

Badgworthy Trust for the Preservation of Exmoor
(A Charitable Trust)

Unaudited Annual Report and Financial Statements

For the Year Ended 31 March 2023

Charity Registered in England and Wales Number: 271170

Badgworthy Trust for the Preservation of Exmoor

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For the Year Ended 31 March 2023

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Badgworthy Trust for the Preservation of Exmoor

Reference and Administrative Details

For the Year Ended 31 March 2023

Trustees

T E H Yandle
G R Thomas-Everard
I L Pugsley
Sir S H Waley-Cohen, Bt
H R Thomas
F Busby

Contact address

The Elms Estate
The Elms Office
Bishops Tawton
Barnstaple
Devon
EX32 0EJ

Independent Examiner

Michelle Ferris BSc (Hons) FCA DChA
Albert Goodman LLP
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust Deed issued on 30 January 1976, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Public benefit

The trustees report that the charitable activities described in "Objectives and activities", "Achievements and performance" and "Plans for the future" are for the public benefit. The trustees also confirm that they have complied with section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Structure, governance and management

The Badgworthy Trust for the Preservation of Exmoor is an independent charity, registered number 271170.

The governing document is the Trust Deed dated 30 January 1976.

The following trustees served during the year:

T A H Yandle – resigned 1 February 2023
G R Thomas-Everard
I L Pugsley
Sir S H Waley-Cohen, Bt
Dr K J Collard – deceased 17 November 2023
H R Thomas
T E H Yandle – appointed 1 February 2023
F Busby – appointed 17 November 2023

As set out by the governing document, if the number of trustees ever falls to below four, the remaining trustees should seek to appoint another.

Objects and activities

The objects of the Trust are:

- (a) To promote for the benefit of the public generally and especially for the benefit of the inhabitants and users of the Exmoor National Park in the counties of Devon and Somerset, the protection of land and buildings of beauty or historic interest and as regards lands of ecological or other scientific importance within the National Park.
- (b) To provide or assist in the provision for the benefit of the public generally and especially the inhabitants and users of the Exmoor National Park open spaces, public parks and other charitable amenities, and in the interests of social welfare and with a view to improving the condition of life for the persons for whom the facilities are primarily intended, facilities for recreation and all other leisure time occupation and grounds and buildings to be used for these purposes.

Badgworthy Trust for the Preservation of Exmoor

Trustees' Report

For the Year Ended 31 March 2023

The Trust achieves these objectives through its own actions and through the actions of the Badgworthy Land Company, whose share capital it took over upon formation. The Company pre-dates the Trust having been set up on 23 December 1926. The objects of the Company when formed were much wider than the objects of the Trust (Copies of the Memorandum and Articles of Association at the time of forming are available from the Secretary on request). The Company objects are currently stated as being:

“To promote the protection of lands of ecological and scientific importance and buildings of beauty or historic interest within Exmoor National Park and to provide or assist in the provision of open place and other amenities for recreation within the Park for the benefit of the public and particularly the inhabitants of the National Park.”

The relationship of the Trust to the Company has always been close and trustees have been and still are also directors of the Company. This has allowed the trustee body to meet at least twice a year in conjunction with Company meetings, but as separate meetings, and to attend site visits and receive director's briefings, which are distributed some four times annually. The trustees therefore have a close knowledge of the issues concerning the Company and the method in which these issues are dealt with.

Review of activities

Over the course of the year the Trust has continued to manage its property assets both in direct ownership as well as through its wholly owned subsidiary. This has included managing three Higher Level Stewardship schemes to which it is a party as well as agreeing to new capital works programmes as requested by government bodies. Forestry has been managed to enhance environmental considerations with the continued rise of woodland disease management and invasive species control being particular features. The Trust has continued to encourage access for both recreational and educational access including the scheme at Snowdrop Valley and access for local charitable enterprises. This includes collaborating with other bodies to open up disused access. In addition grants have been offered to matters of local interest in the social, farming and sporting fields.

The Trustees have resolved to invest in actions on land controlled by Badgworthy Land Company that are consistent with the objects of the Trust and have resolved to raise the profile of the Trust.

The Statement of Financial Activities for the year is set out on page 10 of the financial statements. A summary of the financial results and the work of the Trust are set out below.

The income of the Trust arises from its investments and is used for the preservation of Exmoor. Overall there is net income of £128,319 which, when added to the funds brought forward of £932,554 results in a total of £1,060,873 carried forward. This represents the unrestricted funds of the charity and is principally made up of the investment in Badgworthy Land Company Limited.

The Trustees have actively looked for further land and manorial rights available to purchase, which would be consistent with the objectives of the Trust.

