

Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31 March 2021
for
Worcestershire Wildlife Trust

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
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Worcestershire Wildlife Trust

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for the Year Ended 31 March 2021

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Report of the Trustees
for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The Trust's objects are to advance, promote and further the conservation and protection of Nature Reserves which shall be owned, maintained or managed by the Trust; to study and further the conservation, restoration and creation of places of natural beauty, zoological, botanical, ecological, geological, or general scientific interest, and to promote, encourage and carry out study and research for the advancement of knowledge in the natural sciences.

The Trust is one of 47 independent local charities that co-operate across the whole of the UK and are known as The Wildlife Trusts. The Wildlife Trusts have agreed a shared Development Strategy for 2017-2022 which identifies the collective Purpose, Mission and key priorities, which the Trust has adopted as follows:

Our **purpose** is

Leading society in achieving an environment rich in wildlife for everyone

Through our **mission** of

Creating Living Landscapes and Securing Living Seas

A Strategic Plan has been developed for the period 2017 to 2022 based on a development strategy for The Wildlife Trusts as a whole. In Worcestershire, our work will focus on seven key areas designed to deliver our shared mission to bring about living landscapes, living seas and a society where nature matters (see "FUTURE PLANS").

To meet the Trust's long-term objectives, annual management plans are prepared. These are approved by the Trustees together with the annual budgetary review. Shorter-term projects are also developed: the necessary resources are identified, costs budgeted, and timescales assessed. Where relevant, professional advice will be sought. Examples of such projects include major reserve acquisitions, reserve management, membership recruitment campaigns and temporary staff recruitment.

Monitoring and Review

All Trust programmes and projects have defined success criteria, and these are regularly monitored, initially by key operations staff as part of working assessment and then by the Trustees as part of the management reporting process. Any shortfalls in anticipated achievements are investigated and lessons learned for future programmes.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

Since March 2020 the activities of the Trust have been affected by the Covid-19 outbreak, resulting in the closure of all or some of our nature reserves for significant periods, ceasing of all but essential volunteering, the closure of the facilities and office at Lower Smite Farm, and the cancellation of all face-to-face events and activities. Contingency plans have allowed much of the Trust's work to continue since then, but 2020-21 has been significantly affected by the crisis in terms of activity and finances (covered elsewhere in this report).

Nature Reserves

Nature reserves remain a core element of our conservation strategy. During the year, progress was made with 5 additions to our landholding. The largest and most significant is Dropping Well Farm, where we now have a short-term tenancy with an option to purchase within years on 100 acres of arable land near Kidderminster. Our ambition is to re-create a range of heathland habitats over the next 50 years, connecting 3 existing heathland reserves owned by either the Trust or Wyre Forest District Council. This is being made possible through an interim purchase arrangement with The Esmée Fairbairn Foundation (EFF). Fundraising from grant givers and members resulted in our targets being met towards the end of the year thanks to approval of a substantial grant of over £500,000 from the National Lottery Heritage Fund, so that the purchase should be complete early in 2021-22. Two other similar arrangements with EFF have also resulted in the interim purchase of around 60 acres of grassland adjacent to Monkwood reserve, and around 30 acres of outstanding grassland at Romsley. We have been developing fund-raising strategies for both, resulting in two substantial donations totalling £200,000 towards the Green Farm Project. All acquisitions are considered against a rigorous set of criteria which ensure that where land is purchased it will have the greatest long-term impact for Worcestershire's wildlife and for people. Our overall approach can be summarised as "Bigger, Better, More Joined Up". Another site, Rawling Meadow, was gifted to the Trust.

Report of the Trustees
for the Year Ended 31 March 2021

With almost 3000 acres to care for, over 80 sites, our reserves represent a major asset for wildlife, but also a major and growing commitment for the Trust's resources to deliver a plethora of tasks across more than 80 sites - maintenance, conservation, infrastructure and facilities, survey and monitoring, volunteer support etc. This year we welcomed our first intake of four Conservation Trainees and said farewell to John Hodson who had been part of the Reserves team for almost 40 years.

Conservation outside our nature reserves

Working with other landowners across the county is the second core element of our conservation strategy and this year has been the busiest and most productive ever for this work, such that around 40,000 hectares (or 100,000 acres) which represents a third of the county is influenced by our advisory team. Much of this increase is due to externally funded partnership projects; The Severn Trent Water Environment Project, Natural Networks, Wild Pollinator Projects and Water Environment Projects. Our own farm at Lower Smite Farm, and the nature reserves continue to act as demonstration sites for a variety of audiences.

We have continued to grow conservation activities outside of our reserves. This often involves working with farmers and landowners, is used to demonstrate best practice, particularly through special projects we are running to promote wild pollinators (through a combination of sensitive land management techniques and the provision of nesting sites) and soil health (through a long-term programme of building organic content and fertility using natural fertilisers).

We also continue to influence development by engagement in the planning system and through advocacy work. Specialist input into planning policy and local plans remains a vital part of our work, as does selective input into planning casework.

Engagement

To complement our conservation strategy, we run a comprehensive engagement programme. Fundamental to our work is the provision of opportunities for adults and children alike to experience and value wildlife and the environment. During the year much of this work moved from face-to-face activities to those delivered digitally.

The team have been central to a creation of an Equality, Diversity and Inclusion Plan - "Wild About Inclusion" - the aim of which is to remove barriers and be more proactive in developing links with communities who are not currently involved with nature conservation or the Trust, and to work towards ensuring that all of our work is more representative of the diversity of the county. Work on implementing this plan has continued through the year.

Promoting awareness of wildlife through the media, both traditional and digital, is an increasingly important way of engaging with the wider public. Interaction via social media has grown hugely this year and this has been the main platform for our advocacy and campaigning work. On a national level we have continued to campaign to have a meaningful Environment Act and an Agriculture Act to put into law the need for farming to also take care of Nature, and to cease the culling of badgers.

The Trust also approved a Strategy to deliver its policy commitment to be carbon neutral by 2030. This work has been developed by a working group of trustees and staff, who are now developing a detailed action plan, which includes the employment of a new officer to lead this work.

Volunteering remains crucial to every aspect of the Trust's work.

Fundraising activities

Despite the impacts of the pandemic membership numbers fell only very slightly and income increased slightly. Overall giving by members is fundamental to our operations now and in the future, through subscriptions, donations and legacies. We shall continue to focus resources on membership development - recruiting new members, retaining existing members, and providing high quality information and communications. Members are also the single biggest source for volunteers.

New legacy notifications and receipts fell to £158,000 from the previous year's level of £572,000. The cash receipts, some of which carried restrictions on their use, were designated to the Conservation Development Fund for Capital and Special Projects. The Trust continued to promote the importance of legacies and the projects that they have funded.

Normal fundraising activities were severely impacted, resulting in further reductions in income, although a major part of this was offset by the award of government grants awarded via Wychavon District Council and the National Lottery Heritage Fund. Grants were received from fundraising included grants from landfill operators through the Landfill Communities Fund, charitable trusts, and corporate supporters. We continue to enjoy a high success rate in fund-raising bids despite only having a small team working on these.

Receipts covenanted by the trading subsidiary held firm this year despite challenging trading conditions.

ACHIEVEMENTS AND PERFORMANCE
Charitable activities (continued)

Investment performance

The performance of the investment portfolio is measured by reference to several relevant indices, including WMA Balanced, FTSE 100, FTSE All World and the ARC Charity Benchmark. During the year income amounted to £63,839 (2020: £71,665). The total portfolio value at the beginning of the year was £2,497,715 (2020: £2,501,141). Net surpluses at 31st March 2021 were £519,239 (2020: losses of £247,092). The total portfolio value at the year-end was £3,607,367 (2020: £2,497,715).

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to make any investment, which the Trustees see fit, subject to the Trustee Act 2000. The objectives of the Trusts Investment Policy are: to ensure the creation of sufficient income and capital growth, to enable the charity to carry out its purpose consistently year-by-year, with due and proper consideration for future needs, and the maintenance and, if possible, enhancement of the value of the invested funds.

The Investment Committee meet quarterly to receive reports from the Stockbrokers and to review performance. Their reports and any recommendations for changes in policy are presented to Trustees. The current policy is reasonably defensive, with equal capital and income growth objectives. All investments are made on the advice of our Stockbrokers, who attend Investment Committee meetings at least biannually. The appointment of the Trust's Stockbrokers is reviewed annually.

The Trustees follow Charity Commission guidance on investment, including that on ethical investment.

