | 914,536 |
| Benefits paid including expenses | (33,912) | (30,549) |
| Current service cost | 0 | 0 |
| Administration costs | 8,609 | 11,812 |
| Interest cost | 12,680 | 17,651 |
| Remeasurement (gains) and losses | | |
| - actuarial (gains) and losses | (79,132) | 113,558 |
| Employee contributions | 0 | 0 |
| Past service costs including curtailments | 0 | 0 |
| Effect of settlements | 0 | 0 |
| Present value of defined benefit obligation at end of period | 935,253 | 1,027,008 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

11 Pension arrangements (continued)

Changes in the fair value of assets

| | At 31 December 2021 £'s | At 31 December 2020 £'s |
|---|----------------------------|----------------------------|
| Fair value of Scheme assets at beginning of period | 882,170 | 784,000 |
| Interest income | 11,081 | 15,435 |
| Remeasurement gains and (losses) - Return on scheme assets excluding interest income | 59,067 | 67,535 |
| Contributions by Employer | 42,525 | 45,749 |
| Employee contributions | 0 | 0 |
| Benefits paid including expenses | (33,912) | (30,549) |
| Fair value of Scheme assets at end of period | 960,931 | 882,170 |

Projected total expense to be recognised in the SOFA

| | At 31 December 2022 £'s |
|---|----------------------------|
| Current service cost | 0 |
| Administration expenses | 8,609 |
| Past service costs including curtailments | 0 |
| Effect of settlements | 0 |
| Recognised in arriving at operating profit | 8,609 |
| Interest on the net defined benefit liability | (777) |
| Total recognised in the SOFA | 7,832 |

12 Funders

Essex Wildlife Trust is extremely grateful for the grants which have been received during 2021 from the following funders:

- Environment Agency
- AIM Foundation
- People's Postcode Lottery
- Biffa Award
- National Lottery Heritage Fund
- National Lottery Community Fund
(claimed from them for Langdon in 2021)
- Ida Davis Family Foundation
- Natural Environment Research Council
- DEFRA (for Nature Friendly Schools)
- Active Essex
- The Lockett Trust

This list is not exhaustive. Essex Wildlife Trust is very grateful to all its generous funders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 *(continued)*

13 Intangible assets – Group and charity

| | Computer software £ | Total £ |
|------------------------------|---------------------------|------------|
| Cost or donated value | | |
| 1 January 2021 | 46,809 | 46,809 |
| Additions | - | - |
| Disposals | - | - |
| At 31 December 2021 | 46,809 | 46,809 |
| Amortisation | | |
| 1 January 2021 | 36,667 | 36,667 |
| Charge for the year | 4,750 | 4,750 |
| Disposals | - | - |
| At 31 December 2021 | 41,417 | 41,417 |
| Net book value | | |
| At 31 December 2021 | 5,392 | 5,392 |
| At 31 December 2020 | 10,142 | 10,142 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 *(continued)*

14 Tangible assets - Group

| | Freehold & leasehold land £ | Freehold buildings £ | Office equipment £ | Plant & equipment £ | Total £ |
|------------------------------|--------------------------------------|----------------------------|--------------------------|---------------------------|------------|
| Cost or donated value | | | | | |
| 1 January 2021 | 5,118,779 | 12,301,071 | 228,991 | 2,161,368 | 19,810,209 |
| Additions | - | 246,309 | 102,822 | 445,877 | 795,008 |
| Disposals | - | - | - | (74,896) | (74,896) |
| At 31 December 2021 | 5,118,779 | 12,547,380 | 331,813 | 2,532,349 | 20,530,321 |
| Depreciation | | | | | |
| 1 January 2021 | - | 2,668,122 | 215,183 | 1,629,235 | 4,512,540 |
| Charge for the year | - | 306,367 | 12,599 | 172,455 | 491,421 |
| Disposals | - | - | - | (74,896) | (74,896) |
| At 31 December 2021 | - | 2,974,489 | 227,782 | 1,726,794 | 4,929,065 |
| Net book value | | | | | |
| At 31 December 2021 | 5,118,779 | 9,572,891 | 104,031 | 805,555 | 15,601,256 |
| At 31 December 2020 | 5,118,779 | 9,632,949 | 13,808 | 532,133 | 15,297,669 |