Achievements and performance

Company's actions relating to 'Object (a) Promoting protection of land and buildings':

- 1) By co-operation with the appropriate responsible bodies (currently DEFRA and Natural England) ensuring proper management of Trust and Company owned land, which are ecologically important, and promoting their proper management and by example encouraging other land managers, especially tenants of the Company and holders of common rights over Company land, to take similar responsible action.

Historical examples of the above include entry into Exmoor ESA schemes, Environmental Schemes (ES) and now Countryside Stewardship Schemes (CS), including participating in the first Statutory Commons Council. Pioneering moorland management plans, forming management agreements with NE, and carrying out species and site specific works in accordance with the Exmoor Bio-diversity Action Plan.

In the year, the Badgworthy Land Company continued to use the capital works money from the Higher Level (HLS) schemes to secure its boundaries and some internal hedgerows. The Company is three years into a three year programme of rhododendron control at Mansley Combe and continued to work on the programme at Badgworthy.

- 2) By co-operation with appropriate bodies, promoting scientific investigation of archaeology, flora and fauna on Trust and Company land. Acting upon the findings where appropriate and possible.

Illustrations of the above include surveys of moorland, specific plant surveys, lichens, red deer, dormice and butterflies and of rhododendrons and invasive plants.

- 3) By properly managing woodlands by entry into the Forestry Commission Woodland Grant Scheme.
- 4) By submission to enquiries and consultations relating to proposed government legislation such as public access, CROW Act, Commons legislation, Burns enquiry etc. and by submissions relating to land and buildings in relation to the Exmoor National Park Plan and the updating of the Exmoor Moorland units.
- 5) By representation by Company Officers (in that capacity), on advisory panels of the ENPA authority, and on management of the Trust and Company assets. This means that we aim to keep the properties and encourage other bodies.
- 6) By representation of Company officers in a private capacity, as above.
- 7) By purchase and consolidation, protecting lands etc. Recent examples include the purchase of land at Whiterocks Down and woodland at Sherracombe, Hawkridge Ridge and more land at Whiterocks.

Company's actions in relation to 'Object (b) Providing and assisting in the provision of open spaces parks and other charitable amenities':

bi) Support for recreation:

Historically the Company has promoted this objective by dedication of moorland as access land, through sec193 LPA 1925. The Company has allowed permissive paths to be created historically; as with the Two Moors Way across Cheriton Ridge and along the Barle Valley. The Company has promoted filling the "missing links" in footpath and bridleway networks and assisted the British Horse Society in preparation of guidance for riding routes on Exmoor.

The Company supports all appropriate forms of leisure activity that are compatible with preserving Exmoor. This does mean in certain circumstances the Company believes that the interest of preservation of a specific habitat or species; for example those species identified in the Exmoor Bio-diversity Plan that public access should be temporarily or permanently excluded or discouraged. Guidance is taken from appropriate bodies and the considerable local knowledge available to us. In addition, assessment of risk indicates that public access to all Company property is inadvisable because of natural or man-made hazards and that certain properties, particularly working farms, houses and businesses are inappropriate for access other than on definitive rights of way. This means that we historically have not encouraged public access to our entire land holding.

Support has been given by way of financial support for the footpath and bridleway network through the Exmoor Paths Partnership, and by the voluntary creation of permissive footpaths and bridleways where specific problems have been identified.

The Company supports events across its land and elsewhere on Exmoor such as the Golden Horseshoe (endurance riding), The Exmoor Chase XC, organised mountain bike rides, orienteering, walking for charitable purposes and arduous training and other events and outdoor activities.

The Company believes that organized leisure activities and events should be carried out in a safe manner and at times that do not conflict with nature (e.g. birds nesting season) and other activities. To achieve this, the Company licenses establishments such as pony trekking centres and advocates the ENPA protocol for organized events. In assisting event organizers, the Company co-operates with the ENPA, EN and other bodies to avoid conflicts between conservation and recreation. We have had to join with the ENPA, the Police and other bodies in discouraging damaging activities and those contrary to bylaws.

bii) Further actions supporting this objective

In addition to specific actions set out above, the principal action supporting this objective is the sound estate our tenants and those holding common rights over land owned similarly to keep the property in good agricultural and environmental condition. This ensures that residents and local inhabitants see Exmoor at its best.

To assist with the management of company assets, the company has continued to register title to both its freehold lands and its profits à prendre.

Future benefits are ensured by considering public benefit in planning management tasks and projects; for example within England Woodland Grant Scheme.

Badgworthy Trust for the Preservation of Exmoor

Trustees' Report

For the Year Ended 31 March 2023

Financial review

Grant making policy

The Trust's overall policy is to maintain its existing property holdings, to provide as appropriate public access over them and to look after the wildlife within them. The Trust in broad terms utilises its income with these objectives and in saving sufficient funds which it can utilise for the purchase of further landholdings in the future. The Trust does not therefore advertise for applications for grants. However, the existence of the Trust is widely known on Exmoor and when receiving applications for grants the Trust considers these and will on occasion make grants or loans to other bodies whose activities are in accordance with the Trust's purposes.