Public benefit

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 main benefits to the general public of the Charity are:

- Caring for over 80 nature reserves (woods, heaths, pools, marshes and meadows of national and international importance),
- Protecting endangered species such as otters, dormice and butterflies,
- Restoring and recreating wildlife habitats on derelict and agricultural land,
- Campaigning to prevent damaging developments,
- Helping local authorities, organisations and individuals to protect and create places for the county's wildlife,
- Inspiring thousands of children through our work with schools and other organisations,
- Working with local communities to encourage appreciation and enjoyment of our natural environment,
- Encouraging and supporting over 400 volunteers involved in all aspects of our work.

The Trustees are of the opinion that the preservation of natural life and the promotion of the study of natural life are intended to benefit the public generally and many of the Nature Reserves managed by the Charity are open to the public to visit free of charge. In assessing the public benefit the Trustees do not believe that any detriment or harm is caused by either the aims or the actions of the Charity.

Volunteers

The Trust relies on dedicated volunteers across the organisation without whom the Trust would not be able to function. We are supported by over 400 volunteers. Some volunteer occasionally, and some every week. Most of our volunteers are involved in practical conservation work on nature reserves. The Trust benefits from volunteer work parties for specific reserves, and teams of roving volunteers who work across the county in reserves where work is required.

Volunteers also run our local groups across the county. They organise walks, talks and events and raise funds for the Trust. The Trust also benefits from office-based volunteers. These include our volunteer receptionists, volunteers who help with school visits, school assemblies and public events, and volunteers who help with bird food sales or assist with our planning work. The Trust also benefits from volunteers who work remotely, including graphic designers and photographers.

FINANCIAL REVIEW

Financial position

Review of the financial position at year end

At the year end total funds amounts to £16,687,198 (2020: £15,678,540), of this balance restricted funds amounted to £7,055,072 (2020: £6,723,504).

At the year end £4,051,456 (2020: £3,432,932) of reserves were held in the designated fund. The purpose of these funds is for use on conservation and development projects as part of the Trust's strategic plan.

Included on the consolidated balance sheet at the yearend are tangible fixed assets of £12,159,470 (2020: £12,138,818) and investments of £3,607,367 (2020: £2,497,715).

Free reserves at the year end, being total reserves less any restricted and designated fund and fixed and investment asset held, amounted to £170,354 deficit (2020: £210,927 deficit).

Financial effect of significant events

The major event was the continued Covid-19 pandemic which affected the whole of the Trust's activities throughout the year.

All activities that required face to face contact were severely affected which had a significant impact on income generation, particularly during the first quarter of the financial year, when virtually all activities were either cancelled or severely disrupted. Early action was taken to enable effective home working for staff wherever possible, and where necessary, staff were redeployed to activities that were possible to complete. No staff were furloughed or laid off, and thanks to the availability of grants linked to the impacts of the Covid-19 pandemic (via Wychavon District Council and the National Lottery Heritage Fund) much of the reduction in income was able to be offset.

The membership recruitment company used by the Trust was also severely affected by the pandemic and was only actively recruiting for very limited periods.

Levels of legacy income in the year were lower than in recent years which we believe is because delays in the probate system have resulted in a backlog.

The other financial impacts of the outbreak are likely to be in future years and are included in the section below.

Factors likely to affect future financial performance or position

The level of risk was reviewed throughout the Covid-19 outbreak, to take account of the impacts on specific areas of income generation which are dependent upon face-to-face contact or use of the Trust's facilities. This includes membership recruitment, events, work with schools, environmental consultancy, and commercial lettings. Contingency arrangements to deal with these impacts have been agreed for the short and medium-term and arrangements are in place to monitor impacts.

As the Trust's base core income level fell during the year, this will have a consequential effect on the same income in future years. Some sources of income may well return to previous normal levels once restrictions are lifted (such as consultancy, events, schools etc) but others are likely to take some time to recover (such as membership). The overall impact is currently estimated at less than £100,000 for 2021-22.

The Trust has a policy of retaining net cash reserves at a minimum level of 6 months operating costs which is of the order of £700,000. Currently the actual net figure is significantly higher. Based on the estimate of the maximum fall in revenue of around £100,000 per annum this will enable activities to be sustained at current levels over several years, and certainly through the main period of the Covid-19 outbreak. This does not take account of any future legacy income which has been in the range of £100,000 to £500,000 per annum over the last five years.

Taking these factors into account the level of risk to the Trust as a going concern is low but rigorous planning and monitoring will still be required.

Principal Funding Sources

Year-to-year, Trust income from membership (the income received monthly or annually from our members), remains our most important source of income that supports the revenue costs of the Trust. This income enables the trust to deliver its core functions. The Trust benefits from Gift Aid, on membership income and other donations, which also plays a vital role in supporting the Trust's activities.

The Trust benefits from gifts left in Wills. These legacies are added to our Conservation Development Fund. This income is not used for day-to-day expenditure, and is ring fenced for special projects as agreed by our Council of Trustees. This includes land acquisition and major capital expenditure such as restoration and maintenance (e.g. replacement fencing) on nature reserves.

The Trust receives Basic Payment Scheme income for its land holdings, and Countryside Stewardship income for specific work we are undertaking on a range of nature reserves. This work supports the significant work required for the ongoing management of our nature reserves

We receive donations, large and small, throughout the year. These include in-memorial donations, donations from our local groups, and other donations. These donations support the revenue costs of the organisation and supports our general work unless specified for a purpose.

Charitable Trusts and Foundations support our work in varying ways. Some provide an annual grant for general use, others provide funding for specific purposes, including land acquisition. The Trust has benefitted significantly from Landfill Communities Fund operators. These organisations have supported land acquisitions and ongoing reserve management. The Trust has received income from the Heritage Lottery Fund which continues to be an important funder. They have funded a land acquisition and associated community engagement project and also a smaller project to record the voices of our volunteers.

We run an important project working with a range of farmers. This Facilitation Fund, provided by Defra, supports this vital work with landowners beyond our nature reserves. We have recently received income from Severn Trent Water to work with landowners in priority catchments to improve water quality.

The Trust also benefits from trading income, particularly through our trading subsidiary, WNCT Enterprises Ltd where the income is generated from ecological consultancy, bird food sales, sales of goods and commercial room hire. The Trust also generates income from school visits (a subsidised charge), talks and events.

Financial Reserves policy

The Trustees regularly review the level of reserves available (both unrestricted and restricted) and have considered the balance between the need to use some reserves to take advantage of key opportunities to advance the work and development of the organisation, and to ensure that a secure financial base is maintained.

Partly due to legacy income the Trust's financial reserves continued to grow during the year. This has enabled the commencement and/or completion of several key capital projects, more of which are planned.

'Free reserves' stood at a deficit of £170,354 (2020: 210,927) at the year end. However, a further £300,434 (2020: £790,599) was held in investments within designated funds. Of this additional sum, the trustees have agreed a policy that a minimum of 6 months expenditure of the charity will be retained to ensure the secure financial base is maintained.

FUTURE PLANS

A Strategic Plan covering the period 2017 to 2022, based on a development strategy for The Wildlife Trusts as a whole. In Worcestershire our work focuses on seven key areas designed to deliver our shared mission to bring about living landscapes, living seas and a society where nature matters:

Ensure a wildlife-rich natural world contributes to the health and wellbeing of our society through: volunteer development, community engagement, events and activities, access to reserves, wildlife gardening & allotments projects, partnership projects.

Put as wildlife-rich natural world at the heart of education and learning for all through: schools and teachers' programmes, apprenticeships, training and courses, partnership projects including colleges and universities, river rangers, wildlife information service.

Make it normal for all housing, commercial and infrastructure development to contribute positively to nature's recovery on land and at sea through: planning authorities, strategic plans and policies, key developments, sector corporate partnerships, Local Wildlife Sites, Green Infrastructure, advocacy and community planning.

FUTURE PLANS (continued)

Make farming and fisheries management positive forces for nature's recovery through: landowner support, reserves halos, Lower Smite Farm, wild pollinators, flies and fish project, grasslands programme, advocacy, and community engagement.

Place wildlife-rich catchments and ecological solutions centre-stage in flood risk and drought management, and in water purification through: our reserves, Love Your River, natural solutions, species projects including migratory fish, awareness campaigns, landowner support, partnerships.

Restore and maintain our soils as the foundation of sustainable food production and long-term carbon storage through: Lower Smite Farm, our reserves, food sector partnerships, landowner support, research, advocacy, Vale of Evesham project.

Shift the basis of the economy so that it fully reflects the true value of a healthy natural environment through: our reserves, Lower Smite Farm, natural capital toolkit, corporate partnerships, advocacy, awareness campaigns,

Accompanying these seven key areas are seven organisational priorities that underpin the Trust's day to day operations:

Developing our people through: training and development in communications, IT and digital media, natural capital and ecosystem services, safeguarding, skills for key volunteers.

Developing knowledge and evidence about: natural capital, health and wellbeing, collaboration and partnerships, specific research and projects, state of Worcestershire's environment.