Tangible assets - Charity

| | Freehold & leasehold land £ | Freehold buildings £ | Office equipment £ | Plant & equipment £ | Total £ |
|------------------------------|--------------------------------------|----------------------------|--------------------------|---------------------------|------------|
| Cost or donated value | | | | | |
| 1 January 2021 | 5,118,777 | 12,301,071 | 204,016 | 1,810,299 | 19,434,163 |
| Additions | - | 246,309 | 102,822 | 351,797 | 700,928 |
| Disposals | - | - | - | (74,896) | (74,896) |
| At 31 December 2021 | 5,118,777 | 12,547,380 | 306,838 | 2,087,200 | 20,060,195 |
| Depreciation | | | | | |
| 1 January 2021 | - | 2,668,122 | 193,778 | 1,414,163 | 4,276,063 |
| Charge for the year | - | 306,367 | 12,599 | 131,440 | 450,406 |
| Disposals | - | - | - | (74,896) | (74,896) |
| At 31 December 2021 | - | 2,974,489 | 206,377 | 1,470,707 | 4,651,573 |
| Net book value | | | | | |
| At 31 December 2021 | 5,118,777 | 9,572,891 | 100,461 | 616,493 | 15,408,622 |
| At 31 December 2020 | 5,118,777 | 9,632,949 | 10,238 | 396,136 | 15,158,100 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 *(continued)*

15 Long Term Investments - Group

| | 2021 £ | 2020 £ |
|------------------------------------|-------------------|-------------------|
| Quoted investments – market values | 13,921,304 | 12,833,436 |
| Cash held as part of the portfolio | 650,675 | 567,215 |
| | <u>14,571,979</u> | <u>13,400,651</u> |

The movement on investments is as follows:

| | 2021 £ | 2020 £ |
|------------------------------|-------------------|-------------------|
| Market value at 1 January | 13,400,651 | 12,422,828 |
| Additions at cost | 316,253 | 12,109,251 |
| Disposals at market value | (120,000) | (11,855,613) |
| Unrealised gains/(losses) | 975,075 | 724,185 |
| Market value at 31 December | <u>14,571,979</u> | <u>13,400,651</u> |
| Historic Cost at 31 December | <u>12,859,927</u> | <u>12,676,465</u> |

Investments comprise:

| | 2021 £ | 2020 £ |
|---------------------------|-------------------|-------------------|
| Fixed interest securities | 1,149,992 | 1,872,422 |
| UK Equities | 2,595,979 | 2,348,842 |
| Overseas Equities | 7,513,345 | 6,943,739 |
| Property Funds | 500,108 | 205,303 |
| Other | 2,812,555 | 2,030,345 |
| | <u>14,571,979</u> | <u>13,400,651</u> |

There were no investments within the portfolio that could have been considered to be material in the context of the value of the portfolio.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

15 Long Term Investments - Charity

| | 2021 £ | 2020 £ |
|--|-------------------|------------------|
| Quoted investments – market values | 9,651,095 | 8,969,249 |
| Cash held as part of the portfolio | 618,120 | 478,405 |
| Essex Ecology Services Limited share capital | 2 | 2 |
| | <u>10,269,217</u> | <u>9,447,656</u> |

The movement on investments is as follows:

| | 2021 £ | 2020 £ |
|------------------------------|-------------------|------------------|
| Market value at 1 January | 9,447,656 | 8,733,748 |
| Additions at cost | 272,508 | 8,464,332 |
| Disposals at market value | (120,000) | (8,255,341) |
| Unrealised gains | 669,053 | 504,917 |
| Market value at 31 December | <u>10,269,217</u> | <u>9,447,656</u> |
| Historic Cost at 31 December | <u>9,082,455</u> | <u>8,942,738</u> |

| Investments comprise | 2021 £ | 2020 £ |
|---------------------------|-------------------|------------------|
| Fixed interest securities | 795,436 | 1,305,494 |
| UK Equities | 1,795,609 | 1,637,664 |
| Overseas Equities | 5,196,894 | 4,841,327 |
| Property Funds | 345,919 | 143,142 |
| Other | 2,135,359 | 1,520,029 |
| | <u>10,269,217</u> | <u>9,447,656</u> |

There were no investments within the portfolio that could have been considered to be material in the context of the value of the portfolio.

Essex Wildlife Trust Limited has four subsidiaries, two of which are limited by share capital and two of which are limited by guarantee, which are incorporated in England. The share capital above consists of 2 ordinary shares of £1 each held for Essex Ecology Services Limited. The share capital of Essex Wildlife Sales Limited was initially set up and then donated to the Trust. No account is taken of the value of this gift in the financial statements.