Reserves policy

The Trust has unrestricted reserves of £1,060,873.

The Trust needs reserves to make sure it can meet all its commitments. The Company's primary income sources are rents received and grants obtained in respect of the Company's property holdings. In turn the Trust's principal income has been derived from gift aid from the Company.

The Trust wishes to continue to either assist the Company in the purchase of land or to purchase land in its own name for the furtherance of the purposes of the Trust. Thus it is agreed that the Trust will continue to retain income so that sufficient monies can be accrued for the furtherance of such purposes. In the event, however that land is purchased, it will be the Trust's policy to retain sufficient funds to enable the Trust to meet at least six months' outgoings.

Investments selection policy

The Trust has an overall policy of accumulating funds with a view to the purchase of further landholdings. As a consequence of this, the Trust will adopt a low risk investment policy. Monies held by the Trust should be invested on deposit at banks, building societies or held in other low risk investments including unit trusts specially set up with charities in mind. Given that one of the purposes of the Trust is the protection of Exmoor, then the Trust will avoid investments which conflict with this purpose, even if the conflict may be outside the Exmoor area; for instance, the Trust will not invest in businesses which potentially pollute the environment, even if such pollution is in another part of the world.

Badgworthy Trust for the Preservation of Exmoor

Trustees' Report

For the Year Ended 31 March 2023

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the trustees on 27 November 2023

Sir S H Waley-Cohen, Bt
Trustee

Badgworthy Trust for the Preservation of Exmoor

Independent Examiners' Report to the Trustees

For the Year Ended 31 March 2023

Independent examiner's report to the trustees of the Badgworthy Trust for the Preservation of Exmoor

I report to the trustees on my examination of the accounts of Badgworthy Trust for the Preservation of Exmoor ("the Trust") For the Year Ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011("the Act").

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Michelle Ferris BSc (Hons) FCA DChA
Albert Goodman LLP
Chartered Accountants
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Dated: 15 December 2023

Badgworthy Trust for the Preservation of Exmoor
Statement of Financial Activities
For the Year Ended 31 March 2023

	Notes	Unrestricted Total 2023 £	Unrestricted Total 2022 £
Income from:			
Donations and legacies		113,000	75,000
Investment income:			
Bank interest		1,183	51
Other interest received		10,372	4,738
Total		124,555	79,789
Expenditure on:			
Charitable activities:			
Deer count and other monitoring services		(5,000)	-
Governance costs			
Accountancy services		786	758
Independent examination		450	400
Total		(3,764)	1,158
Net income & net movement in funds		128,319	78,631
Reconciliation of funds:			
Fund balances at 1 April 2022		932,554	853,923
Fund balances at 31 March 2023		1,060,873	932,554

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

The statement of financial activities incorporates the income and expenditure account.

Badgworthy Trust for the Preservation of Exmoor

Balance sheet

As at 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	3	94,579	94,579
Investment in subsidiary	4	291,034	286,662
		<u>385,613</u>	<u>381,241</u>
Current assets			
Debtors	5	-	12,000
Cash at bank and in hand		676,460	545,447
		<u>676,460</u>	<u>557,447</u>
Creditors			
Amounts falling due within one year	6	(1,200)	(6,134)
		<u></u>	<u></u>
Net current assets		<u>675,260</u>	<u>551,313</u>
Net assets		<u>1,060,873</u>	<u>932,554</u>
Unrestricted funds	8	<u>1,060,873</u>	<u>932,554</u>
		<u>1,060,873</u>	<u>932,554</u>

Approved by the Board for issue on 27 November 2023 and signed on their behalf by:

Sir S H Waley-Cohen, Bt
Trustee

1 Accounting policies

1.1 Basis of accounting

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

The charity meets the definition of public benefit under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Fund accounting

Unrestricted income funds are general funds that are available for the use at the trustees' discretion in furtherance of the objectives of the charity.

1.3 Income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

All income is reported as gross of related expenditure.

Grants and donations are only included in the 'SoFA' when the charity has unconditional entitlement to the resources.

The charity receives income from its subsidiary under gift aid which is recognised upon receipt.

Investment income is included in the accounts when it is receivable.

1.4 Expenditure

Expenditure is accounted for on the accruals basis. Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance costs include the preparation and examination, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Support costs are shown under the costs in furtherance of the charitable activities.

1.5 Fixed assets

Fixed assets held in furtherance of the trust's objects are stated at cost less accumulated depreciation (where appropriate). The only asset currently held is freehold land on which no depreciation is provided in accordance with FRS 102 (paragraph 17.16).