Optimising the impact of our land and buildings through: management planning flagship reserves, land acquisition strategy, developing access, developing Lower Smite farm centre, interpretation, using others' facilities

Enhancing our communications through: face to face events programme, partnerships, digital media traditional media, targeting sectors, campaigns.

Developing our external relationships through: existing relationships, project partnerships, ambassadors, new sectors, cross border collaboration, local groups development.

Strengthening our decision-making through: internal communications, staff/trustee collaboration, succession planning, empowering individuals, diversity project, regular review against strategic plan.

Maximising income generation through: membership development, legacies, in kind contributions, commercial enterprises, project bank for innovative funding.

During the year The Wildlife Trusts have been developing a Strategy for the period 2022-30 in consultation with all of the individual Wildlife Trust. This Strategy will be approved at the national AGM in November 2021 and Worcestershire Wildlife Trust will use this as the basis for its own Strategic Plan from 2022, on which work has already commenced.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust is constituted as a company limited by guarantee and is therefore governed by a Memorandum and Articles of Association. This was reviewed and updated during the year.

Recruitment and appointment of new trustees

The Trustees are appointed by the members at the annual general meeting. Additional Trustees may be co-opted by the existing board of trustees until the next annual general meeting, taking into account the way in which their skills will supplement and enhance those already available to the board.

Organisational structure

The Trustees meet regularly to administer the Charity and have delegated its day-to-day management to a Director of Operations, who is supported by an administration team of paid staff working with teams of volunteers.

Induction and training of new trustees

All new Trustees receive induction training. Further training for Trustees is considered annually.

Key management remuneration

The Trustees review the pay and remuneration of key management staff annually and normally increase pay levels in accordance with average earnings. In view of the nature of the Charity, the Trustees benchmark against pay levels in other wildlife trusts of a similar size.

Related parties

The Trust is affiliated to The Royal Society of Wildlife Trusts (RSWT), a registered Charity that acts as an umbrella group for county wildlife trusts and provides assistance and co-ordination of activities and campaigning at a UK level.

Included within other debtors is an amount due from South West Wildlife Fundraising Ltd (SWWFL), a company which the Trust has invested in to boost memberships.

Further details of related party transactions are included within note 24.

Risk Management

The Trustees review annually the Charity's principle areas of operations covering Governance and Management, Operations, Financial, Environmental and External Factors, and Compliance (Law and Regulation), and consider the major risks arising in each of these areas.

In addition, regular reviews of all Trust policies have continued during the year to ensure that the Charity maintains good governance. A Business Continuity Plan was prepared in 2019.

Overall, the level of risk to the Charity is considered relatively low. The areas that were identified to be of highest potential consequence included:

IT systems failure: Much of the Charity's work depends upon IT in some form. In 2017 a new IT provider was engaged, and a review of IT systems and needs undertaken, which has resulted in a substantial upgrade to hardware, software and security, all of which should reduce risk in this area. A further upgrade is planned for 2021.

Reduced profitability of trading subsidiary: As retailing and service provision both become more competitive, profit margins are becoming squeezed. Performance and market conditions are regularly reviewed by the subsidiary board. In 2018 the consultancy business was re-structured to reduce core costs, and the firewood operation was also reviewed, and measures taken to help sustain profitability. Business Plans for both the Consultancy and the firewood operation will be reviewed in 2021.

Dependency on income sources: The level of risk was reviewed throughout Covid-19 pandemic, to take account of the impacts on specific areas of income generation which are dependant upon face to face contact or use of the Trust's facilities. This includes membership recruitment, events, work with schools, environmental consultancy and commercial lettings. Contingency arrangements to deal with these impacts have been implemented, to mitigate the financial impacts wherever possible.

Employment issues: The Charity is responsible for a substantial current deficit on an historic final salary pension scheme. Contributions are being made through a ten-year recovery plan designed to reduce the deficit and the trustees have set aside a sum from its reserves to cover the current deficit total. During the year the scheme was subject to an actuarial review which resulted in a reduction in the deficit.

With increasing numbers of staff, the Charity is more exposed to potential disputes and the challenges of recruiting and retaining staff. To mitigate these risks, professional HR advisors are employed to provide support in this area, and the terms and conditions of staff are reviewed on a regular basis. Measures to deal with the impacts of the Covid-19 outbreak have been put in place to minimise risk to staff (mainly through providing facilities to enable home-working).

Volunteers are vital to every aspect of the Charity's work, but the age profile of those volunteers means that there is an urgent need to attract and retain younger volunteers. Since 2017 the Charity has employed a Volunteer Development Officer to tackle this challenge. Throughout the year all but essential volunteering ceased due to the Covid-19 pandemic.

Changes to government policy: The consequences of Brexit on land management policy and land management grants will affect our own land (managed as nature reserves) and our work with private landowners. The Trust has contributed to national advocacy work that seeks to influence future policy and funding and has mobilised public support in government consultations. Whilst the impacts are some years in the future the Charity continues to look at alternative funding models for land management.

Compliance with changing legislation: This particularly applies to the new General Data Protection Regulation. Policies and protocols, to look at future arrangements and needs, to minimise risk in this area are kept under annual review. New policies relating to employees and GDPR were approved. Policies and procedures on Safeguarding have been further reviewed and updated. A voluntary statement on Human Trafficking and Modern Slavery is in place.

Report of the Trustees
for the Year Ended 31 March 2021

Subsidiary Undertaking

The Charity wholly owns W.N.C.T. Enterprises Limited, a company incorporated in England and Wales. W.N.C.T. Enterprises Limited performs wildlife consultancy services, arranges the hiring of rooms at Lower Smite Farm and sells woodland projects and other merchandise. During the year the company made a profit of £20,052 (2020: £43,303), of which £20,052 (2020: £43,688) was given by way of a deed of covenant to the Charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00929644 (England and Wales)

Registered Charity number

256618

Registered office

Lower Smite Farm
Smite Hill
Hindlip
Worcester
WR3 8SZ

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Prof G R Martin	Vice Chairman
Mr R J Gillmor	
Mr G H Green MBE	
Dr P R Holmes	
Mrs P M Morris	
Mr D J Mortiboys	Chairman
Mr M D Needham	
Mr R W D Pannell	
Miss S D Young	
Mr R Cory	Honorary Secretary
Mr PJ Scriven	
Mr J Blakiston	Honorary Treasurer
Mr C J N Greensmith	
Mr A Forecast	Appointed 15 October 2020
Mrs M P Gildea	Appointed 15 October 2020
Mr T C C Meikle	Appointed 15 October 2020
Mrs C J Tipping	Appointed 15 October 2020

The directors of the charitable company (the Charity) are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The Charity is limited by guarantee and does not have any issued share capital. There is therefore no beneficial interest to disclose for the above directors.

Director of Operations

Mr C A Raven

Company Secretary

Mr R A Cory

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Auditors

Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Solicitors

Whatley Weston & Fox
16 The Tything
Worcester
WR1 1HG

Bankers

Lloyds TSB Plc
112 High Street
Bromsgrove
B61 8EZ

Stockbrokers

Canaccord
Saggar House
Princes Drive
Worcester
WR1 2PG

AUDITORS

The auditors, Thorne Widgey Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on and signed on its behalf by:

.....
D J Mortiboys - Trustee

Statement of Trustees Responsibilities
for the Year Ended 31 March 2021

The trustees (who are also the directors of Worcestershire Wildlife Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the group and charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on and signed on its behalf by:

.....
D J Mortiboys - Trustee

Opinion

We have audited the financial statements of Worcestershire Wildlife Trust (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the group and charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of trustees, the finance committee and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading Trustees' meetings and finance committee minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation and the Charities Act legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the group and charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the group and charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in term of Section 1212 of the Companies Act 2016
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:

Consolidated Statement of Financial Activities (including income and expenditure account)
for the Year Ended 31 March 2021

		Unrestricted fund £	Designated fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Notes						
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	940,774	227,864	670,327	1,838,965	1,877,745
Charitable activities	5					
Education		623	-	-	623	23,312
Land Management Grant		263,008	-	51,261	314,269	286,312
Other trading activities	3	336,087	-	-	336,087	347,682
Investment income	4	63,839	-	-	63,839	71,665
Other income	6	29,931	-	12,030	41,961	45,303
Total		1,634,262	227,864	733,618	2,595,744	2,652,019
EXPENDITURE ON						
Raising funds	7	680,254	26,287	31,952	738,493	732,214
Charitable activities	8					
Education & Communication		127,005	61,781	32,058	220,844	124,631
Wider Countryside		151,407	-	231,622	383,029	166,853
Reserves		603,024	69,749	102,426	775,199	888,354
Total		1,561,690	157,817	398,058	2,117,565	1,912,052
NET INCOME/(EXPENDITURE) before gains/(losses)		72,572	70,047	335,560	478,179	739,967
Net gains/(losses) on investments		-	519,239	-	519,239	(247,092)
NET INCOME/(EXPENDITURE)		72,572	589,286	335,560	997,418	492,875
Transfers between funds	22	(25,246)	29,238	(3,992)	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		11,240	-	-	11,240	(5,661)
Net Movement in Fund		58,566	618,524	331,568	1,008,658	487,214
RECONCILIATION OF FUNDS						
Total funds brought forward						
As previously reported		5,522,104	3,432,932	6,723,504	15,678,540	14,959,833
Prior year adjustment	12					231,493
		5,522,104	3,432,932	6,723,504	15,678,540	15,191,326
TOTAL FUNDS CARRIED FORWARD		5,580,670	4,051,456	7,055,072	16,687,198	15,678,540