Further details concerning the activities and assets of these companies are given in notes 23 & 24.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

16 Debtors

| | Group | | Charity | |
|-------------------------------------|------------------|------------------|------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Trade debtors | 107,827 | 206,703 | 22,133 | 66,410 |
| Amounts due from Group undertakings | - | - | 768,368 | 789,720 |
| Legacies | 1,150,078 | 953,669 | 1,150,078 | 953,669 |
| Prepayments and accrued income | 183,770 | 144,012 | 96,560 | 67,756 |
| Other debtors | 402,763 | 279,134 | 402,765 | 279,136 |
| | <u>1,844,438</u> | <u>1,583,518</u> | <u>2,439,904</u> | <u>2,156,691</u> |

Financial instruments included in the above group debtor balances amount to £1,607,171 (2020: £1,385,454) and above charity debtor balances amount to £2,289,847 (2020: £2,034,883).

17 Short Term Investments – Current assets

| Group and charity | 2021 | 2020 |
|--------------------------|------------------|------------------|
| | £ | £ |
| Short term deposits | 2,063,165 | 3,263,703 |
| | <u>2,063,165</u> | <u>3,263,703</u> |

18 Creditors: Amounts falling due within one year

| | Group | | Charity | |
|-----------------------------------|----------------|----------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Trade creditors | 211,076 | 150,823 | 165,153 | 129,985 |
| Amounts due to Group undertakings | - | - | 217,880 | 278,056 |
| Taxes and social security costs | 59,975 | 27,134 | - | - |
| Accruals and deferred income | 217,049 | 237,313 | 187,564 | 211,627 |
| Other creditors | - | 42,525 | - | 42,525 |
| | <u>488,100</u> | <u>457,795</u> | <u>570,597</u> | <u>662,193</u> |

19 Creditors: Amounts falling due after more than one year

| | Group | | Charity | |
|---------------------|---------------|----------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Within 2 to 5 years | 50,000 | 152,312 | 50,000 | 152,312 |
| Over 5 years | 28,330 | 33,820 | 28,330 | 33,820 |
| | <u>78,330</u> | <u>186,132</u> | <u>78,330</u> | <u>186,132</u> |

Financial instruments, included in notes 18 and 19 for the above group creditor balances, amount to £289,406 (2020: £379,480) and above charity creditor balances amount to £461,363 (2020: £636,816).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 *(continued)*

20 Designated funds – Group and charity

These funds have been set aside for projects that are not fully funded by restricted income. Any unspent funds will be spent over the coming years as the expenditure for which these funds have been set aside is incurred.

| | Balance 1 Jan 2021 £ | Incomings £ | Outgoings/ Undesignations £ | Balance 31 Dec 2021 £ |
|-------------------------------------|----------------------------|----------------|-----------------------------------|-----------------------------|
| Designated funds - projects | | | | |
| Abberton Fit Out | 47,950 | - | - | 47,950 |
| Blue House Farm improvements | 14,648 | - | - | 14,648 |
| Brookes Reserve | 1,685 | - | - | 1,685 |
| Colne Point Bridge insurance claim | 50,415 | - | - | 50,415 |
| Education projects | 39,461 | - | - | 39,461 |
| Emergency / asset replacement | 100,993 | - | (50,000) | 50,993 |
| Express Wish | 90,475 | - | (19,673) | 70,802 |
| General Projects | 252,577 | 243,196 | (213,479) | 282,294 |
| Howlands | 35,000 | - | - | 35,000 |
| Ingrebourne laptops insurance claim | 17,886 | - | (4,708) | 13,178 |
| Interpretation fund | 200,854 | - | (37,452) | 163,402 |
| Land purchase | 130,000 | - | (130,000) | - |
| Landscape conservation projects | 134,208 | - | (150,000) | (15,792) |
| Langdon project | 517,458 | - | (217,458) | 300,000 |
| Legacies | 1,427,712 | - | (1,427,712) | - |
| Legacy capital equipment | 290,650 | - | (290,650) | - |
| Legacy capital building works | 1,000,000 | - | (1,000,000) | - |
| Legacy capital car park works | 100,000 | - | (100,000) | - |
| Legacy capital improvement works | 150,000 | - | (150,000) | - |
| Legacy A Hollands Langdon area | 257,610 | - | (9,000) | 248,610 |
| Legacy J Pickford | 2,121,399 | 465 | (6,927) | 2,114,937 |
| Legacy C Will Abberton | 9,860 | - | - | 9,860 |
| Local Trust Groups | 25,798 | - | (25,798) | - |
| Lower Raypits | 2,596 | - | - | 2,596 |
| Pound and Tile Wood | 79,973 | - | - | 79,973 |
| Recognition of legators | 15,608 | - | - | 15,608 |
| Records centre | 125,825 | 3,280 | (150) | 128,955 |
| Revenue supporting projects | 108,384 | - | (108,384) | - |
| Staff training and development | 30,232 | - | (30,232) | - |
| Total designated funds | 7,379,257 | 246,941 | (3,971,623) | 3,654,575 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