1.6 Investment in subsidiary

The investment in the share capital of the trust's subsidiary constitutes a programme related investment and is stated at cost. A loan to the subsidiary also constitutes a programme related investment and is stated at the value outstanding under the loan agreement.

1.7 Debtors

Debtors are receivable within one year and are recorded at transaction price.

Badgworthy Trust for the Preservation of Exmoor

Notes to the Financial Statements

For the Year Ended 31 March 2023

1.8 Cash at bank and in hand

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

1.9 Creditors

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

1.10 Consolidated accounts

Consolidated accounts have not been prepared as the gross income of the group in the accounting year is lower than the consolidation threshold under the Charities Act 2011.

1.11 Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost and details are in note 9. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals, other creditors and bank loans are financial instruments, and are measured at amortised cost and detailed in note 9. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not seemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2 Trustees' and employees remuneration

The trust has no employees, and hence no key management personnel and none that receive remuneration of over £60,000 (2022: none).

No trustee received any remuneration or expenses during the year (2022: none).

3 Tangible assets

	Land £
Cost and net book value	
As at 31 March 2022	94,579
As at 31 March 2023	94,579

Badgworthy Trust for the Preservation of Exmoor

Notes to the Financial Statements

For the Year Ended 31 March 2023

4 Investment in subsidiary: Badgworthy Land Company Limited	2023 £	2022 £
Equity shares	2,049	2,049
Loan account	288,985	284,613
	<u>291,034</u>	<u>286,662</u>

The trust owns the whole of the issued ordinary share capital of Badgworthy Land Company Limited (company number – 00218403), a company registered in England and Wales. The company owns various freehold land and buildings on Exmoor, which it administers in accordance with the objects of the trust.

The loan owed by the subsidiary undertaking is secured by a mortgage over the assets of the subsidiary. Interest is charged at 1.5% over the NatWest Bank base rate. There are no formal repayment terms.

Badgworthy Land Company Limited

	2023 £	2022 £
Turnover	193,208	202,128
Cost of sales	(92,188)	(47,743)
Gross profit	<u>101,020</u>	<u>154,385</u>
Administrative expenses	(1,684)	(465)
Other operating income	9	9
Operating profit	<u>99,345</u>	<u>153,929</u>
Other operating expenses	(9,305)	(4,150)
Profit on ordinary activities before taxation	<u>90,040</u>	<u>149,779</u>
Taxation	(1,876)	(4,666)
Profit on ordinary activities after taxation	<u>88,164</u>	<u>145,113</u>
Retained earnings brought forward	704,852	635,213
Gift aid to parent charity	(125,000)	(75,000)
Transfer of fair value adjustment	(854)	(474)
Retained earnings carried forward	<u>667,162</u>	<u>704,852</u>

The aggregate of the assets, liabilities and capital and reserves was:

Assets	1,102,179	1,133,773
Liabilities	(301,387)	(296,145)
Capital and reserves	<u>800,792</u>	<u>837,628</u>

Badgworthy Trust for the Preservation of Exmoor

Notes to the Financial Statements

For the Year Ended 31 March 2023

5 Debtors

	2023	2022
	£	£
Accrued income	-	12,000
	<u>-</u>	<u>12,000</u>
	<u>-</u>	<u>12,000</u>

6 Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals	1,200	6,134
	<u>1,200</u>	<u>6,134</u>
	<u>1,200</u>	<u>6,134</u>

7 Related party transactions**Badgworthy Land Company Limited**

(A wholly owned subsidiary of the Trust)

Interest amounting to £10,372 (2022: £4,738) was charged in respect of the loan to Badgworthy Land Company Limited during the year. The balance outstanding from Badgworthy Land Company Limited at the year-end was £288,985 (2022: £284,613) relating to the loan account.

Badgworthy Trust for the Preservation of Exmoor

Notes to the Financial Statements

For the Year Ended 31 March 2023

8 Statement of funds

	Balance 01.04.22 £	Income £	Expenditure £	Transfers £	Balance 31.03.23 £
Unrestricted funds					
General	932,554	124,555	3,764	-	1,060,873
Total funds	932,554	124,555	3,764	-	1,060,873

	Balance 01.04.21 £	Income £	Expenditure £	Transfers £	Balance 31.03.22 £
Unrestricted funds					
General	853,923	79,789	(1,158)	-	932,554
Total funds	853,923	79,789	(1,158)	-	932,554

9 Financial instruments**Categorisation of financial instruments**

	2023 £	2022 £
Financial assets at fair value through the profit and loss account	291,034	286,662
Financial instruments that are debt instruments measured at amortised cost	676,460	557,447
	979,494	844,109
Financial liabilities measured at amortised cost	1,200	6,134
	1,200	6,134

The total interest income for financial assets measured at fair value through the profit and loss account is £10,372 (2022: £4,738). There is no expenditure, gains or losses to report for the current or comparative year.