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Worcestershire Wildlife Trust

Consolidated Balance Sheet
At 31 March 2021

		Group		Charity	
	Notes	31.3.21 £	31.3.20 £	31.3.21 £	31.3.20 £
FIXED ASSETS					
Tangible assets	15	12,159,470	12,138,818	12,158,250	12,137,189
Investments	16	3,607,367	2,497,715	3,617,367	2,507,715
		<u>15,766,837</u>	<u>14,636,533</u>	<u>15,775,617</u>	<u>14,644,904</u>
CURRENT ASSETS					
Stocks	17	55,057	72,817	-	-
Debtors	18	172,995	463,353	250,984	598,981
Cash at bank and in hand		867,756	733,493	820,969	650,100
		<u>1,095,808</u>	<u>1,269,663</u>	<u>1,071,953</u>	<u>1,249,081</u>
CREDITORS					
Amounts falling due within one year	19	(92,587)	(98,861)	(80,265)	(89,403)
NET CURRENT ASSETS		<u>1,003,221</u>	<u>1,170,802</u>	<u>991,688</u>	<u>1,159,678</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		16,770,058	15,807,335	16,767,305	15,804,582
PENSION LIABILITY	23	(82,860)	(128,795)	(82,860)	(128,795)
NET ASSETS		<u>16,687,198</u>	<u>15,678,540</u>	<u>16,684,445</u>	<u>15,675,787</u>
FUNDS	22				
Unrestricted funds		9,632,125	8,955,036	9,636,177	8,958,087
Restricted funds		7,055,073	6,723,504	7,048,268	6,717,700
TOTAL FUNDS		<u>16,687,198</u>	<u>15,678,540</u>	<u>16,684,445</u>	<u>15,675,787</u>

The notes form part of these financial statements

Worcestershire Wildlife Trust

Balance Sheet - continued

At 31 March 2021

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
D J Mortiboys -Trustee

.....
R Cory -Trustee

The notes form part of these financial statements

Worcestershire Wildlife Trust

Consolidated Cash Flow Statement
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>656,874</u>	<u>580,161</u>
Net cash provided by (used in) operating activities		<u>656,874</u>	<u>580,161</u>
Cash flows from investing activities:			
Investment income		63,839	71,665
Purchase of tangible fixed assets		(54,873)	(88,925)
Purchase of fixed asset investments		(1,148,579)	(737,355)
Sale of tangible fixed assets		1	1
Sale of fixed asset investments		<u>617,001</u>	<u>514,542</u>
Net cash provided by (used in) investing activities		<u>(522,611)</u>	<u>(240,072)</u>
Change in cash and cash equivalents in the reporting period		<u>134,263</u>	<u>340,089</u>
Cash and cash equivalents at the beginning of the reporting period		<u>733,493</u>	<u>393,404</u>
Cash and cash equivalents at the end of the reporting period		<u><u>867,756</u></u>	<u><u>733,493</u></u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21	31.3.20
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,008,658	487,214
Adjustments for:		
Depreciation charges	34,220	30,420
Losses/(gain) on investments	(519,239)	247,092
Investment income	(63,839)	(71,665)
Movements in settlements pending	(58,835)	(20,853)
(Increase) / decrease in stocks	17,760	19,163
(Increase) / decrease in debtors	290,358	(67,315)
(Decrease)/increase in creditors	<u>(52,209)</u>	<u>(43,895)</u>
Net cash provided by (used in) operating activities	<u>656,874</u>	<u>580,161</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Group Financial Statements

The results of Worcestershire Wildlife Trust and its wholly owned subsidiary W.N.C.T. Enterprises Limited have been consolidated and group accounts have been presented. All transactions between the Charity and its subsidiary have been eliminated on consolidation. A separate statement of financial activities and income and expenditure account for the Charity itself are not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Income

Voluntary income is received by way of donations and gifts, legacies, subscriptions and covenants and fund-raising activities. The income is all credited to the income and expenditure account on a receipt's basis. Tax refunds on covenant income are however accrued.

Revenue grants are credited to the income and expenditure account on a receipts basis unless they are in respect of a specific contract, when they are credited in the period in which the expenditure is incurred.

Investment income

All investment income is credited according to the date of receipt into the investment cash account.

Donated services and facilities

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

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All expenditure other than that which has been capitalised is included in the income and expenditure account. Account is also taken of goods and services received at the period-end but not invoiced until after this date.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

Governance costs

Governance costs include the general overheads of the Charity and a proportion of staff costs.

1. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs

Costs are allocated to a particular activity where the cost relates to that activity. Salaries and central overhead costs not directly attributable to specific activities are apportioned to activities on the basis of estimated time spent on each activity.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Provision is made for depreciation in order to write off the cost of fixed assets over their expected useful lives. The following rates have been used:

Nature Reserves & Freehold Properties	Nil
Leasehold Properties	Straight line over the life of the lease
Vehicles	25% Reducing balance and 25% straight line
Office Equipment and Fittings	25% Reducing balance
Computer Equipment	25% Straight line
Solar Panels	10% Straight line

All items of equipment are capitalised where the purchase price exceeds £500 and their useful economical life exceeds one year.

FRS102 requires that provision be made for depreciation of fixed assets having a finite useful life. However, the Trustees are of the opinion that the residual value at the end of the estimated useful life of the nature reserves and freehold properties are not likely to materially differ from its cost. This is because it is the Charity's policy to maintain the nature reserves and freehold properties in such a condition that their value is not diminished by the passage of time; the relevant expenditure is charged against income in the financial period in which it is incurred. Therefore, any element of depreciation is considered to be immaterial and no provision is made.

Capital Expenditure

Capital expenditure, where specific grants are obtained, is capitalised at full cost. Any grants received towards the purchase of such assets are added to the designated or restricted fund as appropriate.

Investments

Investments are valued at mid-market price at the balance sheet date. Realised investment gains/losses represent the differences on sale of investments between the proceeds on sale and the opening market value and/or cost of additions in the period. Unrealised investment gains/losses represent the differences between the closing market value and the opening market value and/or cost of additions in the period.

Stocks

Agricultural produce is measured, at the point of harvest, at fair value less estimated point-of sale costs. Other stock is stated at the lower of cost and net realisable value.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Taxation

No Corporation Tax is charged in the accounts of Worcestershire Wildlife Trust due to the charitable status of the Company. In addition, there is a deed of covenant in place, which enables W.N.C.T. Enterprises Limited to covenant its taxable profits to the Charity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The Charity operates a defined benefit pension scheme, which is part of a multi-employer scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses. Further details are included in the notes to the financial statements.

No new employees are eligible to join the defined benefit scheme.

Going concern and Covid-19

Refer to the reports of the trustee for information regarding the charity's response to Covid-19 and its affect on the charity.

This highlights the trustees belief that the charity will be a going concern for the foreseeable future.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. DONATIONS AND LEGACIES

	31.3.21 £	31.3.20 £
Restricted Fund		
Other Donations Received	549,209	293,323
Grants	121,118	163,901
Designated		
Legacies Received	158,035	572,237
Other Donations Received	-	-
Grants	69,829	-
Unrestricted Fund		
Membership giving	628,872	634,755
Gift aid	168,671	139,183
Other Donations Received	57,671	55,625
Grants	85,560	18,721
	<u>1,838,965</u>	<u>1,877,745</u>

Grants received, included in the above, are as follows:

	31.03.21 £	31.03.20 £
Restricted Fund		
Vale Landscape	-	135,000
Heritage Lottery Fund	111,118	28,901
RSWT	10,000	-
	<u>121,118</u>	<u>163,901</u>
Designated		
Vale Landscape	-	12,000
Heritage Lottery Fund	69,829	-
	<u>69,829</u>	<u>12,000</u>
Unrestricted Fund		
The Norman & Evelyn Proffitt Trust	11,346	9,421
TK Maxx & HS Grant	-	800
Margaret Westwood Memorial Charity	-	1,000
Severn Rivers Trust	-	7,500
Heritage Lottery Fund	64,214	-
Wychavon DC	10,000	-
Other < £1,000	-	-
	<u>85,560</u>	<u>18,721</u>
Total grant income	<u>276,507</u>	<u>182,622</u>

3. OTHER TRADING ACTIVITIES

	31.3.21 £	31.3.20 £
W.N.C.T. Enterprises Ltd	301,409	301,199
Rental Income	10,482	10,482
Sundry Income	<u>24,196</u>	<u>36,001</u>
	<u>336,087</u>	<u>347,682</u>

£Nil (2020: £4,646) of sundry income in 2021 relates to restricted funds and the remaining balance of other trading activities £336,087 (2020: £343,036) is unrestricted.