20 Designated funds – Group and charity (continued)

Abberton Fit Out – the Trustees agreed to set aside £100,000 for interpretation and fittings at the new Abberton centre.

Blue House Farm improvements – this is a fund to support development and improvements at the Blue House Farm Nature Reserve.

Brookes Reserve – this nature reserve was held leasehold by the Trust however the former owner donated the freehold to the Trust together with these funds which the Trustees agreed to hold in a designated fund for Brookes Reserve.

Colne Point Bridge insurance claim – these funds have been allocated by the Trustees to allow the repair to the bridge on which the claim was based.

Education projects – these funds have been designated for the Senior Management team who represent the projects task group, to authorise for specific educational projects that are prioritised in conjunction with the strategic and operational plan to enable achievement of the Trusts charitable education objectives.

Emergency / asset replacement – these funds have been designated by the Board for the CEO to authorise purchase of replacement assets in an emergency situation.

Express Wish – these funds have been designated by the Board to be allocated in line with the legators wishes. If a suitable project is not found within 2 years of receipt of the funds, then the Trustees will reconsider the allocation of these funds.

General Projects – these funds have been allocated by the Trustees to a number of projects to match other funds to ensure these projects can go ahead in the near future.

Howlands – this has been designated because the donor, who enabled the Trust to purchase Howlands, also donated £50,000 which the Trustees have decided to use as future support for this nature reserve.

Ingrebourne laptops insurance claim – this is the receipt of insurance monies for stolen laptops which will be used to purchase new laptops.

Interpretation fund – these funds have been allocated by the Trustees to implement the new interpretation strategy which links with the marketing strategy and charitable objectives.

Land purchase – these funds have been designated by the Board to be used for future land purchase opportunities as they become available.

Landscape conservation projects – these funds have been designated by the Board for the Projects tasks group to authorise and allocate to specific landscape conservation projects which are considered to be out of core budget but are thought to be important to achieve the charities conservation objectives.

Langdon project – this is a fund to support the 2020 rebuild of the Langdon Nature Discovery Centre.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021** *(continued)*

20 Designated funds – Group and charity (continued)

Legacies – represent money received which the Trustees wish to allocate to specific future expenditure.

Legacy capital equipment – a fund to support capital purchases from legacies.

Legacy capital building works – a fund to support building works from legacies.

Legacy capital car park works – a fund to support car park works from legacies.

Legacy capital improvement works – a fund to support capital improvement works throughout the Trust from legacies.

Legacy A Holland Langdon area – a fund to support work in the Langdon area from the A Hollands legacy.

Legacy J Pickford - This is the money and property received from the estate of Joan Pickford – also referred to as Stone Hall. This legacy is designated for specific activities, predominantly education, either at or in the vicinity of Stone Hall.

Legacy C Wills - Abberton - is a designated fund for the purpose of the money from a deed of variation from the estate of the late Colin Wills where it was agreed for the money to be used on various items for the benefit of Abberton Nature Discovery Park (including a new oak pond dipping platform).

Local Trust Groups – these funds have been raised by Local Group fundraising and the Trustees have agreed that they will be held for allocation by the Local Groups to particular projects at a later date.

Lower Raypits – the Trust has undertaken major works at this Nature Reserve and these funds are what remain to complete the works.

Pound and Tile Wood – these funds have been donated to the Trust and the Trustees have designated them for these particular nature reserves.

Recognition of legators – these are funds that the Board has authorised the project task group to use to recognise the contribution of legators e.g. to fund plaques and benches etc.

Records centre – these funds have been allocated by the Trustees to further support the development and long term viability of the records centre.