4. INVESTMENT INCOME

	31.3.21 £	31.3.20 £
Income from Stock Exchange Investments - UK	63,839	71,474
Bank Interest	-	191
	<u>63,839</u>	<u>71,665</u>

All of the figures included in the current period and comparatives relate to unrestricted funds.

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.21 £	31.3.20 £
Education	Education	623	23,312
Land Management Grants	Land Management Grant	<u>314,269</u>	<u>286,312</u>
		<u>314,892</u>	<u>309,624</u>

£51,261 (2020: £19,836) of land management grants in 2021 related to restricted funds and the remaining balance of income from charitable activities £263,008 (2020: £289,788) is unrestricted.

6. OTHER INCOME

	31.3.21 £	31.3.20 £
Gain on sale of tangible fixed assets	-	-
Wider Countryside Team Income	40,961	44,161
Rent Received	1,000	1,000
Sundry Sales & Other Income	-	142
	<u>41,961</u>	<u>45,303</u>

All of the figures included in the current period and comparatives relate to unrestricted funds.

£12,030 (2020: £Nil) of Wider Countryside income in 2021 related to restricted funds and the remaining balance of other income £29,931 (2020: £45,303) is unrestricted.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

7. RAISING FUNDS

Raising donations and legacies

	31.3.21	31.3.20
	£	£
Staff costs	154,605	146,120
Repairs and maintenance	44,078	20,795
Membership publications	61,033	61,324
Recruitment	86,915	128,954
Membership costs	12,504	7,177
Fundraising and marketing	29,139	15,656
Staff training	-	233
General office costs	45,235	46,346
Depreciation	<u>33,655</u>	<u>29,664</u>
	<u>467,164</u>	<u>456,269</u>

Investment management costs

	31.3.21	31.3.20
	£	£
Portfolio management	<u>11,512</u>	<u>9,702</u>
W.N.C.T. Enterprises Ltd	<u>259,817</u>	<u>266,243</u>
Aggregate amounts	<u>738,493</u>	<u>732,214</u>

£964 (2020: £964) of depreciation in 2021 relates to designated funds, £Nil (2020: £4,013) of depreciation in 2021 relates to restricted funds and £11,512 (2020: £9,702) of portfolio management relate to designated funds. The remaining balance for raising funds of £726,017 (2020: £717,535) is unrestricted.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

8. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 9)	Totals
	£	£	£
Education & Communication	220,844		220,844
Wider Countryside	383,029		383,029
Reserves	<u>663,692</u>	<u>111,507</u>	<u>775,199</u>
	<u>1,267,565</u>	<u>111,507</u>	<u>1,379,072</u>

The expenditure included in reserves above is spent from multiple funds, £69,749 (2020: £87,197) from designated funds and £102,426 (2020: £277,269) from restricted funds. The expenditure included in education & communication above is spent from multiple funds, £61,781 (2020: £Nil) from designated funds and £32,058 (2020: £Nil) from restricted funds. The expenditure included in wider countryside above is spent from multiple funds £231,622 (2020: £Nil) from restricted funds. The remaining reserves and charitable activities costs are spent from unrestricted funds.

ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £	Depn £	Auditors remuneration £	Other costs £	31.3.21 £
Raising funds	154,605	33,655		278,904	467,164
Investment management costs				11,512	11,512
W.N.C.T Enterprises Ltd	137,114	407	1,500	120,796	259,817
Charitable activities	<u>764,080</u>	<u>158</u>	<u>6,575</u>	<u>608,259</u>	<u>1,379,072</u>
	<u>1,055,799</u>	<u>34,220</u>	<u>8,075</u>	<u>1,019,471</u>	<u>2,117,565</u>

9. SUPPORT COSTS

	Raising Funds £	Charitable Activities £	Governance Costs £	31.3.21 £	31.3.20 £
Administration staff wages	16,924	36,669	2,821	56,414	62,682
Staff training	-	-	-	-	775
General office expenses	<u>34,541</u>	<u>74,838</u>	<u>5,757</u>	<u>115,136</u>	<u>106,295</u>
	<u>51,465</u>	<u>111,507</u>	<u>8,578</u>	<u>171,550</u>	<u>169,752</u>

Support costs are allocated on a percentage basis between the activities of the charity. This methodology is reviewed annually to ensure its continued appropriateness.

10. NET INCOME/(EXPENDITURE)

Net consolidated income/(expenditure) is stated after charging/(crediting):

	31.3.21 £	31.3.20 £
Auditors' remuneration	8,075	7,275
Depreciation - owned assets	34,220	29,877
Operating leases	<u>8,158</u>	<u>9,261</u>

Excluding the activities of the subsidiary, W.N.C.T. Enterprises Limited, The Charity has an individual surplus in funds for the year before gains/losses on investments of £478,179 (2020: £740,352).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

Expenses of £1,495 (2020: £282) were paid to 5 (2020: 2 Trustees). These expenses are in relation to mileage and reimbursements.

12. STAFF COSTS

	31.3.21 £	31.3.20 £
Wages and salaries	744,800	766,483
Social security costs	63,958	57,408
Other pension costs	<u>109,927</u>	<u>105,177</u>
	<u>918,685</u>	<u>929,068</u>

The above stated pension costs include pension deficit payments of £41,664 (2020: £45,924).

Included within Other Pension costs in 2019 was a pension adjustment of £294,072 (as a result of a decrease in the pension provision. Therefore, excluding this adjustment, the staff costs for the year end 31 March 2019 would be £846,452). This required a prior year adjustment in the 2020 accounts.

GROUP

	31.3.21 £	31.3.20 £
Wages and salaries	857,234	880,702
Social security costs	73,374	66,383
Other pension costs	<u>125,191</u>	<u>124,173</u>
	<u>1,055,799</u>	<u>1,071,258</u>

The above stated pension costs include pension deficit payments of £50,630 (2020: £55,121).

the average number of persons employed during the year was:

Group		Charity	
2021 No.	2020 No.	2021 No.	2020 No.
<u>38</u>	<u>40</u>	<u>33</u>	<u>35</u>

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

	31.03.21	31.03.20
£60,001 - £70,000	1	-

The key management personnel of the group charity and subsidiary company received employee benefits of £82,989 (2020: £81,699). Key management consist of the Director of Operations.

13. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted fund £	Designated fund £	Restricted funds £	31.3.20 Total funds £	31.3.19 Total funds as restated £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	848,284	572,237	457,224	1,877,745	1,571,307
Charitable activities	5					
Education		23,312	-	-	23,312	22,188
Land Management Grant		266,476	-	19,836	286,312	261,376
Other trading activities	3	343,036	-	4,646	347,682	361,653
Investment income	4	71,665	-	-	71,665	57,796
Other income	6	45,303	-	-	45,303	27,340
Total		1,598,076	572,237	481,706	2,652,019	2,301,660
EXPENDITURE ON						
Raising funds	7	717,535	10,666	4,013	732,214	719,996
Charitable activities	8					
Education & Communication		124,631	-	-	124,631	118,781
Wider Countryside		166,853	-	-	166,853	168,268
Reserves		523,888	87,197	277,269	888,354	1,051,585
Pension adjustment		-	-	-	-	(294,072)
Total		1,532,907	97,863	281,282	1,912,052	1,764,558
Net gains/(losses) on investments		-	(247,092)	-	(247,092)	(73,506)
NET INCOME/(EXPENDITURE)		65,169	227,282	200,424	492,875	610,608
Transfers between funds	22	18,598	(17,200)	(1,398)	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		(5,661)	-	-	(5,661)	-
Net Movement in Fund		78,106	210,082	199,026	487,214	610,608
RECONCILIATION OF FUNDS						
Total funds brought forward						
As previously reported		5,212,505	3,222,850	6,524,478	14,959,833	14,580,718
Prior year adjustment	26	231,493	-	-	231,493	-
		5,443,998	3,222,850	6,524,478	15,191,326	14,580,718
TOTAL FUNDS CARRIED FORWARD		5,522,104	3,432,932	6,723,504	15,678,540	15,191,326

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

14. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The Charity has a wholly owned trading subsidiary, which is incorporated in the United Kingdom. The principal activity of W.N.C.T. Enterprises Limited is that of environmental consultancy work. The Company covenants its taxable profits to Worcestershire Wildlife Trust. A summary of trading results is shown below. Audited accounts are filed with the Registrar of Companies. This summary includes transactions with Worcestershire Wildlife Trust which have been eliminated on consolidation.

		31.3.21		31.3.20
	£	£	£	£
Turnover				
Sales and services - External	301,409		299,529	
Sales and services - Internal	<u>3,660</u>		<u>10,017</u>	
		305,069		309,546
Cost of Sales				
Cost of goods sold - External	98,376		100,554	
Cost of good sold - Internal	<u>25,200</u>		<u>-</u>	
		(123,576)		(100,554)
Gross Profit		181,493		208,992
Administrative expenses				
General administrative expenses	161,034		165,146	
Depreciation	<u>407</u>		<u>543</u>	
		(161,441)		(165,689)
Net profit for the year		20,052		43,303
Retained profit in Subsidiary b/fwd				3,138
Covenanted to Worcestershire Wildlife Trust		<u>(20,052)</u>		<u>(43,688)</u>
Retained profit in Subsidiary c/fwd		<u>2,753</u>		<u>2,753</u>
Net assets held in Subsidiary		<u>12,753</u>		<u>12,753</u>

Included in Sales and Services to Worcestershire Wildlife Trust of £3,660 (2020: £8,348) and purchases of £25,200 (2020: £Nil) which have been eliminated on consolidation.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

15. TANGIBLE FIXED ASSETS

CHARITY

	Nature reserves & freehold property £	Leasehold property £	Solar panels £
COST			
At 1 April 2020	12,021,080	45,000	9,637
Additions	34,050	-	-
Disposals	-	-	-
At 31 March 2021	<u>12,055,130</u>	<u>45,000</u>	<u>9,637</u>
DEPRECIATION			
At 1 April 2020	-	2,976	4,819
Charge for year	-	496	963
At 31 March 2021	-	<u>3,472</u>	<u>5,782</u>
NET BOOK VALUE			
At 31 March 2021	<u>12,055,130</u>	<u>41,528</u>	<u>3,855</u>
At 31 March 2020	<u>12,021,080</u>	<u>42,024</u>	<u>4,818</u>

	Office equipment and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2020	198,077	72,683	143,769	12,490,246
Additions	15,665	-	5,158	54,873
Disposals	-	-	-	-
At 31 March 2021	<u>213,742</u>	<u>72,683</u>	<u>148,927</u>	<u>12,545,119</u>
DEPRECIATION				
At 1 April 2020	184,594	60,269	100,399	353,057
Charge for year	7,290	4,138	20,925	33,812
At 31 March 2021	<u>191,884</u>	<u>64,407</u>	<u>121,324</u>	<u>386,869</u>
NET BOOK VALUE				
At 31 March 2021	<u>21,858</u>	<u>8,276</u>	<u>27,603</u>	<u>12,158,250</u>
At 31 March 2020	<u>13,483</u>	<u>12,414</u>	<u>43,370</u>	<u>12,137,189</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

15. TANGIBLE FIXED ASSETS - continued

GROUP

	Nature reserves & freehold property £	Leasehold property £	Solar panels £
COST			
At 1 April 2020	12,021,080	45,000	9,637
Additions	34,050	-	-
Disposals	-	-	-
At 31 March 2021	<u>12,055,130</u>	<u>45,000</u>	<u>9,637</u>
DEPRECIATION			
At 1 April 2020	-	2,976	4,819
Charge for year	-	496	-
Eliminated on disposal	-	-	-
At 31 March 2021	<u>-</u>	<u>3,472</u>	<u>5,782</u>
NET BOOK VALUE			
At 31 March 2021	<u>12,055,130</u>	<u>41,528</u>	<u>3,855</u>
At 31 March 2020	<u>12,021,080</u>	<u>42,024</u>	<u>4,818</u>

	Office equipment & fittings £	Motor vehicles £	Computer equipment £	Total £
COST				
At 1 April 2020	206,198	87,198	150,029	12,519,142
Additions	15,665	-	5,158	54,873
Disposals	-	-	(6,259)	(6,259)
At 31 March 2021	<u>221,863</u>	<u>87,198</u>	<u>148,928</u>	<u>12,567,756</u>
DEPRECIATION				
At 1 April 2020	191,086	74,784	106,659	380,324
Charge for year	7,698	4,138	20,925	34,220
Eliminated on disposal	-	-	(6,258)	(6,258)
At 31 March 2021	<u>198,784</u>	<u>78,922</u>	<u>121,326</u>	<u>408,286</u>
NET BOOK VALUE				
At 31 March 2021	<u>23,079</u>	<u>8,276</u>	<u>27,602</u>	<u>12,159,470</u>
At 31 March 2020	<u>15,112</u>	<u>12,414</u>	<u>43,370</u>	<u>12,138,818</u>

At the year end, an informal desktop valuation was performed in house on the nature reserves to review the value for impairment, the value calculated was £12.9m therefore the trustees believe there is no impairment.

Included within the net book value of office equipment & fitting and computer equipment above is £1,221 (2020: £1,629) which relates to the assets of W.N.C.T. Enterprises Limited.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

16. FIXED ASSET INVESTMENTS

GROUP

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 April 2020	2,452,443	45,272	2,497,715
Additions	1,148,579		1,148,579
Disposals	(617,001)		(617,001)
Revaluations	519,239		519,239
Movement on cash		58,835	58,835
	<u>3,503,260</u>	<u>104,107</u>	<u>3,607,367</u>
At 31 March 2021	<u>3,503,260</u>	<u>104,107</u>	<u>3,607,367</u>
NET BOOK VALUE			
At 31 March 2021	<u>3,503,260</u>	<u>104,107</u>	<u>3,607,367</u>
At 31 March 2020	<u>2,452,443</u>	<u>45,272</u>	<u>2,497,715</u>

The Market Value of listed investments can be analysed as follows:

	31.3.21 £	31.3.20 £
UK Government Stocks	40,706	-
UK Equity Shares	877,880	763,304
UK Corporate Bonds & Unit Trusts	363,732	320,702
Foreign bonds & securities	386,874	282,936
Foreign equity	1,461,674	834,779
Alternative investments	372,394	250,722
	<u>3,503,260</u>	<u>2,452,443</u>

Fixed asset investments are held primarily to provide an investment return and are assigned to the Conservation Development Designated Fund.

The investment figure in the Charity Balance Sheet also includes £10,000 (2020: £10,000) which is the nominal value of the shares held in its wholly owned subsidiary W.N.C.T. Enterprises Limited (Co No 01991532). This is eliminated on consolidation and, hence, is not included in the Group Balance Sheet. There are no fixed asset investments held within W.N.C.T. Enterprises Ltd balance sheet.

The charitable company's investments at the balance sheet date in the share capital of companies include the following:

W.N.C.T. Enterprises Ltd
Nature of business: Environmental consultancy

Class of share:	% holding	31.3.21 £	31.3.20 £
Ordinary	100		
Aggregate capital and reserves		12,753	12,753
Profit/(Loss) for the year		<u>-</u>	<u>(385)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

17. STOCK

GROUP

	31.3.201	31.3.20
	£	£
Stock	<u>55,057</u>	<u>72,817</u>
	<u>55,057</u>	<u>72,817</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

CHARITY

	31.3.21	31.3.20
	£	£
Trade debtors	37,615	36,839
W.N.C.T. Enterprises Limited	99,252	211,336
Other debtors	-	-
VAT	20,266	22,928
Accrued income	85,130	318,536
Prepayments	<u>8,721</u>	<u>9,342</u>
	<u>250,984</u>	<u>598,981</u>

GROUP

	31.3.21	31.3.20
	£	£
Trade debtors	62,901	120,343
VAT	16,243	15,132
Accrued income	85,130	318,536
Prepayments	<u>8,721</u>	<u>9,342</u>
	<u>172,995</u>	<u>463,353</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

CHARITY

	31.3.21	31.3.20
	£	£
Trade creditors	46,265	56,743
Social security and other taxes	18,801	19,117
Deferred income	524	1,774
Accrued expenses	10,749	11,769
Other creditors	<u>3,926</u>	<u>-</u>
	<u>80,265</u>	<u>89,403</u>