Revenue supporting projects – these are funds that have been designated by the Board for the Strategic Leadership Team to authorise projects which are not part of the core budget but considered good projects to bring in future revenue to enable the Trust to undertake its charitable aims in the future.

Staff training and development – these funds have been allocated by the Trustees to support and empower our staff to deliver the Trust's strategy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

21 Restricted Income funds – Group and charity

These funds were received for specific projects.

| | Balance 1 Jan 2021 £ | Incoming funds £ | Outgoing funds £ | 31 December 2021 £ |
|--|----------------------------|------------------------|------------------------|--------------------------|
| Abberton reserve | 71,467 | 12,662 | (16,977) | 67,152 |
| Biodiversity Project | 109,286 | - | (40,984) | 68,302 |
| Blue House Farm BIFFA | - | 83,303 | (95,303) | (12,000) |
| Catchment Restoration Fund | 12,635 | - | - | 12,635 |
| Coopers Wood | 48,003 | - | - | 48,003 |
| Cory Colchester | 72,300 | - | - | 72,300 |
| Fingringhoe reserve | 15,750 | - | - | 15,750 |
| Hanningfield Wardening | 10,562 | 11,000 | (13,948) | 7,614 |
| Ingrebourne Valley | 6,778 | - | - | 6,778 |
| Land purchase fund | 108,163 | - | - | 108,163 |
| Land purchase-Blue House Farm | 31,985 | - | - | 31,985 |
| Langdon Lake and Meadows | 58,136 | - | (26,533) | 31,603 |
| Langdon restoration project | (389,789) | 348,317 | (160,402) | (201,874) |
| Legacy – I Cotgrove | 50,375 | - | - | 50,375 |
| Legacy - D Weston | 204,936 | - | (22,080) | 182,856 |
| Legacy - G Heard | 10,000 | - | (10,000) | - |
| Legacy – C Fenner | - | 48,675 | - | 48,675 |
| Other legacies | 23,333 | 53,500 | (781) | 76,052 |
| Oakfield Wood | 37,393 | 5,000 | - | 42,393 |
| Oliver Road Lagoons | 504 | 41,034 | (40,013) | 1,525 |
| Records centre | (967) | 23,039 | (405) | 21,667 |
| ReMedies | - | 18,500 | (1,360) | 17,140 |
| Reptile Relocation Project | (72,924) | - | - | (72,924) |
| River Stour | 11,551 | - | (8,136) | 3,415 |
| Saltmarsh restoration | - | 23,496 | (1,978) | 21,518 |
| Tendering Loves Conservation | - | 125,000 | (101,828) | 23,172 |
| The Naze | 11,160 | - | - | 11,160 |
| Thameside Nature Park | 52,880 | - | - | 52,880 |
| Valerie Wells Wood | 172,165 | - | (18,200) | 153,965 |
| Water for Wildlife | 55,297 | 11,805 | (20,086) | 47,016 |
| Wrabness | (3,090) | 3,102 | (1) | 11 |
| Fund Balances - less than 10,000 | 14,438 | 19,533 | (3,936) | 30,035 |
| Fixed Asset Fund – assets purchased from restricted funds | 12,134,895 | 262,329 | (262,243) | 12,134,981 |
| TOTAL FOR THE CHARITY | 12,857,222 | 1,090,295 | (845,194) | 13,102,323 |
| Chafford Gorges Limited | 4,045,759 | 445,730 | (97,903) | 4,393,586 |
| Thameside Nature Park Limited | 486,114 | 135,682 | (130,787) | 491,009 |
| TOTAL FOR THE GROUP | 17,389,095 | 1,671,707 | (1,073,884) | 17,986,918 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

21 Restricted Income funds – Group and charity (continued)

These projects may arise out of the Trust's ongoing activities, or the Trust may be asked to carry out a specific task. Either way, at some stage in the project, grants and donations will have been received specific to that project. Therefore once a project is commenced, any funds allocated to it are restricted to that fund. It is anticipated that these funds will be used over the coming months and years as the expenditure for which these funds were raised is incurred. There are therefore many small funds and for the purposes of statutory reporting these have been grouped together under one main heading.

With the exception of those detailed below, the restricted income funds are to be used for capital works or management on the reserve or project specified by the donor.

The Fixed Assets Fund relates to fixed assets acquired from restricted funds.

The Chafford Gorges fund is for managing the reserve at Chafford Gorges, Grays.

The Thameside Nature Park fund is for managing the reserve at Mucking, Thurrock.

The Langdon Restoration Project is in respect of the Nature Discovery Centre at Langdon opened in Summer 2021, there are still some works to complete and a review of the overall fund is due to take place regarding the final funds balance.

22 Endowment funds – Group and charity

These are funds which will have arisen from an appeal, from a specific donation, or from grants. Permanent endowments must be retained with the income used for the purpose for which it was given to the Trust whereas expendable endowments can be utilised once the trustees consider it appropriate.

| | Balance 1 Jan 2021 £ | Incoming funds £ | Outgoing funds £ | December 2021 £ |
|--------------------|-------------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Langdon Dowsett | 280,016 | 24,404 | (7,487) | 296,933 |
| Joan Elliot | 2,255,814 | 200,159 | (63,871) | 2,392,102 |
| Holland and Arthur | 532,652 | 42,711 | (15,908) | 559,455 |
| | <u>3,068,482</u> | <u>267,274</u> | <u>(87,266)</u> | <u>3,248,490</u> |

The Langdon Dowsett fund is to be used to part fund the running of the Langdon reserve.

The Joan Elliot Fund is to be used for the running of Abbots Hall Farm and Reserve; any surplus may be used towards core funding.

The Holland and Arthur fund is to be used to manage (or purchase or put towards a purchase of) land in the District of Tendring.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

23 Trading companies

The trading activities of the Trust are carried out through wholly owned subsidiary companies, Essex Wildlife Sales Limited (EWS) company number 02548617 and Essex Ecology Services Limited (EECOS) company number 02853947. Both companies gift aid their taxable profits across to the Trust.

EWS operates shops and catering in all our Nature Discovery Centres.

EECOS offers environmental project consultancy services.

Profit and Loss Accounts

| | EWS | | EECOS | |
|--|-------------|-------------|--------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Turnover | 1,602,446 | 997,219 | 271,105 | 477,887 |
| Cost of sales | (715,257) | (483,976) | (210,084) | (316,320) |
| Gross profit | 887,189 | 513,243 | 61,021 | 161,567 |
| Administrative expenses | (1,122,691) | (1,036,534) | (47,640) | (70,664) |
| Other operating income | 259,610 | 163,079 | - | 2,567 |
| Interest payable | (18,415) | (12,215) | - | - |
| | 5,693 | (372,427) | 13,381 | 93,470 |
| Gift aided profits to Essex Wildlife Trust | - | - | (13,381) | (93,470) |
| Reserves brought forward | (372,427) | - | - | - |
| Reserves carried forward | (366,734) | (372,427) | - | - |

Balance Sheets

| | EWS | | EECOS | |
|---|-------------|-------------|--------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Tangible fixed assets | 71,667 | 50,248 | 2,173 | 2,651 |
| Current assets | 319,862 | 243,487 | 118,998 | 189,109 |
| Current liabilities | (758,261) | (666,160) | (121,169) | (191,758) |
| Total net assets | (366,732) | (372,425) | 2 | 2 |
| Represented by profit and loss reserves | (366,734) | (372,427) | - | - |
| Represented by share capital | 2 | 2 | 2 | 2 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

24 Subsidiary charities

Chafford Gorges Limited (company number 05189256, charity number 1113511), a company limited by guarantee, is also a registered charity over which the Essex Wildlife Trust has full control. The charity manages and operates the area of land known as Chafford Gorges Nature Park in Grays Thurrock, excluding the Nature Discovery Centre on the site, which is operated by the Trust.

Thameside Nature Park Limited (company number 07151955, charity number 1137142), which is also a company limited by guarantee, is also a registered charity over which the Essex Wildlife Trust has full control. The charity manages and operates the area of land known as Thameside Nature Park at Mucking, excluding the Nature Discovery Centre on the site, which is operated by the Trust.

Summaries taken from the accounts for the two charities for the year ended 31 December 2021 appear below.