GROUP

	31.3.21	31.3.20
	£	£
Trade creditors	48,545	57,018
Social security and other taxes	18,801	19,117
Deferred income	6,091	8,557
Accrued expenses	15,224	14,169
Other creditors	<u>3,926</u>	<u>-</u>
	<u>92,587</u>	<u>98,861</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Deferred income for the year ended 31 March 2021	Charity 31.3.21 £	Group 31.3.21 £
Deferred income at 1 April 2020	1,774	8,557
Resources deferred in the year	524	6,091
Amounts released from previous year	<u>(1,774)</u>	<u>(8,557)</u>
	<u>524</u>	<u>6,091</u>

Deferred income relates to the following:

Charity	31.3.21 £	31.3.20 £
School trips received in advanced	-	1,250
Rental income	<u>524</u>	<u>524</u>
	<u>524</u>	<u>1,774</u>
Group		
WNCT - Deposits received	<u>5,567</u>	<u>6,783</u>
	<u>6,091</u>	<u>8,557</u>

20. OPERATING LEASE COMMITMENTS

The total operating lease payments committed to be paid are as follows:

	Other operating leases 31.3.21 £	31.3.20 £
Expiring:		
Within one year	4,847	8,158
Between one and five years	<u>6,059</u>	<u>10,906</u>
	<u>10,906</u>	<u>19,064</u>

21. ANALYSIS OF CONSOLIDATED NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Designated fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
Fixed assets	5,833,884	143,655	6,181,931	12,159,470	12,138,818
Investments	-	3,607,367	-	3,607,367	2,497,715
Current assets	(81,693)	300,434	877,067	1,095,808	1,269,663
Current liabilities	(88,661)	-	(3,926)	(92,587)	(98,861)
Pension liability	(82,860)	-	-	(82,860)	(128,795)
	<u>5,580,670</u>	<u>4,051,456</u>	<u>7,055,072</u>	<u>16,687,198</u>	<u>15,678,540</u>

Included within unrestricted funds is net assets of £2,753 (2020: £2,753) which relates to W.N.C.T. Enterprises Ltd.

22. MOVEMENT IN FUNDS (consolidated)

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	5,522,104	83,812	(25,246)	5,580,670
Designated fund	<u>3,432,932</u>	<u>589,286</u>	<u>29,238</u>	<u>4,051,456</u>
	8,955,036	673,098	3,992	9,632,126
Restricted funds				
Restricted funds	<u>6,723,504</u>	<u>335,560</u>	<u>(3,992)</u>	<u>7,055,072</u>
TOTAL FUNDS	<u>15,678,540</u>	<u>1,008,658</u>	<u>-</u>	<u>16,687,198</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,634,262	(1,561,690)	11,240	83,812
Designated fund	<u>227,864</u>	<u>(157,817)</u>	<u>519,239</u>	<u>589,286</u>
	1,862,126	(1,719,507)	530,479	673,098
Restricted funds				
Restricted funds	<u>733,618</u>	<u>(398,058)</u>	<u>-</u>	<u>335,560</u>
TOTAL FUNDS	<u>2,595,744</u>	<u>(2,117,565)</u>	<u>530,479</u>	<u>1,008,658</u>

22. MOVEMENT IN FUNDS - continued

Comparative for movement in funds

	At 1.4.19 As restated £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	5,443,998	59,508	18,598	5,522,104
Designated fund	<u>3,222,850</u>	<u>227,282</u>	<u>(17,200)</u>	<u>3,432,932</u>
	8,666,848	286,790	1,398	8,955,036
Restricted funds				
Restricted funds	<u>6,524,478</u>	<u>200,424</u>	<u>(1,398)</u>	<u>6,723,504</u>
TOTAL FUNDS	<u>15,191,326</u>	<u>487,214</u>	<u>-</u>	<u>15,678,540</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,598,076	(1,532,907)	(5,661)	59,508
Designated fund	<u>572,237</u>	<u>(97,863)</u>	<u>(247,092)</u>	<u>227,282</u>
	2,170,313	(1,630,770)	(252,753)	286,790
Restricted funds				
Restricted funds	<u>481,706</u>	<u>(281,282)</u>	<u>-</u>	<u>200,424</u>
TOTAL FUNDS	<u>2,652,019</u>	<u>(1,912,052)</u>	<u>(252,753)</u>	<u>487,214</u>

A current year 12 months and prior year 12 months combined position is as follows

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	5,443,998	143,320	(6,648)	5,580,670
Designated fund	<u>3,222,850</u>	<u>816,568</u>	<u>12,038</u>	<u>4,051,456</u>
	8,666,848	959,888	5,390	9,632,126
Restricted funds				
Restricted funds	<u>6,524,478</u>	<u>535,984</u>	<u>(5,390)</u>	<u>7,055,072</u>
TOTAL FUNDS	<u>15,191,326</u>	<u>1,495,872</u>	<u>-</u>	<u>16,687,198</u>

22. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,232,338	(3,094,597)	5,579	143,320
Designated fund	<u>800,101</u>	<u>(255,680)</u>	<u>272,147</u>	<u>816,568</u>
	4,032,439	(3,350,277)	277,726	959,888
Restricted funds				
Restricted funds	<u>1,215,324</u>	<u>(679,340)</u>	-	<u>535,984</u>
TOTAL FUNDS	<u><u>5,247,763</u></u>	<u><u>(4,029,617)</u></u>	<u><u>277,726</u></u>	<u><u>1,495,872</u></u>

Unrestricted Funds

Unrestricted funds consist of the reserves of the subsidiary and general fund of the charity.

	31.3.21 £	31.3.20 £
General fund of Charity	5,586,871	5,526,643
Reserves of Subsidiary company	<u>2,753</u>	<u>2,753</u>
		5,529,396
Unrestricted funds eliminated on consolidation	<u>(8,954)</u>	<u>(7,292)</u>
	5,580,670	5,522,104

Designated Fund

The funds of the Charity includes the designated fund, which have been set aside out of unrestricted funds by the Trustees for specific purposes. The designated fund has been set aside for the purpose of conservation and development projects.

Transfers

The trustees have reviewed the reserves above and made appropriate transfers to reflect the true position.

22. MOVEMENT IN FUNDS - continued

Restricted Funds

The funds of the Charity are restricted funds comprising the following:-

	Balance at 1.4.20	Incoming Resources	Resources Expended	Transfers Between Funds	Balance at 31.3.21
	£	£	£	£	£
Fixed Assets:					
a Gwen Finch	214,860	-	-	-	214,860
b Hunthouse Wood	252,210	-	-	-	252,210
c Penorchard	230,248	-	-	-	230,248
d Hill Court Farm	1,637,855	-	-	-	1,637,855
e Lower Smite Farm	1,660,492	-	(158)	-	1,660,334
Sands Lane Meadows	110,245	-	-	-	110,245
Baynhall Meadow - Land Purchase	21,120	-	-	-	21,120
Boynes Meadows	157,689	-	-	-	157,689
Hollybed Farm (Purchase)	394,661	-	-	-	394,661
Blackhouse Wood (Purchase)	436,779	-	-	-	436,779
Grafton Wood	237,063	-	-	-	237,063
h Martley Hillside Wood	37,800	-	-	-	37,800
Merries Farm	17,553	-	-	-	17,553
Helen Mackaness Reserve	23,408	-	-	-	23,408
Hardwick Green	367,998	-	-	-	367,998
Nash's Meadows	234,880	-	-	-	234,880
Woodland at Tor Coppice	60,000	-	-	-	60,000
Rosebank Coppice	3,500	-	-	-	3,500
Mob Squinton Wood	30,000	-	-	-	30,000
Rawlings Meadow		28,200			28,200
	<u>6,128,361</u>	<u>28,200</u>	<u>(158)</u>	<u>-</u>	<u>6,156,403</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