Statement of Financial Activities

| | Chafford Gorges | | Thameside Nature Park | |
|------------------------------------|------------------------|-------------|------------------------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Incoming resources | 139,708 | 140,283 | 135,682 | 18,082 |
| Resources expended | (109,447) | (95,772) | (142,797) | (71,956) |
| Net incoming/(outgoing) resources | 30,261 | 44,511 | (7,115) | (53,874) |
| Gains on investments | 306,022 | 213,097 | - | - |
| Net movement in funds for the year | 336,283 | 257,608 | (7,115) | (53,874) |
| Reserves brought forward | 3,994,166 | 3,736,558 | 339,018 | 392,892 |
| Reserves carried forward | 4,330,449 | 3,994,166 | 331,903 | 339,018 |

Balance Sheets

| | Chafford Gorges | | Thameside Nature Park | |
|-----------------------------------|------------------------|-------------|------------------------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Tangible fixed assets | 17,371 | 3,456 | 101,423 | 83,214 |
| Investments at market value | 4,302,764 | 3,952,997 | - | - |
| | 4,320,135 | 3,956,453 | 101,423 | 83,214 |
| Current assets | 27,488 | 42,159 | 237,957 | 259,591 |
| Current liabilities | (17,174) | (4,446) | (7,477) | (3,787) |
| Total net assets | 4,330,449 | 3,994,166 | 331,903 | 339,018 |
| Represented by unrestricted funds | 4,324,970 | 3,987,035 | 331,903 | 339,018 |
| Represented by restricted funds | 5,479 | 7,131 | - | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

25 Analysis of net assets between funds- Group

| 2021 | Unrestricted Funds | Restricted Funds | Endowment Funds | Totals 2021 |
|-------------------------|-------------------------------|-----------------------------|----------------------------|------------------------|
| | £ | £ | £ | £ |
| Intangible fixed assets | 5,392 | - | - | 5,392 |
| Tangible fixed assets | 2,847,481 | 12,253,775 | 500,000 | 15,601,256 |
| Long-term investments | 7,423,751 | 4,302,764 | 2,845,464 | 14,571,979 |
| Current assets | 3,600,552 | 1,454,699 | (96,974) | 4,958,277 |
| Current liabilities | (463,780) | (24,320) | - | (488,100) |
| Long term liabilities | (78,330) | - | - | (78,330) |
| Defined benefit pension | 25,678 | - | - | 25,678 |
| Total net assets | 13,360,744 | 17,986,918 | 3,248,490 | 34,596,152 |

| 2020 | Unrestricted Funds | Restricted Funds | Endowment Funds | Totals 2020 |
|-------------------------|-------------------------------|-----------------------------|----------------------------|------------------------|
| | £ | £ | £ | £ |
| Intangible fixed assets | 10,142 | - | - | 10,142 |
| Tangible fixed assets | 2,576,104 | 12,221,565 | 500,000 | 15,297,669 |
| Long-term investments | 6,829,834 | 3,952,997 | 2,617,820 | 13,400,651 |
| Current assets | 4,001,460 | 1,222,702 | (49,338) | 5,174,824 |
| Current liabilities | (449,626) | (8,169) | - | (457,795) |
| Long term liabilities | (186,132) | - | - | (186,132) |
| Total net assets | 12,781,782 | 17,389,095 | 3,068,482 | 33,239,359 |

Analysis of net assets between funds- Charity

| 2021 | Unrestricted Funds | Restricted Funds | Endowment Funds | Totals 2021 |
|-------------------------|-------------------------------|-----------------------------|----------------------------|------------------------|
| | £ | £ | £ | £ |
| Intangible fixed assets | 5,392 | - | - | 5,392 |
| Tangible fixed assets | 2,773,641 | 12,134,981 | 500,000 | 15,408,622 |
| Long-term investments | 7,423,753 | - | 2,845,464 | 10,269,217 |
| Current assets | 4,370,184 | 967,342 | (96,974) | 5,240,552 |
| Current liabilities | (570,597) | - | - | (570,597) |
| Long term liabilities | (78,330) | - | - | (78,330) |
| Defined benefit pension | 25,678 | - | - | 25,678 |
| Total net assets | 13,949,721 | 13,102,323 | 3,248,490 | 30,300,534 |

| 2020 | Unrestricted Funds | Restricted Funds | Endowment Funds | Totals 2020 |
|-------------------------|-------------------------------|-----------------------------|----------------------------|------------------------|
| | £ | £ | £ | £ |
| Intangible fixed assets | 10,142 | - | - | 10,142 |
| Tangible fixed assets | 2,523,205 | 12,134,895 | 500,000 | 15,158,100 |
| Long-term investments | 6,829,836 | - | 2,617,820 | 9,447,656 |
| Current assets | 4,838,040 | 722,327 | (49,338) | 5,511,029 |
| Current liabilities | (662,193) | - | - | (662,193) |
| Long term liabilities | (186,132) | - | - | (186,132) |
| Total net assets | 13,352,898 | 12,857,222 | 3,068,482 | 29,278,602 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

26 Members' guarantee

The Charity is a Company Limited by Guarantee and incorporated in England and Wales. In the event of its winding up or dissolution, if there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, it shall not be paid to or distributed among the Members of the Trust but shall be given or transferred to some other institution or institutions having objects similar to the Trust or to some other charitable object.

The aforementioned are subject to further clauses as stated within the Company's Memorandum and Articles of Association.

Every member of the Trust undertakes to contribute to the assets of the Trust in the event of it being wound up, while he/she is a member, or within one year after he/she ceases to be a member, such amounts not exceeding one pound sterling.

27 Contingent liabilities

A legal charge created on 23 March 1987 amounting to £38,000 exists over a parcel of land included within the group's fixed assets.

The Trust participates in the Wildlife Trusts Pension Scheme, a multi-employer pension scheme, as described in Note 11. After the year ended 31 December 2021, the Trustees of the Trust were made aware of a potential issue relating to the defined benefit section of the Scheme. A detailed investigation is currently underway to establish the extent to which this could result in financial liability to Essex Wildlife Trust. As it is not possible to reliably estimate the value of any potential liability, no provision has been made for this in the financial statements.

28 Commitments under operating leases - Group

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

| | 2021 | 2020 |
|------------------------|---------------|---------------|
| | £ | £ |
| Expiring within 1 year | 9,670 | 8,772 |
| 2-5 years | 18,711 | 4,382 |
| | <u>28,381</u> | <u>13,154</u> |

Commitments under operating leases - Charity

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

| | 2021 | 2020 |
|------------------------|---------------|--------------|
| | £ | £ |
| Expiring within 1 year | 7,918 | 7,020 |
| 2-5 years | 16,667 | 585 |
| | <u>24,585</u> | <u>7,605</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

29 Surplus for the financial year

As permitted by Section 408 of the Companies Act 2006, the parent charitable company's Statement of Financial Activities has not been included in these financial statements. The surplus for the financial year is made up as follows: -

| | 2021 £ | 2020 £ |
|--|-------------------------|------------------|
| Parent charitable company's surplus for the financial year | 1,021,932 | 3,486,503 |

30 Comparative information

| | Notes | Unrestricted £ | Restricted income £ | Endowment fund £ | Total 2020 £ |
|--|-----------|-------------------|---------------------------|------------------------|--------------------|
| Incoming and endowments from: | | | | | |
| Donations and legacies | 3 | 5,228,442 | 599,550 | - | 5,827,992 |
| Charitable activities | 4 | 2,190,693 | 21,962 | - | 2,212,655 |
| Other trading activities | 5 | 1,540,634 | - | - | 1,540,634 |
| Investments | 6 | 249,357 | 136,403 | 73,153 | 458,913 |
| Total | | 9,209,126 | 757,915 | 73,153 | 10,040,194 |
| Expenditure on: | | | | | |
| Charitable activities | 7 | 3,848,850 | 672,599 | 68,966 | 4,590,415 |
| Raising Funds | 8 | 2,791,167 | 17,724 | - | 2,808,891 |
| Total | 9 | 6,640,017 | 690,323 | 68,966 | 7,399,306 |
| Net losses on defined benefit pension scheme | 11 | (14,302) | - | - | (14,302) |
| Net gains on investments | 15 | 345,644 | 213,097 | 132,483 | 691,224 |
| Net income and net movement in funds | | 2,900,451 | 280,689 | 136,670 | 3,317,810 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 9,881,331 | 17,108,406 | 2,931,812 | 29,921,549 |
| Total funds carried forward | 25 | 12,781,782 | 17,389,095 | 3,068,482 | 33,239,359 |

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2021 *(continued)*

31 Related party transactions

The charity has taken advantage of the exemptions confirmed by FRS102 not to disclose transactions with its wholly owned subsidiaries. There were no transactions with other related parties during the year.

Essex Wildlife Trust Limited is a Corporate Trustee of the Veolia Pitsea Marshes Maintenance Trust (VPMT). During 2020 Essex Wildlife Trust Limited received £329,420 from VPMT in connection with the rebuilding of the Nature Discovery Centre at Langdon. This was restricted income.