22. MOVEMENT IN FUNDS - continued

	Balance at 1.4.20	Incoming Resources	Resources Expended	Transfers Between Funds	Balance at 31.3.21
	£	£	£	£	£
f Special Projects Fund:					
Land at Eldersfield/ Hardwick Green	(37,609)	21,636	(611)	16,584	-
Emp of Officers funded by STW	1,330	93,500	(93,400)	-	1,430
David Glaze Legacy - for new reserves	403,644			-	403,644
Future Forest Generation	9,831			(9,831)	-
Emp of Officers funded by ESIF	(549)	54,783	(55,252)	-	1,018
UW Infrastructure, Flashes & Hen Brook improvements	(9,511)		(30,000)		(39,511)
Appeal - Dropping Wells Farm	199,318	147,856	(4,249)		342,925
Land at Dropping Wells Farm	(16,649)				(16,649)
Dropping Well Farm Development Stage	11,428	18,425	(24,583)	(5,270)	-
Mettis Aerospace Ltd donation	5,000	-	-	-	5,000
RSWT - Wilder Future Project BR	681	-	-	(681)	-
Enhancing Public Goods in the FoF	(6,882)	54,231	(75,758)		(28,410)
Saleway PC re trenchwood	2,948		(1,518)		1,430
Feckenham WM water/grazing	5,500		(8,500)	3,000	-
Ipsley Alders water supply	3,000		(3,000)		-
Pound Green Common grazing	4,500		(3,789)		711
National lottery Heritage Fund Emergency	-	71,057	(68,057)	(3,000)	-
Pound Green common restoration 2020	-	26,370	(16,240)	-	10,130
Support for delivery of Carbon reduction	-	10,000	-	-	10,000
SP - Land at Green Farm, Adjacent to Monkwood	-	200,000	(6,384)	(2,391)	191,225
Land management trial	-	7,560	(7,560)	-	-
g Woodlands	10,955	-	-	-	10,955
Butterfly Conservation	2,403	-	-	(2403)	-
	<u>589,338</u>	<u>705,418</u>	<u>(398,901)</u>	<u>(3,992)</u>	<u>891,863</u>
Total Restricted Funds of Charity	<u>6,717,700</u>	<u>733,618</u>	<u>(399,059)</u>	<u>(3,992)</u>	<u>7,048,268</u>
Restricted funds eliminated on consolidation	5,804		1,000		6,804
Total Restricted Funds of Group	<u>6,723,504</u>	<u>733,618</u>	<u>(398,059)</u>	<u>(3,992)</u>	<u>7,055,072</u>

22. MOVEMENT IN FUNDS - continued

- a) Gwen Finch Otter Reserve is for the creation and restoration of a large wetland on the River Avon.
- b) Hunthouse Wood - fund is for specifically approved projects on this reserve.
- c) Penorchard - fund is for specifically approved projects on this reserve.
- d) Hill Court Farm - fund is for the creation and maintenance of this wetland reserve.
- e) Lower Smite Farm - fund is for the creation and maintenance of the Education Centre and ancillary buildings.
- f) Special projects - the special projects fund is for the delivery of a wide range of projects, often on nature reserves, using a variety of restricted income sources.
- g) Woodlands - donation in memory of Mr and Mrs Clarke to be used specifically for buying a reserve which meets with their family's approval. We have not been able to fulfil this criteria to date.
- h) Various reserves - either gifted to the trust with restrictions attached or bought from donations and funds raised for a restricted purpose. All acquired in line with the Trust's objectives, to advance, promote and further the conservation and protection of Nature Reserves which shall be owned, maintained or managed by the Trust; to study and further the conservation, restoration and creation of places of natural beauty, zoological, botanical, ecological, geological, or general scientific interest, and to promote, encourage and carry out study and research for the advancement of knowledge in the natural sciences.

Transfers between funds

Transfers between funds have been made in the year to reflect the correct positions on special projects.

23. EMPLOYEE BENEFIT OBLIGATIONS

The following employers are the sponsoring employers of a defined benefit pension liabilities held in the Scheme in the UK, which provides retirement benefits based on members' salaries when they left employment. Further Employers may have defined contribution benefits held within the Scheme, but these Employers are not shown here.

- Bedfordshire, Cambridgeshire, Northamptonshire Wildlife Trust
- Derbyshire Wildlife Trust
- Essex Wildlife Trust
- Gloucestershire Wildlife Trust
- Lancashire Wildlife Trust
- Leicestershire and Rutland Wildlife Trust
- Leicestershire Wildlife (Sales) Ltd
- Lincolnshire Wildlife Trust
- Nottinghamshire Wildlife Trust
- Scottish Wildlife Trust
- Sheffield and Rotherham Wildlife Trust
- The Green Estate Ltd
- Sussex Wildlife Trust
- RSWT Wildlife Trust
- Worcestershire Wildlife Trust
- WNCT Enterprises Ltd

The assets of the Scheme are held in a separately administered fund and the Scheme is administered by the Trustees (independent of the Employers) who are responsible for ensuring that the Scheme is sufficiently funded to meet current and future obligations. However, the assets and liabilities are not segregated between the Employers.

The liabilities set out in this note have been calculated based on the preliminary results of the full Scheme Funding Assessment as at 1 April 2019, updated to 31 March 2021. The present value of the defined benefit obligation was measured using the projected unit credit method.

The Employers have agreed a funding plan with the Trustees, whereby contributions are made into the Scheme in order to remove the funding deficit based on each Employer's share of the total Scheme liabilities, calculated by the Scheme Actuary as at the most recent Scheme Funding Assessment (currently, 1 April 2019).

The disclosures set out below are based on calculations carried out as at 31 March 2021 by an independent qualified actuary.

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

The results of the calculations and the assumptions adopted are shown below. All figures in the disclosures are quoted to the nearest £1 unless otherwise stated.

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
	£	£
Current service cost	-	-
Net interest from net defined benefit asset/liability	2,483	3,415
Past service cost	-	-
	<u>2,483</u>	<u>3,415</u>
Actual return on plan assets	<u>138,664</u>	<u>(6,697)</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
	£	£
Opening defined benefit obligation	998,275	1,030,782
Interest cost	22,232	24,323
Actuarial losses/(gains)	107,676	(21,944)
Benefits paid	(36,830)	(41,969)
Administration expenses	16,321	7,083
Opening defined benefit obligation (detail not provided)	-	-
	<u>1,107,674</u>	<u>998,275</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
	£	£
Opening fair value of scheme assets	869,480	866,210
Contributions by employer	53,500	51,936
Expected return	19,749	20,908
Actuarial gains/(losses)	118,915	(27,605)
Benefits paid	(36,830)	(41,969)
	<u>1,024,814</u>	<u>869,480</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
	£	£
Actuarial gains/(losses)	<u>11,240</u>	<u>5,661</u>
	<u>11,240</u>	<u>5,661</u>

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.3.21	31.3.20
UK Equities	4.3%	4.0%
Overseas Equities	29.9%	22.3%
Diversified Growth Funds	23.5%	22.4%
UK Government Fixed Interest B	14.3%	18.8%
UK Government Index Linked Bon	14.7%	16.9%
UK Corporate Bonds	9.7%	10.3%
Property	2.1%	2.5%
Cash	1.5%	2.8%
	<u>100.00%</u>	<u>100.00%</u>

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

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31.3.21	31.3.20
Discount rate	1.95%	2.25%
Future salary increases	3.45%	2.70%
Future pension increases	2.65%	1.70%

	At 31 March 2021	At 31 March 2020
Life expectancy of a male aged 65 at the Balance Sheet Date	22.7	22.5
Life expectancy of a male aged 65 in 20 years from the Balance Sheet date	24.0	23.9
Life expectancy of a female aged 65 at the Balance Sheet Date	25.0	24.8
Life expectancy of a female aged 65 in 20 years from the Balance Sheet Date	26.4	26.2

	At 31 March 2021	At 31 March 2020
Rate of increase to pensions in payment:		
Fixed 5% pa	5.00%	5.00%
RPI max 5% pa	3.20%	2.65%
Mortality (before and after retirement)	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%	Males: 96% of S3PA Females: 95% of S3PA CMI_2018 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.

24. RELATED PARTY DISCLOSURES

The Trust is affiliated to The Royal Society of Wildlife Trusts (RSWT), a registered Charity that acts as an umbrella group for county wildlife trusts, and provides assistance and co-ordination of activities and campaigning at a UK level. An annual contribution is payable to RSWT, included within Charitable expenditure, amounting to £41,966 (2020: £42,450). The Trust also purchased publications and other sundries from the RSWT amounting to £16,328 (2020: £17,851). The Trust also made sales to RSWT of £3,788 (2020: £3,991). At the year end there was a balance of £1,925 (2020: £700) due to RSWT.

South West Wildlife Fundraising Ltd (SWWFL), a company which the Trust has invested in to boost membership recruitment and has an employee on the Board, M Perry. The Trust paid £106,893 (2020: £155,360) to SWWFL for services in the year and there was a balance due to SWWFL of £Nil (2020: £3,757) at the year end.

The Worcester Biological Records Centre (WBRC) is a separate legal entity operating on the Trust's site. G H Green, Trustee of the Trust, is also a trustee of WBRC. During the year, the Trust recharged overheads to WBRC of £Nil (2020: £218 wages were also recharged in 2020). During the year the WBRC paid WWT rent of £Nil (2020: £1,000) and WWT paid the WBRC £11,600 (2020: £11,000) the majority of which was for a SLA. At the year end, £Nil (2020: £Nil) was due to the Trust.

Vale Landscape Heritage trust is a registered charity which has trustees in common on the board, R Gillmor & G H Green. During the year, the Trust received £106,893 (£135,000) in donations with the support of Severn Waste Services. During the year, the Trust paid £Nil to Vale Landscape, in the prior year the Trust incurred £120 of sundry expenditure. There were no balances due at the year-end (2020: Nil)

All connected transactions occurred at arm's length.